

Margaret Green Animal Rescue

(a Charitable Incorporated Organisation)

Annual Report and Financial Statements Year Ended 30 September 2018

Charity registration number: 1167990



Margaret Green Animal Rescue

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Margaret Green Animal Rescue

Trustees' Report

This year has seen the charity build on the development work we undertook in 2016/17 with many projects now in place and more planned for 2018/19.

Animal welfare continues to evolve, with the animals that come to us tending to have more behavioural or health problems. This often means a much longer care period before they are able to be rehomed. In the 12 months covered by this report, we have seen fewer stray dogs coming into the centres, and fewer cats and kittens being brought in from homes.

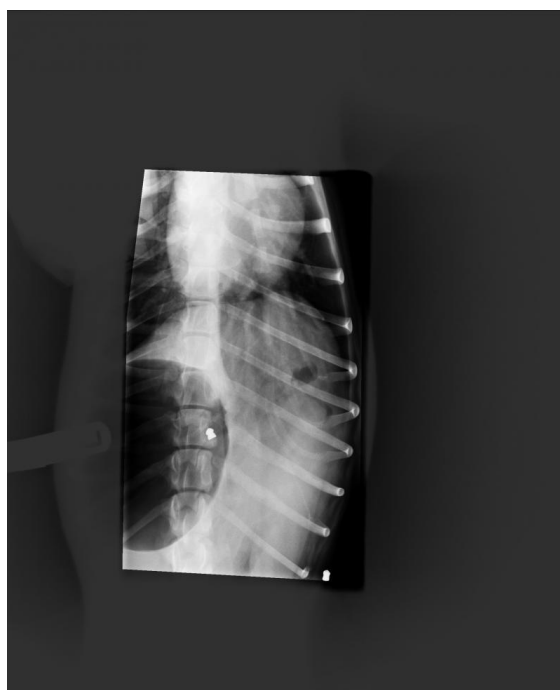
Our focus on retail saw new shops in Weymouth in October 2017, and in Wimborne in March 2018.

The work we achieve every day, would not be possible without the help of our staff, volunteers, and supporters. It is important to recognize that we change the lives of the animals we care for on a daily basis. We are proud of the high levels of animal welfare we achieve, and without the extensive help by volunteers it would just not be possible. Volunteering hours have increased from 11,053 in 2016/17 to 14,835 in 2017/18. This impressive increase has come from two main areas; our Corporate Days where large local companies work with our Estates team on a number of projects; and our retail shops which included the shop stripping and fitting of the Weymouth shop by a volunteer couple who put in a staggering effort to bring the shop to the point of opening. Volunteers worked more than 6,000 volunteer hours in the shops, without whom we would not have been able to operate.

We calculate that the financial value of these volunteer hours is £116,158 (£85,440 in 2017) and we expect this figure to continue to grow in 2018/19 as more shops open and we encourage volunteer support at more external events.

The work we do is all about the animals, many of whom come to us through no fault of their own, and these are some of their stories which highlight why our work is so important.

Otto's Story



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Otto, the German wired haired Pointer originally came into Lincoln Farm in December 2015 after being rescued from Spain where it appears he had been shot with an air gun, meaning that he had three pellets lodged in his spine and side. It was agreed that the best thing for Otto was to leave the pellets in place unless problems occurred in the future and he went to his forever home in early 2016. It was agreed at this time to provide ongoing support for Otto should the pellets cause problems as insurance was not available for him.

A year later and Otto was suffering from repeated abscesses that were restricting his movement and becoming painful. When X-rays showed the pellet in his spine was causing the problem it was confirmed that an operation to remove the pellet was the only option to improve Otto's quality of life and prevent recurring infections. With the cost of this confirmed as £3,900 (a discounted rate) and the possibility of further post-operative support too, it was decided to run a Just Giving Campaign to raise funds for Otto.

The campaign (<https://www.justgiving.com/campaign/Ottos-story>) was very successful raising £2,658.28. That amount coupled with a news story on the MGAR website (https://www.margaretgreenanimalrescue.org.uk/Otto_needs_your_help_please.html), social media posts on Facebook and subsequent shares meant that donations were also made independently and so the amount to cover the operation was raised.

The operation was a success and shortly after, this update was received from his owners:

"Otto is recovering really well, he's certainly smiling a lot more than before and trying to race around and play with his brother (though we are trying to stop that whilst he's recovering). We will be forever grateful for all the love and support shown by everyone. Otto can look forward to a fantastic life ahead chasing all the birds he likes!"

Otto's story highlights how every donation helps the charity to support and care for rescue animals and to achieve the best for their welfare.

A real Ray of Sunshine

Ray, is a prime example of how the regular donations we receive can really help us to care for the animals brought into centres, and demonstrates great animal welfare practice. This affectionate 6 year old was handed into Wingletang as a stray at the end of January 2018 in a bad way.

His coat was very tightly matted and covered in oil as he'd been sheltering under cars for warmth. His coat was so bad the only option was to clip him so that the majority of his coat was gone, just leaving the fur on his head, tail and the end of his tail.

Throughout all of this Ray showed no signs of a struggle, his sunny disposition was almost as if he knew that he was being helped. He was even laying in his carers arms while he was being clipped so that his tummy could be reached.

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Ray soon found his forever home in March 2018 where he continued to receive lots of love and cuddles and even a t-shirt to keep him warm while he waited for his fur to grow back.

Behind the mask - Royal

Royal, the 15 year old Shire horse has been at Church Knowle since June 2017 when his owner could no longer provide the extensive care he needs.

Royal suffers from COPD which was exacerbated by high pollen counts caused by the hot weather during the summer in 2018 and the only way to control and ease his condition was through regular steroid medication, which reached costs of over £1,500.



It was decided that a Nebuliser was the best way forward for Royal as this would hopefully cut down on the amount of steroids, which would be better for him and save money on his ongoing treatment. At first Royal was not too sure of wearing the Nebuliser so he went through a de-sensitize programme involving a bucket and Polos to get him used to the equipment around his face.

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The use of the Nebuliser has saved us a significant amount of money and is now costing under £500 a month. During the colder months Royal does not suffer to the same degree and during this time can be ridden out, or in the school.

Royal remains a long term project and one who will be continually reviewed as we approach summer again.

Objectives and Activities

The objectives and values of the Charity are to

Rescue, Care, Rehome and Support

We will **Rescue** homeless, abandoned, neglected or mistreated animals, ensuring Veterinary **Care**, rehabilitation and respect for each animal. Finding suitable forever homes for the pets in our care to be **Rehomed**, and providing lifelong **Support** for owners and their rescued pets.

As part of this we abide by the Five Freedoms for Animal Welfare

1. Freedom from hunger or thirst, by ensuring easy access to fresh water, and a suitable diet to maintain a full and healthy life
2. Freedom from discomfort by providing the appropriate environment including shelter and a resting area which is both comfortable and safe
3. Freedom from pain, injury or disease wherever possible from prevention, or the early detection and rapid diagnosis and treatment
4. Freedom to express (most) normal behaviour by providing sufficient space, proper facilities, enrichment programmes and company of the animal's own kind
5. Freedom from fear and distress by ensuring our conditions and treatment avoid any mental suffering

To achieve our objectives we have invested in resources that will allow us to increase the number of animals we are in a position to help, whilst ensuring that the high level of care is not compromised.

Practical examples of this include refurbishing kennels to provide up to date facilities which help keep the dogs calm whilst allowing for greater efficiency to keep the kennels clean and more practical to manage. We have built flexibility into the design to allow for the constantly changing needs of animal welfare. The completion of the barn was a major improvement for the housing of the animals at Church Knowle, with space for isolation, as well as various storage facilities.

Our immediate aim is to continue to rehome all animal species where they are most likely to enjoy a full and happy life, and to generate funding to provide the standard of care which is required to do this.

Longer term our aims are to make better use of the land resource we have available to enable us to increase the number of animals which we can assist.

The trustees have given due regard to public benefit when planning the charity's activities in accordance with the Charity Commission's guidance on public benefit. Our activities of rescuing homeless, abandoned, neglected or mistreated animals are in the public benefit as we care for the animals that some of the public are no longer able or willing to do.

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Trustees' Report

Financial Review –

The financial statements on the following pages provide full details of the results for the year and the charity's financial position at the year end. In summary the Charity has achieved a financial surplus in the reporting year of £348,167 compared to a surplus of £7,854,425 in the previous financial year. It must be noted that in 2016/17 this did include £7,196,236 which represents the assets and liabilities of Margaret Green Animal Rescue (252594) transferred to the Charity. The Charity therefore reports a surplus of £348,167 in 2017/18 compared to £658,189 in 2016/17, on a like for like basis.

The Board of Trustees consider the Charity a sustainable and financially strong animal welfare charity. Our plans for the next five years are based on our determination to maintain our commitment to animal welfare across our geographic region supported by our ongoing financial performance.

Reserves Policy -

The trustees have identified the following financial risks to the charity: dependence upon legacy income and the risk that this may not be forthcoming; and prolonged site closure due to infection, government-imposed restriction of movement or widespread property damage; both of which would result in loss of income from charitable activity and donations. We have calculated that either of these things could result in a loss of approximately £560,000 per annum until such time as normal business activity resumes. The trustees have decided that it is therefore prudent to keep approximately 3 years' assumed losses in reserve, which would amount to £1,680,000. This is entitled the Financial Risk Reserve.

The trustees have then set aside a number of other designated funds:

- A Depreciation Reserve of £2,161,284 has been established equivalent to the value of Depreciable Fixed Assets; these are the three centres which provide all animal welfare capability.
- An Investment Reserve of £2,215,000 has been established consisting of our Agricultural and other rental assets of £965,000 in Lincolnshire which generate essential annual investment income towards our operating costs plus the £1.25m proceeds on the sale of investment properties during the year.
- £20,500 has been designated to support the charity's commercial ambitions through the trading company to acquire and open more retail units in order to further develop more sustainable and controllable income sources.
- £1,042,000 has been designated for trustee approved centre developments including a kennel and cattery refurbishment/replacement at Wingletang and a new Reception/Administration building at Lincoln Farm.

The net result of these various Reserves and Designated Funds is that the Trustees consider that a Free Reserve for day to cash flow management must be maintained; this is currently in the order of £1,083,338.

Restricted income from donations is spent in accordance with the donors' wishes.

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Trustees' Report

Achievements and Performance

Our Key Performance Indicators (KPIs) cover Finances, Animal Care, and Customer Care.

A statement of our Financial Performance is detailed above.

We review the total number of animals which are received into the care of the Charity each year and in the year to 30th September 2018, 1,192 animals of varying species benefited from the care we provide. This represents an increase on the previous year (1,109 animals in 2016/17).

Our Rehoming figures during this period have also increased with us rehoming 896 animals in 2017/18 (773 in 2016/17).

Rehoming of dogs remains consistent with 354 rehomed in 2017/18 (350 in 2016/17) as does cat rehoming at 306 (304 in 2016/17). This was similar across most species, but there was a noticeable increase in the number of poultry rehomed, up from 56 in 2016/17 to 159 in 2017/18. We are working with other hen rescues to offer places for birds which are considered no longer suitable for commercial egg laying, and we often have a waiting list of suitable adopters for the hens. These hens usually are in very poor condition, but with the right care, they tend to improve very quickly. Rehoming of the larger species remains challenging, with more animals tending to come in due to behavioural or health issues such as highlighted with story of Royal earlier in the report. The work required with these animals means a special home is needed, where the appropriate care and support can be offered.

The numbers of stray dogs coming in from councils is still reducing, down by 15% compared to the previous year. We are also receiving far fewer kittens into the rescue centres. We are finding that animals may have had several homes before they are handed in to us, which may mean they have more behavioural or ingrained issues than we would have seen previously. There is an increase in animals being sold on some websites, where you could raise a small amount of money for your pet. This is a particular issue with kittens, where over the last year we have seen an increase in kittens for sale online rather than being handed in.

We continue to work together with a number of other animal welfare organisations to offer places where animals with the highest welfare needs are provided with suitable care as quickly and efficiently as possible.

We are also experiencing a much higher requirement for veterinary care in the animals that are brought to us, as the stories of Otto, Ray and Royal highlight. This has resulted on an 8% increase in our veterinary costs.

We seek input from all adopters and centre visitors to identify improvements which we could make to the customer care experience. As a general statement we receive a lot of positive feedback and where suggestions for improvement are received, we always give these full consideration. An example of this is the rehoming feedback forms we give out to all our Forever Homes, the results of these are sent to each Centre Manager to ensure we monitor and adapt as required.

The objective of caring for the animals can be seen in the improvements in the facilities we provide. We have completed a new Barn at our Church Knowle site to ensure that we are in a good position to deal with the escalating situation with equines, which are being abused and abandoned, or signed over where their owners can no longer afford to look after them, often with long term medical conditions.

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The Barn has meant we now have an isolation area for when new animals join us. We are also able to socialise much more simply, previously we were using field space to bring the horses closer to the stable area as their training progressed. The Barn has increased the number of stables available to us, and in addition has ensured that when we have large equines, (we currently have a 16.2 hands horse and a Shire horse on site), that we have stables which are fit for purpose for them.

Original building:



Completed Barn:



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New ambulances ensure that we can move our animals safely and provide the maximum comfort with purpose built air conditioned pens inside the vehicles. Transporting of animals, particularly sick or stressed animals can be quite challenging, and to be able to utilise modern comfortable transport, minimises the problems.

Work to refurbish some of our older kennels at our Lincoln Farm site started in June 2018. The kennels were in poor condition and were not appropriate for our needs, and did not offer us the flexibility we require with ever changing needs in animal welfare. The completed kennels offer much improved facilities, providing a more suitable environment for the dogs, whilst being more efficient to heat, clean, and maintain.



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The hot summer of 2018 brought its own challenges with looking after the animals, from pigs with heatstroke to exercising the dogs. The animals mostly coped well in the heat, we provided extra shade where needed, gave frozen water bottles for the small animals and frozen veg lollies for some of the farm animals, whilst restricting exercise time for dogs.

The weather did however affect our events, with the main event at our Church Knowle site, the dog show, having to be cancelled due to extreme heat; unfortunately followed by the Country Fayre which was due to be held in September, also being cancelled due to gale force winds.

Retail

Our focus on Retail continues to grow with the successful opening of a charity shop in Weymouth in October 2017. This shop has proved to be an asset to our portfolio, in a key area of the town, but with a reasonable rent. Footfall is high at that site, where it is situated between the town and the beach. The summer trade was very encouraging for its first year, and bodes well for the future.

In March 2018 we opened our third charity shop, in Wimborne. The shop is in a busy pedestrian area which links the town centre to car parks, and offers much potential and it increases the opportunities to publicise the work we do as a charity, in a town where we were not so well known.

Margaret Green Animal Rescue

Trustees' Report

Plans for future periods

We are planning to improve the facilities at Lincoln Farm for rehoming meetings and general administration as these are currently very dilapidated and not fit for purpose, and are a strain on the resource and time of the Estates team to keep sufficiently maintained. A new reception building is planned, and planning permission has been granted, with work starting in January 2019.

At Wingletang Rescue and Rehoming Centre we are considering a significant project consisting of refurbishing and replacing areas of kennels and the cattery. This will be a much needed improvement as we again aim to bring these areas up to the current standard for animal welfare.

We will continue to develop our Retail offer with plans for a new shop in Kinson, and potentially others if considered suitable by the Board of Trustees.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems and reports have been established so that necessary steps can be taken to manage these risks. This is reviewed at every meeting of the trustees.

Structure, Governance and Management

The charity has operated since it was founded in 1965 as an “unincorporated” organisation. Following new Charity Commission guidance we have changed our legal status into a “Charitable Incorporated Organisation” (CIO) as of the 1st October 2016. The charity now has a new charity number, but its aims and objectives remain the same. The same Trustees govern the new charity, and have transferred all the assets and liabilities of the previous charity.

Trustees are appointed following recognition by the board of a desirable skills or expertise shortage, and recruited following recommendations by trustees. All trustees receive an induction into the charity including visits to the rescue centres, and governance and financial information in accordance with Charity Commission guidelines. The charity currently has 6 Trustees who meet every other month to review the activities and the performance of the charity, including financial reviews, operational issues, and risk management.

Day to day management of the charity is delegated to the Chief Executive, who is assisted by a management team running the Rescue Centres and Commercial businesses.

In April 2016 a Trading Company was created to separate the risks of the commercial operations from the charity's activities. The Trading Company now incorporates all income from commercial boarding, online sales, and retail activity.

Staff remuneration is reviewed annually and considers the current financial performance of the charity, statutory requirements in respect of minimum/living wage limits, current rate of inflation and comparable pay rates within the charity sector.

Governing Document

The Constitution of the Charitable Incorporated Organisation was registered with the Charity Commission on the 1st July 2016.

Margaret Green Animal Rescue

Trustees' Report

The annual report was approved by the trustees of the charity on 26 March 2019 and signed on its behalf by:

.....
T Payne
Trustee

.....
A W Simons
Trustee

Margaret Green Animal Rescue

Statement of Trustees' Responsibilities

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

Charity law requires the trustees to prepare financial statements for each financial year. Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 26 March 2019 and signed on its behalf by:

.....
T Payne
Trustee

.....
A W Simons
Trustee

Margaret Green Animal Rescue

Reference and Administrative Details

Chief Executive Officer

G Wright

Trustees

Matt Devereux

Mike Nathan

Timothy Payne

Alan Simons

Lorraine Suchanek

Duane Walker

Patrons

Katie Boyle (Lady Saunders) (Deceased March 2018)

Edward Fox OBE

Principal Office

Margaret Green Animal Rescue
Church Knowle
Wareham
Dorset
BH20 5NQ

Margaret Green Animal Rescue

Reference and Administrative Details

Charity Registration Number

1167990 England & Wales

Solicitors

Stillwells Solicitors
6 Carlton Crescent
Southampton
Hampshire
SO15 2EY

Bankers and investment managers

National Westminster Bank Plc
5 Old Christchurch Road
Bournemouth
Dorset
BH1 1DU

Hermes Property Unit Trust
Lloyds Chambers
1 Portsoken Street
London
EC1 8HZ

UBS Wealth Management (UK) Ltd
1 Curzon Street
London
W1J 5UB

Auditor

PKF Francis Clark
Statutory Auditors
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Rescue Centres

Church Knowle, Wareham, Dorset, BH20 5NQ

Lincoln Farm, Bere Road, Winterborne Kingston, Blandford, Dorset, DT11 9BP

Wingletang, Brentor Road, Heathfield, Tavistock, Devon, PL19 0LF

Margaret Green Animal Rescue

Independent Auditor's Report to the Members of Margaret Green Animal Rescue

Opinion

We have audited the financial statements of Margaret Green Animal Rescue (the 'group') for the year ended 30 September 2018, which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the charity Balance Sheet, the consolidated Statement of Cash Flows and the related notes 1-22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's affairs as at 30 September 2018 and of its results 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Margaret Green Animal Rescue

Independent Auditor's Report to the Members of Margaret Green Animal Rescue

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Margaret Green Animal Rescue

Independent Auditor's Report to the Members of Margaret Green Animal Rescue

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Michael Bath BSc FCA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

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

Date: 1 April 2019

PKF Francis Clark is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Margaret Green Animal Rescue

Consolidated Statement of Financial Activities

Year Ended 30 September 2018

(Including Consolidated Income and Expenditure Account)

		Unrestricted funds £	Restricted funds £	Total 2018 £	(as restated) Total 2017 £
	Note				
Income and Endowments from:					
Donations and legacies	2	1,327,271	5,912	1,333,183	1,502,841
Charitable activities	3	104,468	-	104,468	121,525
Other trading activities	4	343,272	-	343,272	264,986
Investment income	5	74,936	-	74,936	76,777
Transfer from MGAR					7,196,236
Total Income		1,849,947	5,912	1,855,859	9,162,365
Expenditure on:					
Raising funds	7	(190,641)	-	(190,641)	(116,959)
Charitable activities	8	(1,384,092)	(9,194)	(1,393,286)	(1,291,046)
Total Expenditure		(1,574,733)	(9,194)	(1,583,927)	(1,408,005)
Net income		275,214	(3,282)	271,932	7,754,360
Transfers between funds		97,398	(97,398)	-	-
Other recognised gains and losses					
Unrealised gain/(loss) on investments		76,235	-	76,235	100,065
		448,847	(100,680)	348,167	7,854,425
Reconciliation of funds					
Total funds brought forward		7,753,275	101,150	7,854,425	-
Total funds carried forward	19	8,202,122	470	8,202,592	7,854,425

All of the group's activities derive from continuing operations during the above period.

Margaret Green Animal Rescue

Consolidated Statement of Financial Activities

Year Ended 30 September 2018

(Including Consolidated Income and Expenditure Account)

		Unrestricted funds £	Restricted funds £	(as restated) Total 2017 £
	Note			
Income and Endowments from:				
Donations and legacies	2	1,336,468	166,373	1,502,841
Charitable activities	3	121,525	-	121,525
Other trading activities	4	264,986	-	264,986
Investment income	5	76,777	-	76,777
Transfer from MGAR	6	7,159,026	37,210	7,196,236
		<u>8,958,782</u>	<u>203,583</u>	<u>9,162,365</u>
Total Income				
Expenditure on:				
Raising funds	7	(116,959)	-	(116,959)
Charitable activities	8	(1,283,196)	(7,850)	(1,291,046)
		<u>(1,400,155)</u>	<u>(7,850)</u>	<u>(1,408,005)</u>
Total Expenditure				
Net income		7,558,627	195,733	7,754,360
Transfers between funds		94,583	(94,583)	-
Other recognised gains and losses				
Unrealised gain on investments		100,065	-	100,065
		<u>100,065</u>	<u>-</u>	<u>100,065</u>
Reconciliation of funds				
Total funds carried forward	19	7,753,275	101,150	7,854,425
		<u>7,753,275</u>	<u>101,150</u>	<u>7,854,425</u>

All of the group's activities derive from continuing operations during the above period.

Margaret Green Animal Rescue

Consolidated Balance Sheet

30 September 2018

	Note	2018 £	(as restated) 2017 £
Fixed assets			
Tangible assets	13	2,260,244	2,051,862
Investments	14	4,347,279	4,354,359
		<u>6,607,523</u>	<u>6,406,221</u>
Current assets			
Stocks	15	9,267	10,204
Debtors	16	973,149	1,048,014
Cash at bank and in hand		764,241	537,257
		<u>1,746,657</u>	<u>1,595,475</u>
Creditors: Amounts falling due within one year	17	<u>(151,588)</u>	<u>(147,271)</u>
Net current assets		<u>1,595,069</u>	<u>1,448,204</u>
Net assets		<u>8,202,592</u>	<u>7,854,425</u>
Funds of the group:			
Restricted funds		470	101,150
Unrestricted income funds			
Designated funds		7,118,784	6,966,483
Unrestricted funds		1,083,338	786,792
Total funds	19	<u>8,202,592</u>	<u>7,854,425</u>

The financial statements on pages 18 to 48 were approved by the trustees, and authorised for issue on 26 March 2019 and signed on their behalf by:

.....
T Payne
Trustee

.....
A W Simons
Trustee

Margaret Green Animal Rescue

Balance Sheet

30 September 2018

	Note	2018 £	(as restated) 2017 £
Fixed assets			
Tangible assets	13	2,236,284	2,033,544
Investments	14	4,347,379	4,354,459
		<u>6,583,663</u>	<u>6,388,003</u>
Current assets			
Debtors	16	1,049,322	1,108,489
Cash at bank and in hand		721,584	505,593
		<u>1,770,906</u>	<u>1,614,082</u>
Creditors: Amounts falling due within one year	17	(139,711)	(131,202)
Net current assets		<u>1,631,195</u>	<u>1,482,880</u>
Net assets		<u>8,214,858</u>	<u>7,870,883</u>
Funds of the charity:			
Restricted funds		470	101,150
Unrestricted income funds			
Designated funds		7,118,784	6,966,483
Unrestricted funds		1,095,604	803,250
		<u>8,214,858</u>	<u>7,870,883</u>
Total funds	19	<u>8,214,858</u>	<u>7,870,883</u>

The financial statements on pages 18 to 48 were approved by the trustees, and authorised for issue on 26 March 2019 and signed on their behalf by:

.....
T Payne
Trustee

.....
A W Simons
Trustee

Margaret Green Animal Rescue
Consolidated Statement of Cash Flows
Year Ended 30 September 2018

		2018	(as restated)
	Note	£	2017
			£
Cash flows from operating activities			
Net cash income		348,167	7,897,110
Adjustments to cash flows from non-cash items			
Depreciation	10	111,414	80,505
Profit on disposal of fixed assets	8	(6,350)	-
Investment income	5	(74,936)	(76,777)
Revaluation of investments		(76,235)	(100,065)
		<u>302,060</u>	<u>7,800,773</u>
Working capital adjustments			
Decrease/(Increase) in stocks	15	937	(10,204)
Decrease/(Increase) in debtors	16	74,865	(1,048,014)
(Decrease)/Increase in creditors	17	4,317	147,271
		<u>382,179</u>	<u>6,889,826</u>
Cash flows from investing activities			
Interest receivable and similar income	5	398	181
Transfer from Margaret Green Animal Rescue and purchase of tangible fixed assets	13	(319,796)	(2,132,367)
Transfer of investments from Margaret Green Animal Rescue and purchase of investments	14	(1,250,000)	(4,326,979)
Sale of investments	14	1,333,315	30,000
Income from dividends	5	74,538	76,596
Sale of tangible fixed assets	8	6,350	-
		<u>(155,195)</u>	<u>(6,352,569)</u>
Net cash flows from investing activities			
		<u>(155,195)</u>	<u>(6,352,569)</u>
Net increase in cash and cash equivalents		226,984	537,257
Cash and cash equivalents at 1 October		537,257	-
		<u>764,241</u>	<u>537,257</u>
Cash and cash equivalents at 30 September		764,241	537,257

All of the cash flows are derived from acquisitions in the current financial year.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

Margaret Green Animal Rescue is a registered charitable incorporated organisation (CIO), registration number 1167990, registered in England & Wales. The address of the charity is given in the reference and administrative details of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' annual report.

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

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

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 30 September 2018.

No statement of financial activities is presented for the charity, as permitted by section 408 of the Companies Act 2006. The charity made a surplus for the financial year of £343,975 (2017: £7,870,883) which includes the transfer from MGAR of £nil (2017: £7,196,236).

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Judgements

The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements: The recognition of legacies.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

The measurement of legacy debtors. Legacies are accounted for when the receipt is probable and the value can be reliably measured. The carrying amount is £866,649.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the statement of financial activities as incoming resources expended when they are distributed. They are valued at the amount the charity would have to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have to pay to acquire them.

Shop income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

Income from charitable activities includes income recognised as earned (as the goods or services are provided) under contract.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Other income

Rents receivable are accounted for on an accruals basis. Retail income is recognised at the point of sale.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

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

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.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

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
Freehold buildings	50 years straight line basis
Equipment and fittings	25% - 35% reducing balance basis
Motor vehicles	4 years straight line basis
Site improvements	20 years straight line basis
IT equipment	4 years straight line basis
Shop fittings	6 years straight line basis

Investment properties

Freehold land and buildings which are held primarily for either rental income or capital appreciation are included at fair value.

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.

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 basis (FIFO).

Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade debtors

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

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

Concessionary loans

Concessionary loans include those receivable from third parties which are interest free or below market rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

General funds are intended to cover approximately three years' operating expenditure excluding legacies.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Designated funds include:

Financial risk reserve, which is maintained in order to mitigate the risk of identified financial risks.

Commercial activities, support the charity's commercial ambitions through the trading company to acquire and open more retail units.

Centre developments, centre developments including a new reception/administration building at Lincoln Farm and a new cattery and kennels at Wingletang.

An investment reserve, which is designed to match the value of investments at the year end.

A depreciation reserve, which is designed to match the net book value of depreciable tangible fixed assets at the year end.

Under the terms of the Trust Deed, the Trustees may at any time, at their discretion, apply the whole or any part of the capital of the Charity towards the objects of the Charity.

Further details of each fund are disclosed in note 19.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2 Income from donations and legacies

	Unrestricted funds General	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Donations and legacies;				
Donations	227,798	5,912	233,710	341,259
Legacies	1,069,658	-	1,069,658	1,120,710
Grants, including capital grants;		-		
Grants received	3,300	-	3,300	11,054
Rental income	26,515	-	26,515	29,818
	<u>1,327,271</u>	<u>5,912</u>	<u>1,333,183</u>	<u>1,502,841</u>

3 Income from charitable activities

	Unrestricted funds General	Total funds	Total funds
	2018	2018	2017
	£	£	£
Other income	29,867	29,867	33,494
Adoptions and strays	74,601	74,601	88,031
	<u>104,468</u>	<u>104,468</u>	<u>121,525</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

4 Income from other trading activities

	Unrestricted funds General	Total funds 2018	Total funds 2017
	2018 £	2018 £	2017 £
Trading income;			
Shop income from sale of donated goods and services	9,046	9,046	8,808
Trading company	274,267	274,267	183,503
Events income;			
Local fundraising and street collection income	59,959	59,959	72,675
	<u>343,272</u>	<u>343,272</u>	<u>264,986</u>

5 Investment income

	Unrestricted funds General	Total funds 2018	Total funds 2017
	2018 £	2018 £	2017 £
Income from dividends;			
Dividends received	74,538	74,538	76,596
Interest receivable and similar income;			
Interest receivable on bank deposits	398	398	181
	<u>74,936</u>	<u>74,936</u>	<u>76,777</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

6 Transfer from MGAR – as restated

On 1 October 2016 the assets and liabilities of Margaret Green Animal Rescue were transferred to Margaret Green Animal Rescue at the following values:

	2017
	£
Fixed assets	1,941,088
Investments	4,284,294
Stock	7,273
Debtors	479,402
Bank	612,489
Creditors	(128,310)
	<hr/>
	7,196,236
	<hr/>

7 Expenditure on raising funds

	Direct costs 2018 £	Direct costs 2017 £
Costs of generating donations and legacies	9,974	13,331
Costs of trading activities	183,465	102,152
Investment management costs	(2,798)	1,476
	<hr/>	<hr/>
	190,641	116,959
	<hr/>	<hr/>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity Support Costs £	Total 2018 £	(as restated) Total 2017 £
Food and consumables	20,935	-	20,935	21,224
Veterinary fees	122,439	-	122,439	118,616
Wages and salaries	597,853	-	597,853	585,721
Staff NIC (Employers)	36,337	-	36,337	33,971
Employers pension	4,582	-	4,582	-
Cleaning, clothing, health and safety	18,574	-	18,574	17,422
Rates	24,205	-	24,205	20,383
Light, heat and power	36,200	-	36,200	33,732
Insurance	9,125	-	9,125	9,082
Repairs and maintenance	86,360	-	86,360	78,890
Telephone and fax	13,956	-	13,956	11,000
Computer software and maintenance costs	27,368	-	27,368	27,091
Printing, postage and stationery	22,221	-	22,221	27,777
Trade subscriptions	520	-	520	495
Sundry expenses	1,634	-	1,634	1,936
Motor expenses	22,651	-	22,651	19,728
Advertising	11,285	-	11,285	12,111
Wages and salaries - admin & marketing	-	202,331	202,331	160,067
Staff training	-	4,455	4,455	3,599
Staff welfare	-	995	995	643
Staff recruitment	-	1,868	1,868	549
Legal and professional fees	-	11,061	11,061	14,155
Bank charges	-	3,047	3,047	2,651
Credit card charges	-	280	280	297
Depreciation of freehold property	-	52,179	52,179	52,179
Depreciation of site improvements	-	13,759	13,759	7,178
Depreciation of fixtures and fittings	-	14,313	14,313	13,286
Depreciation of motor vehicles	-	25,837	25,837	6,461
(Profit)/loss on sale of tangible assets	-	(6,350)	(6,350)	-
Governance and support costs (see note 9)	-	13,266	13,266	10,802
	<u>1,056,245</u>	<u>337,041</u>	<u>1,393,286</u>	<u>1,291,046</u>

Not included is the sum of £25,250 (2017: £26,000) for donated food and other consumables, plus £116,158 (2017: £85,440) of volunteer time.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

9 Analysis of governance and support costs

	2018	2017
	£	£
Audit fees	8,269	8,189
Trustees' expenses	744	952
Other governance costs	4,253	1,661
	<u>13,266</u>	<u>10,802</u>

10 Net incoming/outgoing resources

Net incoming/outgoing resources for the year include:

	2018	2017
	£	£
Audit fees	8,269	8,189
Profit on disposal of tangible fixed assets	(6,350)	-
Depreciation of fixed assets	<u>111,414</u>	<u>80,505</u>

11 Trustees' remuneration and expenses

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

M R Devereux

£744 of expenses were reimbursed to M R Devereux during the year, all of which was donated back to the charity.

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

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

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

12 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	880,624	787,620
Social security costs	41,257	37,154
Employers' pension	4,582	-
	<u>926,463</u>	<u>824,774</u>

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

	2018 No	2017 No
Admin	4	3
Marketing and fundraising	5	4
Retail	5	2
Church Knowle	19	19
Lincoln Farm	12	12
Wingletang	8	8
	<u>53</u>	<u>48</u>

The number of employees whose emoluments fell within the following bands was:

	2018 No	2017 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £69,040 (2017: £67,216).

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

13 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site improvements £	Asset under construction £	Total £
Cost						
At 1 October 2017	1,869,112	49,582	12,085	122,028	79,560	2,132,367
Additions	10,968	13,965	92,090	44,048	158,725	319,796
Transfers	-	-	-	79,560	(79,560)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2018	<u>1,880,080</u>	<u>63,547</u>	<u>104,175</u>	<u>245,636</u>	<u>158,725</u>	<u>2,452,163</u>
Depreciation						
At 1 October 2017	53,580	13,286	6,461	7,178	-	80,505
Charge for the year	57,505	14,313	25,837	13,759	-	111,414
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2018	<u>111,085</u>	<u>27,599</u>	<u>32,298</u>	<u>20,937</u>	<u>-</u>	<u>191,919</u>
Net book value						
At 30 September 2018	<u>1,768,995</u>	<u>35,948</u>	<u>71,877</u>	<u>224,699</u>	<u>158,725</u>	<u>2,260,244</u>
At 30 September 2017	<u>1,815,532</u>	<u>36,296</u>	<u>5,624</u>	<u>114,850</u>	<u>79,560</u>	<u>2,051,862</u>

Included within the net book value of land and buildings above is £1,745,035 (2017: £1,795,813) in respect of freehold land and buildings and £23,960 (2017: £19,719) in respect of leaseholds.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site improvements £	Asset under construction £	Total £
Cost						
At 1 October 2017	1,849,393	49,582	12,085	122,028	79,560	2,112,648
Additions	-	13,965	92,090	44,048	158,725	308,828
Transfers	-	-	-	79,560	(79,560)	-
	<u>1,849,393</u>	<u>63,547</u>	<u>104,175</u>	<u>245,636</u>	<u>158,725</u>	<u>2,421,476</u>
At 30 September 2018	<u>1,849,393</u>	<u>63,547</u>	<u>104,175</u>	<u>245,636</u>	<u>158,725</u>	<u>2,421,476</u>
Depreciation						
At 1 October 2017	52,179	13,286	6,461	7,178	-	79,104
Charge for the year	52,179	14,313	25,837	13,759	-	106,088
	<u>104,358</u>	<u>27,599</u>	<u>32,298</u>	<u>20,937</u>	<u>-</u>	<u>185,192</u>
At 30 September 2018	<u>104,358</u>	<u>27,599</u>	<u>32,298</u>	<u>20,937</u>	<u>-</u>	<u>185,192</u>
Net book value						
At 30 September 2018	<u>1,745,035</u>	<u>35,948</u>	<u>71,877</u>	<u>224,699</u>	<u>158,725</u>	<u>2,236,284</u>
At 30 September 2017	<u>1,797,214</u>	<u>36,296</u>	<u>5,624</u>	<u>114,850</u>	<u>79,560</u>	<u>2,033,544</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

14 Fixed asset investments

Group

	2018 £	(as restated) 2017 £
Investment properties		
Other investments	965,000	2,198,315
	3,382,279	2,156,044
	<u>4,347,279</u>	<u>4,354,359</u>

Investment properties

	Investment properties 2018 £	Investment properties 2017 £
Cost or Valuation		
At 1 October 2017	2,198,315	-
Transfer from MGAR (see note 6)	-	2,228,315
Disposals	(1,233,315)	(30,000)
	<u>965,000</u>	<u>2,198,315</u>
At 30 September 2018	965,000	2,198,315
Provision		
At 30 September 2018	-	-
	<u>-</u>	<u>-</u>
Net book value		
At 30 September 2018	<u>965,000</u>	<u>2,198,315</u>

Other investments

	Hermes Property Unit Trust £	UBS Wealth £	Total £
Cost or Valuation			
At 1 October 2017	1,051,888	1,104,156	2,156,044
Revaluation	78,102	(1,867)	76,235
Addition	-	1,250,000	1,250,000
Disposal	-	(100,000)	(100,000)
	<u>1,129,990</u>	<u>2,252,289</u>	<u>3,382,279</u>
At 30 September 2018	1,129,990	2,252,289	3,382,279
Net book value			
At 30 September 2018	<u>1,129,990</u>	<u>2,252,289</u>	<u>3,382,279</u>
At 30 September 2017	<u>1,051,888</u>	<u>1,104,156</u>	<u>2,156,044</u>

The investments were valued by Hermes Property Trust Limited and UBS Wealth Management (UK) Limited based on the middle market price as at 30 September 2018.

The surplus/(deficit) on revaluation represents the total of realised and unrealised gains and losses during the year.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

The historic cost of the investments at 30 September 2018 were as follows:

	2018	2017
	£	£
Land and buildings - nominal value	1	1
Hermes Property Trust	363,289	363,289
UBS Wealth Management (UK) Limited	2,018,583	869,253
	<u> </u>	<u> </u>

Charity

	2018	(as restated)
	£	2017
	£	£
Investment properties (see details above)	965,000	2,198,315
Shares in group undertakings and participating interests	100	100
Other investments (see details above)	3,382,279	2,156,044
	<u> </u>	<u> </u>
	4,347,379	4,354,459
	<u> </u>	<u> </u>

Shares in group undertakings and participating interests

	Subsidiary	Total
	undertakings	£
	£	£
Cost		
At 1 October 2017	100	100
Additions	-	-
	<u> </u>	<u> </u>
At 30 September 2018	100	100
	<u> </u>	<u> </u>
Net book value		
At 30 September 2018	100	100
	<u> </u>	<u> </u>
At 30 September 2017	100	100
	<u> </u>	<u> </u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Margaret Green Animal Rescue (Trading) Limited	United Kingdom	Ordinary Shares	100%	Trading activities on behalf of Margaret Green Animal Rescue

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Subsidiaries

The profit/(loss) for the financial period of Margaret Green Animal Rescue (Trading) Limited was £4,192 (2017: (£7,809)) and the aggregate amount of capital and reserves at the end of the period was £(12,266) (2017: £(16,358)).

15 Stock

	Group 2018	Charity 2018	Group 2017	Charity 2017
	£	£	£	£
Stocks	9,267	-	10,204	-

16 Debtors

	Group 2018	Charity 2018	Group 2017	Charity 2017
	£	£	£	£
Trade debtors	1,331	1,331	2,388	2,388
Due from group undertakings	-	103,152	-	77,528
Prepayments	32,043	17,154	23,140	17,570
VAT recoverable	23,862	21,772	41,297	39,814
Other debtors and accrued income	915,913	905,913	981,189	971,189
	<u>973,149</u>	<u>1,049,322</u>	<u>1,048,014</u>	<u>1,108,489</u>

Included in other debtors and accrued income is £866,649 (2017: £815,588) for legacies.

17 Creditors: amounts falling due within one year

	Group 2018	Charity 2018	Group 2017	Charity 2017
	£	£	£	£
Trade creditors	38,328	35,484	109,417	97,511
Other taxation and social security	13,229	13,229	13,877	13,877
Other creditors	2,668	2,333	5,447	5,280
Accruals	95,759	87,061	18,530	14,534
Pension scheme creditor	1,604	1,604	-	-
	<u>151,588</u>	<u>139,711</u>	<u>147,271</u>	<u>131,202</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

18 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Land and buildings				
Between one and five years	230,021	-	169,500	-
	<hr/>	<hr/>	<hr/>	<hr/>
Other				
Between one and five years	390	390	910	910
	<hr/>	<hr/>	<hr/>	<hr/>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

19 Funds

Group

	Balance at 30 September 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 30 September 2018 £
Unrestricted funds						
General						
General	803,250	1,575,559	(1,285,039)	(74,401)	76,235	1,095,604
Trading company	(16,458)	274,388	(183,465)	(86,731)	-	(12,266)
	<u>786,792</u>	<u>1,849,947</u>	<u>(1,468,504)</u>	<u>(161,132)</u>	<u>76,235</u>	<u>1,083,338</u>
Designated						
Depreciation reserve	1,878,983	-	(106,229)	388,530	-	2,161,284
Investment reserve	2,241,000	-	-	(26,000)	-	2,215,000
Centre developments	1,056,000	-	-	(14,000)	-	1,042,000
Commercial activities	20,500	-	-	-	-	20,500
Financial risk reserve	1,680,000	-	-	-	-	1,680,000
Animal ambulance	90,000	-	-	(90,000)	-	-
	<u>6,966,483</u>	<u>-</u>	<u>(106,229)</u>	<u>258,530</u>	<u>-</u>	<u>7,118,784</u>
Total unrestricted funds	<u>7,753,275</u>	<u>1,849,947</u>	<u>(1,574,733)</u>	<u>97,398</u>	<u>76,235</u>	<u>8,202,122</u>
Restricted funds						
Kennel Club	470	-	-	-	-	470
The Barn new build	100,680	1,956	(5,200)	(97,436)	-	-
Appeals - Animal Care	-	3,956	(3,994)	38	-	-
Total restricted funds	<u>101,150</u>	<u>5,912</u>	<u>(9,194)</u>	<u>(97,398)</u>	<u>-</u>	<u>470</u>
Total funds	<u>7,854,425</u>	<u>1,855,859</u>	<u>(1,583,927)</u>	<u>-</u>	<u>76,235</u>	<u>8,202,592</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Charity

	Balance at 30 September 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 30 September 2018 £
Unrestricted funds						
General						
General	803,250	1,662,411	(1,327,845)	(161,132)	76,235	1,095,604
Designated						
Depreciation reserve	1,878,983	-	(106,229)	388,530	-	2,161,284
Investment reserve	2,241,000	-	-	(26,000)	-	2,215,000
Centre developments	1,056,000	-	-	(14,000)	-	1,042,000
Commercial activities	20,500	-	-	-	-	20,500
Financial risk reserve	1,680,000	-	-	-	-	1,680,000
Animal ambulance	90,000	-	-	(90,000)	-	-
	<u>6,966,483</u>	<u>-</u>	<u>(106,229)</u>	<u>258,530</u>	<u>-</u>	<u>7,118,784</u>
Total unrestricted funds	<u>7,769,733</u>	<u>1,662,290</u>	<u>(1,434,074)</u>	<u>97,398</u>	<u>76,235</u>	<u>8,214,388</u>
Restricted funds						
Kennel Club	470	-	-	-	-	470
The Barn new build	100,680	1,956	(5,200)	(97,436)	-	-
Appeals - Animal Care	-	3,956	(3,994)	38	-	-
	<u>101,150</u>	<u>5,912</u>	<u>(9,194)</u>	<u>(97,398)</u>	<u>-</u>	<u>470</u>
Total restricted funds	<u>101,150</u>	<u>5,912</u>	<u>(9,194)</u>	<u>(97,398)</u>	<u>-</u>	<u>470</u>
Total funds	<u>7,870,883</u>	<u>1,668,323</u>	<u>(1,443,268)</u>	<u>-</u>	<u>76,235</u>	<u>8,214,858</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Group – as restated

	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 30 September 2017 £
Unrestricted funds					
General					
General	2,177,301	(1,260,237)	(213,879)	100,065	803,250
Trading company	183,503	(102,152)	(97,809)	-	(16,458)
	<u>2,360,804</u>	<u>(1,362,389)</u>	<u>(311,688)</u>	<u>100,065</u>	<u>786,792</u>
Designated					
Depreciation reserve	1,821,978	(37,766)	94,771	-	1,878,983
Investment reserve	2,271,000	-	(30,000)	-	2,241,000
Centre developments	650,000	-	406,000	-	1,056,000
Commercial activities	100,000	-	(79,500)	-	20,500
Financial risk reserve	1,680,000	-	-	-	1,680,000
Animal ambulance	75,000	-	15,000	-	90,000
	<u>6,597,978</u>	<u>(37,766)</u>	<u>406,271</u>	<u>-</u>	<u>6,966,483</u>
Total unrestricted funds	<u>8,958,782</u>	<u>(1,400,155)</u>	<u>94,583</u>	<u>100,065</u>	<u>7,753,275</u>
Restricted funds					
Pedigree Rehab Chalet	12,974	-	(12,974)	-	-
Support Adoption for Pets	14,250	-	(14,250)	-	-
IRK MacLaren Donation	5,130	-	(5,130)	-	-
Petplan Fencing	4,750	-	(4,750)	-	-
Barclays Bank Volunteer Project	1,095	(1,095)	-	-	-
Kennel Club	5,879	(5,409)	-	-	470
The Barn new build	158,834	-	(58,154)	-	100,680
Appeals - Animal Care	576	(1,251)	675	-	-
Rabbit Home	10	(10)	-	-	-
Anti Midge Rugs	85	(85)	-	-	-
	<u>203,583</u>	<u>(7,850)</u>	<u>(94,583)</u>	<u>-</u>	<u>101,150</u>
Total restricted funds	<u>203,583</u>	<u>(7,850)</u>	<u>(94,583)</u>	<u>-</u>	<u>101,150</u>
Total funds	<u>9,162,365</u>	<u>(1,408,005)</u>	<u>-</u>	<u>100,065</u>	<u>7,854,425</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

Charity – as restated

	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 30 September 2017 £
Unrestricted funds					
General					
General	2,275,110	(1,260,237)	(311,688)	100,065	803,250
Designated					
Depreciation reserve	1,821,978	(37,766)	94,771	-	1,878,983
Investment reserve	2,271,000	-	(30,000)	-	2,241,000
Centre developments	650,000	-	406,000	-	1,056,000
Commercial activities	100,000	-	(79,500)	-	20,500
Financial risk reserve	1,680,000	-	-	-	1,680,000
Animal ambulance	75,000	-	15,000	-	90,000
	6,597,978	(37,766)	406,271	-	6,966,483
Total Unrestricted funds	8,873,088	(1,298,003)	94,583	100,065	7,769,733
Restricted funds					
Pedigree Rehab Chalet	12,974	-	(12,974)	-	-
Support Adoption for Pets	14,250	-	(14,250)	-	-
IRK MacLaren Donation	5,130	-	(5,130)	-	-
Petplan Fencing	4,750	-	(4,750)	-	-
Barclays Bank Volunteer Project	1,095	(1,095)	-	-	-
Kennel Club	5,879	(5,409)	-	-	470
The Barn new build	158,834	-	(58,154)	-	100,680
Appeals - Animal Care	576	(1,251)	675	-	-
Anti Midge Rugs	85	(85)	-	-	-
Rabbit Home	10	(10)	-	-	-
Total restricted funds	203,583	(7,850)	(94,583)	-	101,150
Total funds	9,076,671	(1,305,853)	-	100,065	7,870,883

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

The specific purposes for which the funds are to be applied are as follows:

Appeals - Animal Care - appeals to help with vet costs for specific animals.

Kennel Club - agility equipment at Lincoln Farm and Wingletang.

Designated Funds

Financial risk reserve - is maintained in order to mitigate the risk of identified financial risks.

Commercial activities - support the charity's commercial ambitions through the trading company to acquire and open more retail units.

Centre developments - including a new reception / administration building at Lincoln Farm and a new cattery and kennels at Wingletang.

Investment reserve - to match the value of investment properties at the year end.

Depreciation reserve - to match the depreciable tangible fixed assets at the year end.

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

20 Analysis of net assets between funds – as restated

Group

	Unrestricted funds		Restricted funds	Total funds	Total funds
	General 2018	Designated 2018	2018	2018	2017
	£	£	£	£	£
Tangible fixed assets	99,101	2,161,143	-	2,260,244	2,051,862
Fixed asset investments	639,638	3,707,641	-	4,347,279	4,354,359
Current assets	397,388	1,250,000	99,269	1,746,657	1,595,475
Current liabilities	(151,588)	-	-	(151,588)	(147,271)
Total net assets	<u>984,539</u>	<u>7,118,784</u>	<u>99,269</u>	<u>8,202,592</u>	<u>7,854,425</u>

Charity

	Unrestricted funds		Restricted funds	Total funds	Total funds
	General 2018	Designated 2018	2018	2018	2017
	£	£	£	£	£
Tangible fixed assets	75,141	2,161,143	-	2,236,284	2,033,544
Fixed asset investments	639,738	3,707,641	-	4,347,379	4,354,459
Current assets	421,637	1,250,000	99,269	1,770,906	1,614,082
Current liabilities	(139,711)	-	-	(139,711)	(131,202)
Total net assets	<u>996,805</u>	<u>7,118,784</u>	<u>99,269</u>	<u>8,214,858</u>	<u>7,870,883</u>

21 Analysis of net funds

Group

	At 1 October 2017	Cash flow	At 30 September 2018
	£	£	£
Cash at bank and in hand	<u>537,257</u>	<u>226,984</u>	<u>764,241</u>
Net debt	<u>537,257</u>	<u>226,984</u>	<u>764,241</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

22 Related party transactions

Charity

During the year the charity made the following related party transactions:

Margaret Green Animal Rescue (Trading) Limited

(Margaret Green Animal Rescue holds 100% of the issued share capital.)

Management fees were charged to Margaret Green Animal Rescue (Trading) Limited totalling £6,000 (2017: £6,000) and internal recharges totalling £80,731 (2017: £83,160) in relation to boarding costs for the year. At the year end £4,773 (2017: £1,972) was due to Margaret Green Animal Rescue (Trading) Limited in respect of net debtor and creditor balances.

A concessionary loan has been provided to Margaret Green Animal Rescue (Trading) Limited totalling £25,000 (2017: £25,000) in the year and repayments of £6,000 (2017: £6,000) were made during the year. At the year end the total loan balance due from Margaret Green Animal Rescue (Trading) Limited was £98,500 (2017: £79,500).

At the year end £100 was due in respect of share capital and is included in other creditors. At the balance sheet date the amount due from Margaret Green Animal Rescue (Trading) Limited was £103,273 (2017: £77,428).

23 Prior year adjustment

Revaluation of investment properties

During 2017/18 the accounting treatment for investment properties was aligned with the accounting policy and SORP in order to restate them at fair value.

The effect of this is outlined below:

- a) Accounting policies – there was no consequential change to the previously stated policies.
- b) Reconciliation of reserves - adjustments to previously reported reserves at the beginning and end of the comparative period are outlined in the table below.

	Group £	Charity £
Reserves at 1 October 2016 held in old MGAR charity	6,389,181	6,397,830
Prior year adjustment in respect of investment property revaluation	807,055	807,055
Reserves (as restated) 1 October 2016 and gifted to the new MGAR charity	<u>7,196,236</u>	<u>7,204,885</u>
Reserves at 30 September 2017	7,058,870	7,075,328
Prior year adjustment in respect of investment property revaluation	795,555	795,555
Reserves (as restated) 30 September 2017	<u>7,854,425</u>	<u>7,870,883</u>

Margaret Green Animal Rescue

Notes to the Financial Statements

Year Ended 30 September 2018

- c) Reconciliation of comparative period income and expenditure – adjustments to the comparative period income and expenditure are outlined in the table below.

	Group £	Charity £
Previously reported surplus	7,058,870	7,075,328
Prior year adjustment in respect of Transfer from MGAR	807,055	807,055
Prior year adjustment in respect of investment gain on disposal	(11,500)	(11,500)
Reserves (as restated) 30 September 2017	<u>7,854,425</u>	<u>7,870,883</u>