

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2018
for
RSPCA Derby & District Branch**

Bourne & Co.
Chartered Accountants
3 Charnwood Street
Derby
Derbyshire
DE1 2GY

RSPCA Derby & District Branch
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for the Year Ended 31 December 2018

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RSPCA Derby & District Branch

Reference and Administrative Details for the Year Ended 31 December 2018

TRUSTEES

Mrs B Shore
I Mosley (resigned 21.5.2018)
Mrs J Morgan
Miss R Hulse
M Booth (resigned 16.9.2018)
D Turner
Mrs J Brickley (Co-opted) (resigned 19.6.2018)
Mrs J Turner (Co-opted)
J Walsh (Co-opted) (appointed 13.2.2018)
Ms M McKenzie-Cooper (appointed 24.9.2018)
Ms A Greenall (Co-opted) (appointed 24.9.2018)
Ms J Cull-Stothert (Co-opted) (appointed 24.9.2018) (resigned 26.2.2019)
Mrs C Howell (appointed 13.5.2019)

PRINCIPAL ADDRESS

45 Abbey Street
Derby
DE22 3SJ

REGISTERED CHARITY NUMBER

222620

INDEPENDENT EXAMINER

Bourne & Co.
Chartered Accountants
3 Charnwood Street
Derby
Derbyshire
DE1 2GY

BANKERS

The Co-Operative Bank plc
Delf House
Skelmersdale
Lancashire
WN8 6WT

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Barclays Bank plc
1 Churchill Place
London
E14 5HP

SENIOR MANAGEMENT

Mrs D J Peck - Branch Manager
Mrs H L Price - Deputy Branch Manager
Miss L M Bell - Animal Care Manager

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2018

The trustees present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of 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) (effective 1 January 2015).

The Branch is an unincorporated charitable association and a separately registered branch of the Royal Society for the Protection of Animals (RSPCA), carrying out its direct animal welfare work in the Derby and District area.

The objects of the Branch are to promote the work and objects of the Society - to promote kindness and to prevent or suppress cruelty to animals by all lawful means - with particular reference to the area of the Branch, in accordance with the policies of the Society.

The trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focused on our charitable aims, and continue to deliver benefits to the public. We have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

OBJECTIVES AND ACTIVITIES

Objectives and public benefit statement

The Branch's primary goal is captured under the heading: "Rescue, Rehabilitate and Rehome". The philosophy of the Branch is best described as doing all within its remit to support responsible pet ownership, in support of the wider goals of the Society, and in compliance with the Society's branch rules.

Advancement of animal welfare

Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act of the same year indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole. Whilst this public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment.

The Branch's animal welfare work, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. The next section of this report highlights the Branch's main activities and demonstrates the benefit provided to the public. All our charitable activities, as described in more detail in the following sections of this report, focus on promoting kindness and preventing or suppressing cruelty to animals and are undertaken to further these purposes for the public benefit.

Social investments

The charity implements these objectives through the activities of the Animal Centre. The Centre cares for abandoned or mistreated animals and operates a re-homing programme. The shops in Long Eaton, Belper, Ripley, Alvaston, Chaddesden, Wirksworth, Carsington and Ilkeston provide vital income to fund this work. Volunteers also provide invaluable support to the work of the branch.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2018

OBJECTIVES AND ACTIVITIES

Charitable activities pursued for the public benefit

We support our local Inspectors by taking in, free of charge, mistreated or abandoned animals, including pets whose owners suffer ill health or financial difficulties or pass away. The Society's Inspectorate (as well as providing education, information and advice) rescues animals in distress and enforces laws against the cruel mistreatment of animals in England and Wales by bringing prosecutions. This work is key to 'the prevention or suppression of cruelty' part of the RSPCA objects, and promotes humane sentiments towards animals which involves moral benefit to humankind as a whole.

We provide low-cost microchipping, claw clipping and welfare neutering vouchers for companion animals in Branch area. We undertake community action events to support local communities with pet care advice and services. This work promotes responsible pet ownership.

Animals in our care receive veterinary treatment, vaccination, flea treatment, neutering, micro-chipping and are assessed for rehoming. This work helps to control the incidence and spread of disease and suffering through vaccination and neutering.

We rehome animals in need at low cost to people willing and able to have a companion animal. Whilst we recognise that companion animals provide measurable benefits to people's physical and mental health, we consider the provision of pets as secondary to the main charitable aim of this service, which is to reduce animal suffering. Our policy to charge a reasonable adoption fee for animals aims to highlight the ongoing personal and financial commitment of pet ownership. It would not be in the best interests of animals, and therefore would fall outside our objects, to rehome to those who could not afford them.

At present we have very little capacity to take in lost animals and take steps to reunite them with owners, but we are always looking to help where we can. This work benefits our local community (including local authorities) by preventing animals straying and posing a risk to themselves and to people through road traffic accidents.

We respond to enquiries (both direct and via the Society's national call centre) from the public about animals locally. The public benefits from knowing that we can intervene to assist animals in need.

We offer free animal care advice by telephone and face to face. The public benefits through the promotion of responsible pet ownership.

We provide volunteering opportunities for those who wish to support our work, including trusteeship, animal fostering, home visiting, fundraising and events support, dog walking and animal socialisation, animal care and administration. This benefits local people and companies by providing the possibility of doing work which is compassionate and rewarding.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2018 the Animal Centre re-homed 181 dogs (2017 - 178), 520 cats (2017 - 562) and 314 other animals (2016 - 377) as well as providing support to the RSPCA Inspectorate.

Total incoming resources for the year amounted to £745,589 (2017 - £692,312) including legacies of £87,787 (2017 - £153,105). Expenditure for the year equalled £810,721 (2017 - £659,041) and investment losses amounted to £14,117 (2017 - Gain - £15,143) resulting in a net loss for the year of £79,249 (2017 - Surplus - £48,414).

FINANCIAL REVIEW

Reserves policy

The Branch holds reserves in order that the levels of service provided for animal welfare may be maintained should there be a reduction in incoming resources.

Reserves in this context mean funds that are freely available for the Branch's general purposes after all commitments have been met.

It is the opinion of the trustees that existing reserves are sufficient to meet any reduction in incoming resources.

Unrestricted reserves at 31 December 2018 were £888,026 (2017 - £883,134) and Restricted reserves were £nil (2017 - £84,141). Unrestricted reserves include amounts to be used for designated purposes and details are given in note 18 to the Financial Statements.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2018

SUMMARY OF BRANCH PLANS - ACTIONS DURING 2018 AND PLANS FOR 2019

In 2017, the Board of Trustees and Senior Staff reviewed the progress made towards the branch's strategic goals. This helped to identify priorities for 2018, and led specifically to the key areas identified as priorities. Each of these focus areas became projects with project teams composed of staff and trustees. The projects are outlined below. More details of each project are available to members upon request. There were 10 activity streams in 2017 and 8 of these were completed to plan. One is awaiting upgrade of the Branch website and the introduction of a quarterly newsletter was delayed to 2018.

In 2018 Ian Mosley stepped down as Chair and was replaced by Dave Turner, the secretary. Jean Turner was elected as Secretary. The focus in the year has been on completion of projects - notably the upgrading of the kennels, updating our Policies and Procedures in the branch, developing our retail outlets, ensuring we comply with GDPR legislation and recruiting new Trustees.

Project: Team Development

Most significantly we implemented a new cloud based HR system which has seen all our personnel records transferred onto the online system and gives each member of staff access to their own records. Once fully rolled out staff will be able to book their holidays, look at their records and award other members of the team kudos for excellent work or support.

We have regular quarterly off-site team meetings for the shop team and the animal centre team where we can focus on training and development, team building and building ideas and processes for the future.

Project: Make Our Rehoming As Good As It Can Be

The primary goals of the branch are "rescue, rehabilitate and rehome"; and the promotion of responsible pet ownership.

In 2018, we continued to make excellent progress in increasing the number of animals rehomed. Given the very limited physical space in the centre, the Branch is very proud of both the number and range of animals rehomed. The Branch rehomed 1015 animals during 2018 - a decrease of 9% from 2017 but an 11.9% increase from 2016. The numbers of dogs rehomed increased by 1.7% and the number of cats rehomed decreased by 7.5% respectively. The proportion of animals taken into the shelter which are considered most in need, including from the RSPCA inspectorate, remained just above 99% - a very high proportion and well above National RSPCA target of 40%.

The excellent performance of the branch is illustrated below:

- Of the 53 branches in the RSPCA's North Region, Derby and District was:
 - o 4th for the number of inspectorate animals taken in (403)
 - o 1st for the number of animals rehomed (1015)
 - o 1st for total number of animals accepted (1198)

The physical restrictions of the Abbey Street site mean that further increases in the number of animals rehomed are unlikely to be realised. This meant it was important that the branch continued to make use of partners including Foston Prison (discussed in previous Annual Reports) and fosterers.

In addition the Branch actively promotes responsible pet ownership (RPO) through a variety of mechanisms, most particularly through neutering vouchers and low cost microchipping and on occasions, we do offer welfare support by negotiating reduced cost treatments through our vets.

Income Generation

- The Trustees recognise that we can only continue to develop and deliver the valuable work of the centre if the income generated matches expenditure. The Trustees felt that we are too dependent on legacy income which, of its nature, is unpredictable and hence we were at significant financial risk if we found this source reducing significantly in the future. We have made progress in retail, opening shops in Chaddesden, Wirksworth, Carsington and Ilkeston. However it has proved challenging to make these new shops profitable and to increase income from the established shops. Income generation inevitably involves handling personal data and we have acted in response to changes in legislation and high profile concerns raised by the media. We now have all necessary procedures in place and have ensured our data complies with legislation. We have made progress in developing funding from on-line campaigns but our website is in need of renewal in 2019, We will need to continue to develop other income sources in 2019.

- We believe that there is further potential in bidding for and obtaining grants and we were successful in obtaining a grant of £10,000 towards our kennel refurbishment from the Jean Sainsbury Trust. We used the Lewis Prime trust fund to complete this work supplemented by the use of capital reserves.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2018

- During the year it has become apparent that even with our budgeted level of legacy income the branch finances are not sustainable and this is recognised in our plans for 2019. We have a healthy level of reserves but these are likely to reduce significantly in 2019 unless we receive some £200k of the expected legacy income during next year. Our costs are rising, firstly because animal care costs are proportionate to the number of animals rehomed. Secondly changes to pensions and minimum wages affect us disproportionately. Thirdly as we increase our shops we incur costs as well as revenue and currently we are not seeing significant profit growth from retail activities.

Premises

- We have been successful in addressing the significant issues raised as part of our National RSPCA licensing. These primarily related to dog and cat quarantine areas and health and safety concerns with the kennel hatches. This means we have a full five year license with no issues to be resolved - an excellent achievement. We refurbished one kennel block and replaced the hatches in all the kennels. The hatches were a health and safety concern and the new ones are much easier and safer for the staff and dogs. We also have a dedicated dog quarantine area that will help us reduce the risk of infections spreading from sick to healthy dogs.

- We invested in improvements to the animal centre reception which has created more space for staff to talk to adopters.

- We have been able to fund some improvements in our shops towards the end of the year and these are appreciated by staff, volunteers and customers. We intend to continue this work in 2019.

Business Processes

- Work to improve our Business Processes continued in 2018. In particular we have had a major programme to update our policies and procedures - both those applicable to the Trustees and those applicable to the operational staff. This will continue in 2019 but many of our policies and procedures have been reviewed and updated where necessary. The next stage is to format into standardised handbooks.

- We monitor customer experience in the centre and in general, the feedback is excellent. It is inevitable that we occasionally get negative feedback and this is often because we have concluded that a potential adopter is not suitable. However it is important that we continue to assess adopter suitability to ensure our animals do have a happy future when they leave us.

- We worked hard and with the use of legal expertise on our Trustee board achieved what we believe is full compliance with the General Data Protection Act 2018.

Plans for 2019:

- Towards the end of 2018, Senior Management and Trustees met to review our strategy. We have a revised strategy that we will use to develop plans for 2019 and beyond. During the year we were advised of some large legacies that we can expect to receive but these may take 1-2 years or more before we get the money. Some of our strategic initiatives will depend on seeing an improvement in our finances before we can implement them.

- We recognise that the number of animals rehomed has been increasing year on year for a number of years. The branch is very proud of its success in this area, however the income needed to support this has not been growing. The Board has concluded that further growth in rehoming (which would be difficult given our space constraints) would increase our funding shortfall. Consequently we will be planning to consolidate at current levels of rehoming and focus on increasing income to fund this in a sustainable way.

- We believe that there are opportunities to increase the role of volunteers in the Branch both in the Centre and in fundraising and events. We will be developing our ideas further during 2019.

- In 2019 we will continue to focus on the development of our retail outlets and ensuring we are getting full value from them. We have opened a discount shop in Ilkeston. For us this is our first discount shop and will be a learning process for us. The Wirksworth shop was closed in February 2019 as it had underperformed during the time it was open and therefore the lease was terminated. Carsington has not been profitable in 2018 but we are learning what the customers want and we anticipate that during the 2019 season we will be able to make this a profitable venture.

- We need to increase our profile with the public. We recognise that events are not just about raising money on the day but are about the quality of contact with the public. We will be focusing on a range of events which we can organise within the current resources of the branch. However, when funds permit, we hope to increase the staff involved in non-retail income generation. In addition, work on our new website should be completed and we will continue to issue our monthly newsletter to staff and volunteers and members of the public who wish to see a copy.

- We have several capital improvements we wish to make to the Centre, however these too must wait for the funding situation to improve.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Branch is governed by the Branch Rules (effective 18 February 2009) of the National Society of the RSPCA.

Recruitment and appointment of new trustees

The charity is managed by a committee of local Trustees.

New Trustees are nominated by existing Trustees. The Trustees have the power to appoint additional Trustees as they consider fit to do so. The branch is actively seeking new Trustees to diversify the group and complement existing skills.

The number of Trustees should not be less than seven but shall be subject to a maximum of fourteen.

Organisational structure

The Branch consists of an animal care centre situated at Abbey Street, Derby and seven charity shop's based at Alvaston & Chaddesden, Derby, Long Eaton, Nottinghamshire, Belper, Ripley, Wirksworth, Carsington and Ilkeston, Derbyshire.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D Turner - Trustee

**Independent Examiner's Report to the Trustees of
RSPCA Derby & District Branch**

Independent examiner's report to the trustees of RSPCA Derby & District Branch

I report to the charity trustees on my examination of the accounts of the RSPCA Derby & District Branch (the Trust) for the year ended 31 December 2018.

Responsibilities and basis of report

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies

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 Trust 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 confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

J J Delaney
FCA
Bourne & Co.
Chartered Accountants
3 Charnwood Street
Derby
Derbyshire
DE1 2GY

Date:

RSPCA Derby & District Branch

Statement of Financial Activities for the Year Ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	227,119	-	227,119	292,664
Charitable activities	5				
Animal welfare centre		105,156	-	105,156	115,368
Other trading activities	3	411,281	-	411,281	281,709
Investment income	4	1,153	-	1,153	988
Other income		880	-	880	1,583
Total		<u>745,589</u>	<u>-</u>	<u>745,589</u>	<u>692,312</u>
EXPENDITURE ON					
Raising funds					
Other trading activities	6	334,422	-	334,422	224,821
		<u>334,422</u>	<u>-</u>	<u>334,422</u>	<u>224,821</u>
Charitable activities	7				
Animal welfare centre		476,299	-	476,299	434,220
Total		<u>810,721</u>	<u>-</u>	<u>810,721</u>	<u>659,041</u>
Net gains/(losses) on investments		(14,117)	-	(14,117)	15,143
NET INCOME/(EXPENDITURE)		<u>(79,249)</u>	<u>-</u>	<u>(79,249)</u>	<u>48,414</u>
Transfers between funds	18	<u>84,141</u>	<u>(84,141)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>4,892</u>	<u>(84,141)</u>	<u>(79,249)</u>	<u>48,414</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>883,134</u>	<u>84,141</u>	<u>967,275</u>	<u>918,861</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>888,026</u></u>	<u><u>-</u></u>	<u><u>888,026</u></u>	<u><u>967,275</u></u>

The notes form part of these financial statements

RSPCA Derby & District Branch

Balance Sheet At 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	12	503,323	-	503,323	372,081
Investments	13	260,853	-	260,853	275,950
		<u>764,176</u>	<u>-</u>	<u>764,176</u>	<u>648,031</u>
CURRENT ASSETS					
Stocks	14	21,804	-	21,804	14,789
Debtors	15	30,330	-	30,330	24,652
Cash at bank and in hand		107,882	-	107,882	310,305
		<u>160,016</u>	<u>-</u>	<u>160,016</u>	<u>349,746</u>
CREDITORS					
Amounts falling due within one year	16	(36,166)	-	(36,166)	(30,502)
NET CURRENT ASSETS		<u>123,850</u>	<u>-</u>	<u>123,850</u>	<u>319,244</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>888,026</u>	<u>-</u>	<u>888,026</u>	<u>967,275</u>
NET ASSETS		<u>888,026</u>	<u>-</u>	<u>888,026</u>	<u>967,275</u>
FUNDS	18				
Unrestricted funds				888,026	883,134
Restricted funds				-	84,141
TOTAL FUNDS				<u>888,026</u>	<u>967,275</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
D Turner -Trustee

.....
Mrs J Morgan -Trustee

The notes form part of these financial statements

RSPCA Derby & District Branch
Cash Flow Statement
for the Year Ended 31 December 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	(36,441)	62,860
Net cash provided by (used in) operating activities		<u>(36,441)</u>	<u>62,860</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(167,016)	(19,879)
Purchase of fixed asset investments		(1,099)	(958)
Sale of fixed asset investments		2,079	2,037
Interest received		54	30
Net cash provided by (used in) investing activities		<u>(165,982)</u>	<u>(18,770)</u>
Change in cash and cash equivalents in the reporting period		<u>(202,423)</u>	<u>44,090</u>
Cash and cash equivalents at the beginning of the reporting period		<u>310,305</u>	<u>266,215</u>
Cash and cash equivalents at the end of the reporting period		<u><u>107,882</u></u>	<u><u>310,305</u></u>

The notes form part of these financial statements

RSPCA Derby & District Branch

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2018**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(79,249)	48,414
Adjustments for:		
Depreciation charges	39,174	31,717
Losses/(gain) on investments	14,117	(15,142)
Interest received	(54)	(30)
Increase in stocks	(7,015)	(7,581)
Increase in debtors	(5,678)	(6,760)
Increase in creditors	2,264	12,242
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(36,441)	62,860
	<hr/> <hr/>	<hr/> <hr/>

RSPCA Derby & District Branch
Notes to the Financial Statements
for the Year Ended 31 December 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS102) '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) (effective 1 January 2015)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exceptions of investments which are included at market value.

The financial statements are presented in Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Straight line over 40 years
Improvements to property	- 5% on cost
Equipment	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

All donated goods are allocated to the periods in which they are received. Stocks of donated goods are valued at nil cost.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investments are included at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	56,875	75,162
Gift aid	19,659	19,472
Legacies	87,787	153,105
Grants	42,716	24,761
Pet plan income	15,082	13,164
Donations of food	5,000	7,000
	<u>227,119</u>	<u>292,664</u>

Grants received, included in the above, are as follows:

	2018	2017
	£	£
RSPCA grants	32,716	24,761
Jean Sainsbury Trust	10,000	-
	<u>42,716</u>	<u>24,761</u>

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	8,222	9,960
Shop income	390,486	261,397
Membership subscriptions	571	616
Recycling income	12,002	9,736
	<u>411,281</u>	<u>281,709</u>

4. INVESTMENT INCOME

	2018	2017
	£	£
Dividends received	1,099	958
Interest received	54	30
	<u>1,153</u>	<u>988</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2018	2017
	£	£
Neutering	7,452	11,682
Adoption	90,786	99,440
Other animal treatments	1,729	1,340
Chipping	2,572	1,561
Advertising hoarding income	2,310	990
Clinical waste	307	355
	<u>105,156</u>	<u>115,368</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

6. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Purchases	46,898	21,804
Staff costs	139,988	98,198
Shop rent	91,556	56,817
Rates and water	13,548	9,126
Insurance	1,524	1,103
Light and heat	9,891	6,131
Telephone	2,703	2,614
Postage and stationery	387	1,181
Equipment hire	1,680	846
Repairs and renewals	8,675	11,465
Sundries	5,852	6,233
Professional fees	3,047	3,177
Advertising	-	653
Interest payable and similar charges	8,673	5,473
	<u>334,422</u>	<u>224,821</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Animal welfare centre	<u>433,093</u>	<u>43,206</u>	<u>476,299</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Animal welfare centre	<u>39,825</u>	<u>3,381</u>	<u>43,206</u>

Included in Governance costs are the fees of £1,200 in relation to the services provided by the Independent Examiner.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

10. STAFF COSTS

	2018 £	2017 £
Wages and salaries	423,970	344,621
Social security costs	16,101	14,585
Other pension costs	3,632	1,664
	<u>443,703</u>	<u>360,870</u>

The average monthly number of employees during the year was as follows:

	2018	2017
Charitable activities	22	17
Generating funds	8	7
Management and administrative	5	5
	<u>35</u>	<u>29</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	292,664	-	292,664
Charitable activities			
Animal welfare centre	115,368	-	115,368
Other trading activities	281,709	-	281,709
Investment income	988	-	988
Other income	1,583	-	1,583
Total	<u>692,312</u>	<u>-</u>	<u>692,312</u>
EXPENDITURE ON			
Raising funds	224,821	-	224,821
Charitable activities			
Animal welfare centre	434,220	-	434,220
Total	<u>659,041</u>	<u>-</u>	<u>659,041</u>
Net gains/(losses) on investments	<u>15,143</u>	<u>-</u>	<u>15,143</u>
NET INCOME/(EXPENDITURE)	<u>48,414</u>	<u>-</u>	<u>48,414</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>834,720</u>	<u>84,141</u>	<u>918,861</u>
TOTAL FUNDS CARRIED FORWARD	<u>883,134</u>	<u>84,141</u>	<u>967,275</u>

RSPCA Derby & District Branch

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £
COST			
At 1 January 2018	229,150	327,976	51,454
Additions	-	162,345	2,700
	<hr/>	<hr/>	<hr/>
At 31 December 2018	229,150	490,321	54,154
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2018	152,083	68,645	40,351
Charge for year	5,700	24,346	2,760
	<hr/>	<hr/>	<hr/>
At 31 December 2018	157,783	92,991	43,111
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2018	71,367	397,330	11,043
	<hr/>	<hr/>	<hr/>
At 31 December 2017	77,067	259,331	11,103
	<hr/>	<hr/>	<hr/>
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 January 2018	43,283	14,246	666,109
Additions	5,371	-	170,416
	<hr/>	<hr/>	<hr/>
At 31 December 2018	48,654	14,246	836,525
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2018	26,716	6,233	294,028
Charge for year	4,388	1,980	39,174
	<hr/>	<hr/>	<hr/>
At 31 December 2018	31,104	8,213	333,202
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2018	17,550	6,033	503,323
	<hr/>	<hr/>	<hr/>
At 31 December 2017	16,567	8,013	372,081
	<hr/>	<hr/>	<hr/>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2018	275,950
Additions	1,099
Disposals	(2,079)
Revaluations	(14,117)
At 31 December 2018	<u>260,853</u>
 NET BOOK VALUE	
At 31 December 2018	<u>260,853</u>
At 31 December 2017	<u>275,950</u>

The investment is split as follows:

	2018 £	2017 £
UK equities	34,397	29,085
Foreign equities	59,544	54,804
Fixed interest	54,335	49,229
Private equity	25,021	1,904
Hedge funds	80,051	117,003
Property	2,550	-
Money market	3,772	21,762
Cash	1,183	2,163
	<u>260,853</u>	<u>275,950</u>

The investments are held by Pershing Securities Limited who are regulated by the FCA. The funds are managed by Seven Investment Management LLP who are authorised and regulated by the FCA.

14. STOCKS

	2018 £	2017 £
Stocks	<u>21,804</u>	<u>14,789</u>

Stock recognised in cost of sales during the year as an expense was £42,864 (2017: £17,452).

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	4,685	7,650
Other debtors	380	315
VAT	9,007	9,021
Prepayments	16,258	7,666
	<u>30,330</u>	<u>24,652</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	23,878	24,484
Social security and other taxes	5,484	4,208
Pension creditor	888	-
Accrued expenses	5,916	1,810
	<u>36,166</u>	<u>30,502</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	89,333	85,636
Between one and five years	259,187	235,100
	<u>348,520</u>	<u>320,736</u>

18. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	744,402	(79,249)	42,873	708,026
24 7 Security	9,136	-	(9,136)	-
Community & Education Room	80,000	-	-	80,000
Kennel Block A Refurbishment	38,356	-	(38,356)	-
Reception refurbishment	11,240	-	(11,240)	-
Kennel Block B Refurbishments	-	-	100,000	100,000
	<u>883,134</u>	<u>(79,249)</u>	<u>84,141</u>	<u>888,026</u>
Restricted funds				
HMP Foston initiative	1,500	-	(1,500)	-
The Lewis Prime Fund	82,641	-	(82,641)	-
	<u>84,141</u>	<u>-</u>	<u>(84,141)</u>	<u>-</u>
TOTAL FUNDS	<u>967,275</u>	<u>(79,249)</u>	<u>-</u>	<u>888,026</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	745,589	(810,721)	(14,117)	(79,249)
TOTAL FUNDS	<u>745,589</u>	<u>(810,721)</u>	<u>(14,117)</u>	<u>(79,249)</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
Unrestricted Funds				
General fund	659,720	48,414	36,268	744,402
Dog Isolation	45,000	-	(45,000)	-
Kennel Hatches Upgrade	20,000	-	(20,000)	-
24 7 Security	30,000	-	(20,864)	9,136
Community & Education Room	80,000	-	-	80,000
Kennel Block A Refurbishment	-	-	38,356	38,356
Reception refurbishment	-	-	11,240	11,240
	<u>834,720</u>	<u>48,414</u>	<u>-</u>	<u>883,134</u>
Restricted Funds				
HMP Foston initiative	1,500	-	-	1,500
The Lewis Prime Fund	82,641	-	-	82,641
	<u>84,141</u>	<u>-</u>	<u>-</u>	<u>84,141</u>
TOTAL FUNDS	<u>918,861</u>	<u>48,414</u>	<u>-</u>	<u>967,275</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	692,312	(659,041)	15,143	48,414
	<u>692,312</u>	<u>(659,041)</u>	<u>15,143</u>	<u>48,414</u>
TOTAL FUNDS	<u>692,312</u>	<u>(659,041)</u>	<u>15,143</u>	<u>48,414</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	659,720	(30,835)	79,141	708,026
Dog Isolation	45,000	-	(45,000)	-
Kennel Hatches Upgrade	20,000	-	(20,000)	-
24 7 Security	30,000	-	(30,000)	-
Community & Education Room	80,000	-	-	80,000
Kennel Block B Refurbishments	-	-	100,000	100,000
Restricted funds				
HMP Foston initiative	1,500	-	(1,500)	-
The Lewis Prime Fund	82,641	-	(82,641)	-
	<u>84,141</u>	<u>-</u>	<u>(84,141)</u>	<u>-</u>
TOTAL FUNDS	<u>918,861</u>	<u>(30,835)</u>	<u>-</u>	<u>888,026</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,437,901	(1,469,762)	1,026	(30,835)
TOTAL FUNDS	<u>1,437,901</u>	<u>(1,469,762)</u>	<u>1,026</u>	<u>(30,835)</u>

All the funds except the general fund is represented by cash at bank.

The general fund is represented by the remaining assets and liabilities held by the charity.

All designated funds represent amounts allocated by the Trustees for various projects to be undertaken as part of the refurbishment of the branches premises.

The Lewis Prime Legacy Trust Funding was awarded to enable the Branch to move towards achieving a full animal centre licence by refurbishing some of our animal accommodations to meet the new licencing standards. This objective was completed during the year.

19. CAPITAL COMMITMENTS

	2018 £	2017 £
Contracted but not provided for in the financial statements	-	-

20. RELATED PARTY DISCLOSURES

The charity is affiliated to the RSPCA National Society.

At 31 December 2018, the amounts due from and to the RSPCA National Society in respect of income and purchases were £3,590 (2017 - £7,454) and £2,225 (2017 - £1,635) respectively.

21. ULTIMATE CONTROLLING PARTY

The trustees of the charity are the ultimate controlling party.