



Animals in Distress

(Torbay and Westcountry)

(A Company Limited by Guarantee)

Trustees' Annual Report and Financial Statements

For the year ended 31 December 2020

Registered Charity Number 1105487
Company Number 05171505

ANIMALS IN DISTRESS (TORBAY & WESTCOUNTRY)
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The Trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Trustees:

The Trustees of the Charity who served during the year were:

Meryl Brand
Geraldine Dix
Amy Cross-Webber
David Turner (Chair of Trustees)
Alison Truscott
Lisa Hochstrasser (Appointed 23 January 2020, resigned 15 April 2020)
Rob Mouser (Appointed 23 January 2020, resigned 9 April 2020)
Chris Paradine (Appointed 23 January 2020)
Jo Smith (Appointed 23 January 2020)

Company Secretary and Chief Executive Officer:

Neil Thomas

Principal Address and Registered Office:

Biltor
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Ipplepen
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Devon. TQ12 5UF

Registered Charity No: 1105487

Registered Company Number: 5171505

Professional Advisers:

Auditors: PKF Francis Clark
Sigma House
Oak View Close
Torquay
TQ2 7FF

Solicitors: Boyce Hatton LLP
58 The Terrace
Torquay
TQ1 1DE

Bankers: Lloyds Bank Plc
2 Palace Avenue
Paignton
TQ3 3ER

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

Animals in Distress (Torbay and Westcountry) is a company limited by guarantee (company number 5171505) and is registered as a charity (number 1105487) with the Charity Commission.

Governing Document

Animals in Distress (Torbay and Westcountry) is governed by its Memorandum and Articles of Association dated 4 July 2004

There is one class of member. The maximum number of members is 20 or such numbers as the members decide. The first members were the subscribers to the Memorandum; further members are such individuals or organisations as appointed by the Trustees. There are currently seven members, each of whom is liable to contribute £10 in the event of the Charity winding up.

Appointment of Trustees

As set out in the Articles of Association, the first Trustees were the subscribers to the Memorandum. Additional Trustees may be appointed by the Charity in a general meeting or by the other Trustees. A Trustee must be aged 18 or over, must be a member of the Charity and must not be disqualified by virtue of provisions of the Charities or Companies Acts. The number of Trustees may not be less than three, but is not subject to a maximum.

At the Annual General Meeting, one third of the Trustees must retire. The Trustees to retire shall be those who have been longest in office since their last appointment.

Trustee Induction and Training

New Trustees undergo an induction to brief them on their legal obligations under Charity and Company law, the content of the Memorandum and Articles of Association, governance, the Committee and the decision making process, the business plan and the recent financial performance of the Charity. During their induction, the Trustee will spend time with the Chief Executive and with the Rescue Centre Management in order to familiarise themselves with the day to day running of the Charity. Ongoing training is given as appropriate to their position.

Organisation Structure

The Charity is managed through the following areas:

- i) The Animal Welfare teams deliver the care, rehabilitation, training and rehoming of the dogs, cats, rabbits and guinea pigs at the Rescue Centre
- ii) The retail team manage and run the charity shops taking in and selling donated goods
- iii) The Fundraising and Communications team deal with income generation and communications through fundraising and media
- iv) Head Office deal with management and administration including HR, accounts, ICT, volunteering and maintenance of our estate

Governance and Management

The Board of Trustees administers the Charity and meets every three months. A Finance Committee was established by the Board to maintain an overview of and provide advice to it, regarding the financial affairs of the Charity. The Finance Committee meets every three months too and is attended by at least three Trustees and the CEO.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operating, the Chief Executive has written terms of delegation approved by the Trustees for operational matters including finance and employment.

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Remuneration of key management personnel

The Charity aims to provide a reward package that is competitive enough to attract and retain high calibre staff who wish to be part of the Charity's work. The remuneration of key management personnel is reviewed annually by the Trustees following a review of performance for the previous year. Salaries are also benchmarked against similar positions both locally and nationally.

Related Parties

The "new" charity (charity number 1105487) incorporated the tangible and intangible assets of the original "old" charity, Animals in Distress (Torbay and Westcountry) (charity number 900234) on 31 October 2004. The only excluded assets were future bequests, cash at bank and the benefit of any insurance claims.

Risk Management

The Trustees actively review the major risks the Charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. A comprehensive risk analysis has been completed which has identified control and monitoring procedures to minimise any risk to the Charity and any impact they may have. The results are periodically reviewed.

STRATEGIC REPORT

The following sections comprise the Charity's strategic report for the year.

Objectives and Activities

Animals in Distress exists to alleviate pain, suffering and distress in animals as well as to promote animal welfare practices and responsible pet ownership across Teignbridge, Torbay and South Hams.

Furthermore,

- We at Animals in Distress undertake to care for and nurture any unwanted domestic pet that is brought to us, providing it is suitable for re-homing and there is accommodation available at the Rescue Centre.
- We will always provide shelter, food, exercise and veterinary care for the animals in our charge.
- We will never put an animal to sleep unless on the advice of our Veterinary Surgeon.
- We will endeavor to find suitable homes for our animals on the basis of a responsible home check or such similar precaution as is deemed necessary.
- We will at all times show respect, understanding and courtesy to our user groups together with an inherent sense of duty and helpfulness.
- We will always uphold the principles and objectives of our Charity and share with others the joy of helping Animals in Distress.

Our care is open to all regardless of an individuals' background or circumstances; the welfare of the animal is the primary concern of the Charity, not where the animal comes from or is going to. This includes the fostering of animals, when an animal has a chronic health issue requiring ongoing veterinary treatment which the Charity pays for, regardless of the individual's financial circumstances.

The activities carried out during the course of the year (as set out in the following section) demonstrate the level of Trustee and management commitment in ensuring that the Charity delivers real and tangible benefit to the public in all of its operations and thereby meets the public benefit requirements as set out by the Charity Commission in both spirit and word.

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Achievements and Performance

The Impact of Coronavirus (COVID-19)

In our last annual report, we were optimistic as we started the new decade, despite questions about Brexit and the US presidential elections, that 2020 would be the year we welcomed more certainty into our lives. By March, the outbreak of coronavirus (COVID-19) ended our optimism and it was clear that we faced a new threat to our health, our economy and our way of life.

The COVID-19 outbreak has certainly shone a spotlight on how important our pets are to us. We know that dogs, cats and many other pets have been a huge source of comfort for many people throughout this crisis and more than ever, seen as an integral part of the family.

COVID-19 has posed a huge threat to the sustainability of the UK's and Ireland's dog and cat rescue sector. Like most charities, the financial impact of the pandemic was a major concern for the Charity. Research by Battersea revealed the potentially devastating impact COVID-19 has had on dogs and cats. From popular local rescues facing the threat of closure through lack of income, to pandemic pets now suffering due to irresponsible breeding, the consequences for animals in the UK are far-reaching.

The pandemic has profoundly impacted everyone, and the animal rescue sector is of course no exception. In a typical year, the sector homes around 300,000 dogs and cats, provides over 3 million free or reduced-cost veterinary treatments and neuters over 200,000 cats, but the last year has been anything but typical.

Pet ownership increased during the lockdowns and according to the Pet Food Manufacturers' Association, a total of 3.2 million households in the UK acquired a pet since the start of the pandemic, with more than half of the new owners being young people aged 16-34 and thus the main driver of this trend. It means that the UK now has 17 million pet-owning homes. We certainly saw an increase in enquiries and applications for the animals in our care. A significant number of people who were interested in rehoming an animal had not considered being pet owners before the lockdowns.

Many people bought pets in response to social isolation, but there are concerns about animal welfare, with the potential risk of health and behaviour problems. These included animals bought on impulse, often poorly-bred from low welfare breeders or from overseas breeders as these became a more significant source of puppies and kittens to meet the spike in UK demand. In addition, many first time pet owners had little or no knowledge of pet care and for many puppies, there was reduced opportunities for socialisation during the lockdowns.

Sadly, the link between domestic violence and animal abuse is now well established and we were contacted more than usual to help pets caught up in difficult situations. Pets, especially dogs and cats are at high risk of harm in abusive households, as perpetrators direct their anger at them and use them to manipulate and control their human victims. We always help when we can as this often enables the victim to escape an abusive or violent household knowing their pet is safe with us.

Dog thefts became more prevalent during the pandemic and we saw increased media coverage of this. We took more calls than normal from people trying to locate their pets. In addition, it was reported that microchipping rates dropped significantly. When vets stopped providing non-emergency treatment during the first lockdown and with lower than normal numbers of veterinary consultations since, this suggests that microchipping rates may not recover quickly as pet owners have chosen to visit vets only for urgent care. This will potentially impact on the ability to reunite stray or stolen dogs with their owners quickly in the future, resulting in additional costs to the welfare charities and Local Authorities.

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As we come out of the lockdowns and life begins to get back to some kind of normal, animal welfare organisations are bracing themselves for what is likely to be quite a significant increase in the numbers of stray and unwanted pet dogs. In these uncertain and challenging times social restrictions and recession, the capacity of the charitable welfare sector to meet this demand is at risk. In a survey undertaken by the Association of Dogs and Cats Homes (ADCH), a third reported an income drop of more than 50% and the recession will make recovery difficult. For small organisations, this is an existential crisis.

There is a real and valid concern that for many smaller rescues in particular, who perform such a vital social and welfare function, the pressure of increased demand and reduced incomes will prove too great. This was something that we were acutely aware of right from the start of the pandemic and something that shaped our strategy throughout and continues to do so.

The pandemic wasn't all bad news for our pets. One of the consequences of the lockdown was the care and control of dogs appears to have improved in some ways, as more owners spent more time at home and fewer walk their dogs off lead. Local Authorities dealt with fewer stray dogs than in the same period the previous year and we certainly saw fewer stray dogs coming into us. Veterinary data suggests fewer dogs may have been injured in road traffic accidents and caught infectious diseases and fewer dogs and cats were left alone during lockdown due to furlough and increased working from home.

There are so many benefits for potential new owners of getting their animal from a rescue centre compared to the risks of buying from unscrupulous breeders or from unknown sources online. The rapid increase in interest in owning a dog or cat has led to a surge in online buying. Acquiring a new pet should always require buyers to do their research and undertake the proper checks themselves to ensure they are buying a healthy animal. Rehoming a pet from a recognised rescue organisation such as Animals in Distress helps buyers avoid unscrupulous dealers, breeders and traders that pose such a threat to the health, welfare and happiness not only of the animal, but of the whole family. A rescue pet will be healthy, having received any necessary medical treatment and will be vaccinated and microchipped.

As alluded to at the start of this report, COVID-19 has shone a spotlight on the value of a pet, certainly a dog or cat in times of stress and hardship, particularly helping with feelings of isolation and loneliness. Many people said that their pet had helped to 'rescue them' during lockdown. Good mental health is linked to good physical health, both of which support positive social and economic outcomes.

The main challenge and concern in the medium term is the fundraising and the uncertainty around income. Animals in Distress is typical of most other animal charities in that an important part our income comes from legacies and those legacies are often dependent upon the sale of property to liquidate the bequest. When the property market was essentially frozen and properties were not selling, we knew that we would not realise the level of legacy income we could have hoped for. Fortunately, this problem was only temporary and with the Chancellor's Stamp Duty holiday, the property market took off again.

As there was every indication that the first lockdown was coming, in the weeks beforehand we had a massive push to get as many of our animals out as possible. Comparing the figures from the previous year, the number of animals finding their new forever homes virtually doubled.

The hugely successful pre-lockdown adoption rate was a direct consequence of business continuity planning as a pre-emptive reduction in animal numbers at the Rescue Centre was crucial for a number of reasons. Firstly, for the wellbeing of the animals as we feared being unable to rehome the animals for the duration of the crisis; secondly, to reduce the number of staff needed to deliver the same exceptional standards of care and finally to make room for a sudden and increased demand for our services. There are always emergency admissions but with people getting ill with COVID-19 or passing away, losing their jobs and/or no longer able to afford to look after their animals, we anticipated that we would be approached to take on more animals.

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We focused on leanness as a matter of approach, reduce our costs, strip out any waste and drive efficiencies. The challenge with a 'lean' approach is that it could leave the Charity less resilient. We looked at ways of working that are more compatible with a population maintaining social distancing over a sustained period and placed a greater reliance on digital customer journeys and experiences.

Shortly after the first lockdown commenced, operational guidance was produced for the animal welfare sector by the Canine and Feline Support Group/DEFRA. This covered how we could bring in, look after and rehome animals within the framework of the government restrictions around social distancing and non-essential travel, in the context of the government saying, where possible businesses should continue operating, but in a responsible way that manages risk very carefully.

The guidance allowed rehoming to recommence. Our traditional rehoming model included an online or hard application, one or more visits to the Rescue Centre, meeting the animals and then hopefully adopting a new one. We developed a new model to replace the visit with an interview on the telephone where we discussed the potential adopter's preferences and the sort of animal they were looking for, and then introduced them to an animal which might be suitable on a video call. If the person was interested, the adoption paperwork was completed online where possible and we delivered the animal to the adopter's doorstep. If it was a cat, the cat was transferred on the doorstep in a carrier with a conversation from a safe distance. If a dog, the introductions were done off site or in the adopters garden. Although, not as efficient as our pre-COVID-19 model, it was more customer orientated and allowed us to continue rehoming through the lockdowns. We certainly found and embraced new ways of working that allowed us to be more sustainable and more productive.

We know that as there was a need for Animals in Distress pre-COVID-19, then as we gradually see the light at the end of the tunnel, there is certainly going to be a need for the Charity once the crisis is over. The sustainability of the sector is being tested by this crisis and we know that there are challenges ahead but we are as determined as ever to ensure Animals in Distress remains as relevant as it always has been and continues to serve the community in a trusted and transparent way. Only time will tell whether a long-term impact of COVID-19 will be felt across the Not for Profit sector. Let's hope that this crisis will provide a catalyst for altruism that our society desperately needs.

Government Coronavirus Business Support

In response to the crisis, over the last year or so, the government announced a series of extraordinary business support measures to protect businesses and to save as many jobs as possible during the COVID-19 pandemic. Fortunately, the Charity has been able to take advantage of a number of these schemes, many of which were administered by the three councils in which our premises are located. The majority of the grants the Charity was able to apply for were in relation to our shops as non-essential retail, together with hospitality and tourism were the main sectors being supported. The application process for each of the grants administered by Torbay Council, South Hams District Council or Teignbridge District Council was different, even for the same grant. Each Council and grant required varying information and financial evidence which we were able to provide. The grants awarded and received by the Charity to date have totalled £318,792.39.

The grants included Business Rate Grants, National Lockdown grants, Local Restrictions Support Grants (tiers 2 and 3), Closed Business Top-Up grants and Restart grants. Unfortunately, animal rescue centres were not eligible for the majority of the grants and we did not meet the criteria for some of the discretionary grants available because we are not a small business or had sought any of the business interruption loan schemes available.

As an employer, we were able to use the Coronavirus Statutory Sick Pay Rebate Scheme to reclaim up to two weeks' worth of Statutory Sick Pay (SSP) that we paid out to employees for COVID-19 related sickness absences. We have had a number of staff members who had coronavirus or had to self-isolate. SSP was paid for absences from the first day off, rather than day four as is standard. The Charity has been able to reclaim £1,475.12 on this scheme so far.

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The Coronavirus Job Retention Scheme (CJRS) is a government wage support measure. It is designed to protect jobs in the wake of the economic impacts of the COVID-19 pandemic, and to support employers who are facing difficulties to continue paying wages rather than making people redundant. As an employer, with the shops and the Rescue Centre closed during the lockdown and the number of animals on site reduced, there was either less or no work for quite a number of our staff because of coronavirus. By agreement, we were able to put these staff members on furlough or on flexible furlough meaning that they stopped working and they received 80% of their normal pay. The Charity has been able to claim CJRS grants to help carry on paying furloughed staff. The Charity has had nearly 5/6th of its workforce furloughed at times, functioning on just a core team of staff.

The Coronavirus Job Retention Scheme (CJRS) has been extended until the end of September 2021. Until the end of June 2021 the UK government will pay 80% of employees' usual wages for the hours not worked, up to a cap of £2,500 per month. For periods in July, August and September this year, the contribution will reduce. The grants are not classed as state aid. At the time of writing this report, the Charity has been able to claim furlough pay, employers National Insurance and pension contributions (to July 2020) totalling £436,362.74.

The government support we have been able to access has been an absolute godsend and we will be eternally grateful for all of the financial assistance we have received as it has helped the Charity immensely during what has been an extremely challenging and difficult time. The various schemes and grants have greatly assisted the Charity to continue functioning during the pandemic and have certainly helped replace some of the lost income in the shops and although sadly we have had to make two roles redundant, it has kept as many of our staff as possible in their jobs, something which we were determined to do so from the outset.

Redundancies

It was with great sadness and much regret that Animals in Distress was facing a very difficult situation where there was the real prospect of having to make some of our staff redundant. The pandemic triggered yet another recession in an economy that was already turbulent. Some sectors such as travel and hospitality are worse hit than others, but a swift decline in consumer confidence and spending means that most industries, including the third sector, are experiencing huge challenges incurring reactive redundancies. We were not immune to what is happening and the spring and summer months were particularly difficult for the Charity. We knew tougher times were still ahead and therefore changes had to take place to ensure the sustainability and survival of the Charity.

In the autumn, despite the CJRS at that time being extended to 31st October, as an employer, we had to consider how our workforce might look following the end of subsidised furlough and a return to more normal working patterns. We have always placed a high priority on maintaining job security for all our staff.

However the pandemic has caused financial constraints, funding shortages, re-organisation and changes in working methods which resulted in the requirement to reduce our number of staff.

During the first few months of the pandemic, we made changes in the way work was organised, adapted our working practices and procedures to function with far fewer staff. This meant that as we were doing things in different ways and some work was absorbed by other members of staff. After careful and thorough consideration of all possible options, the Trustees and Neil concluded that we may have no alternative but to make redundancies.

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The risk (that we worked hard to try and avoid), related to the likely inability to provide work for all of our employees and therefore certain jobs may not be needed. We reviewed roles in our Retail and Rescue Centre animal department operations and decided that they would remain unaffected. However, the Receptionists and the Administrator and Human Resources Coordinator roles were put at risk of redundancy.

We actively explored alternatives to compulsory redundancies such as considering offering voluntary redundancy, temporary reduction in working hours, flexible working, restrictions on recruitment and retraining employees to do other jobs for the Charity. Unfortunately, redundancies were unavoidable, so we worked hard to minimise the number of employees affected. We communicated clearly with all affected employees and ensured that any selection for compulsory redundancy was undertaken fairly and reasonably. We undertook a thorough consultation process with staff affected together with any recognised trade unions and/or employee representatives as appropriate. It was concluded that there was a diminished requirement for the Administrator and Human Resources Coordinator role as a significant number of staff were furloughed and the work was being done by others. The role and the position holder was made redundant towards the end of October.

At the time, the government announced a further extension of the CJRS, so it was decided to keep the Receptionists on furlough as the Rescue Centre remained closed to public access. No further redundancies were made in 2020. During the first quarter of 2021, one further staff member was dismissed by way of redundancy. With the continued reduced number of animals on site and therefore fewer veterinary treatments being carried out, the Veterinary Nurse Assistant role was also made redundant as there was a diminished requirement for the role.

It was a very difficult decision to make two of our employees redundant. We do not underestimate the impact that this has had on them as individuals and how unsettling this has been for other members of staff. We cannot rule out further redundancies in the future but we continue to do all we can to avoid this and endeavour to maintain job-security for our employees.

Retail Operation

The first lockdown forced the closure of non-essential retail on 24th March 2020 and our shops then remained closed over the summer months until we undertook a phased reopening during September and October. The shops then had to close again from 5th November as the country went into a second lockdown, reopening four weeks later on 2nd December. We were open for 3 weeks on the run up to Christmas, closing the shops over the festive and New Year period with the plan to reopen again on 5th January 2021. However, the third lockdown was announced and commenced on that day so we kept our doors shut as non-essential retail had to be closed again.

In line with the government's roadmap out of lockdown, we reopened our shops on 12th April 2021 when we were allowed to do so. We were so pleased to see the return of our staff and volunteers and to welcome back our wonderful customers who we certainly missed. The wellbeing and safety of our customers, staff and volunteers remains paramount and we have undertaken COVID-secure measures at an initial cost of approximately £4,300, to ensure a safe and secure environment in which our customers can have the reassurance and confidence to shop with us.

Having seen sales in our charity shops increase significantly in 2019, we were very optimistic that 2020 was going to be an equally good year but the various lockdowns severely impacted on our retail operation. 2020 was a tough year for everyone, but especially the high street. In fact, predictions were made about how many high street businesses were going to struggle in 2020 before we had even heard of COVID-19. This meant we suffered a double whammy of the 'decline' of the high street alongside the restrictions that the coronavirus pandemic has placed on us.

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All is not lost, however. We are beginning to see an end in sight in terms of the virus and with some changes being made, we are optimistic of getting through this tough patch and enjoying the fruits of our labour once again. Businesses on the high street need to adapt now and, in the future, to remain successful and we are no different.

The first lockdown resulted in our shops having a huge amount of donations left outside their doorways. As people spent time clearing out their attics, wardrobes and drawers, we received a huge amount of donations. Sadly, much was damaged, soiled or of poor quality and in some cases, simply household rubbish and as a Charity, this commercial waste cost the Charity to dispose of.

So, what is the future going to hold for our shops? Vacant units and boarded-up shop fronts; vape stores and betting outlets rubbing shoulders with bric-a-brac emporiums and struggling independents. No doubt a scene which will resonate with many shoppers across the United Kingdom; our high streets are deep in the midst of a much publicised decline. High street shopping has long been a British pastime but a perfect storm created by an age of austerity, the continued preference for online shopping, crippling rents and business rates have all taken their toll on a once vibrant sector of British life.

So, what is the impact of COVID-19 on the high streets? High streets and town centres have evolved as a result of changing consumer trends, technology and what communities want. For instance, the emergence of retail parks has had an impact and online shopping has changed the way we buy in recent years. High streets had been increasingly focused on improving the experience as an attractive place to dwell, shop, meet friends, eat out and seek entertainment.

The COVID-19 pandemic has accelerated some of these trends. ONS/Springboard data for November 2020 showed that footfall was at 45% compared to the same period last year. Before the pandemic, footfall had dropped over 10% in the last 7 years.

Internet sales had risen to 21% of all retail sales at the end of 2019 compared to 7% a decade earlier, and during the height of the national lockdown period in May this had jumped to nearly 33% of all retail sales. Increased homeworking has also had an effect as employers have either closed their offices or supported flexible working.

It will be some time before a clear picture emerges of the impact of social distancing on the public's willingness to shop in high streets in the longer-term. Much will depend on how businesses respond once current government support ends, such as the furlough scheme, the lease forfeiture moratorium and business rates relief for the retail, hospitality and leisure sectors. However, many retail and restaurant chains have already said that a significant percentage of their stores will close, and the impact on job losses is also expected to continue.

We have seen many changes to the high street during the COVID-19 pandemic, some of which are likely to be short-lived, whilst others look like they are set to stay. The limiting of the number of people allowed into shops at any given time, the provision of hand sanitiser at shop entrances, and the mandatory wearing of masks, for example, are hopefully relatively short-lived measures.

However, our shops have already re-arranged layouts for better social distancing, incorporated technology and reduced the amount of cash we handle. COVID-19, it seems, is accelerating trends rather than setting them.

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With changes in the way that many are working, we are noticing a difference in where people are spending their money. We are seeing more and more people shopping locally. According to YouGov, two-fifths of Brits shopped locally during lockdown and 70% of those who shopped locally during lockdown indicated that they intended to continue to do so afterwards. This is mainly due to many more people spending more time working at home, people keen to support local shops and businesses and the public's desire to limit the use of public transport.

The global pandemic is accelerating key trends shaping the future of retail. The high street is not the same as it once was. Customer experience is key, but difficult to balance with an increased focus on safety protocols, mandatory face coverings, and reduced in-store services.

The rise of online shopping is a trend that we have seen for much longer than the coronavirus pandemic, however, the pandemic has sped up its popularity (out of necessity) and it is likely it is here to stay. This 'threat' has consequences for the high street, although not necessarily a negative one. One of the benefits of going to a physical shop is the experience that you get. The bespoke service, the ability to try things on, or the immediate gratification of walking out of the shop with a product in hand. The customer experience is a vital element and we need to ensure that we can create a unique and pleasurable experience for our customers, perhaps incorporating technology and adapting continuously, we stand every chance of prospering in the high street both now and in the future.

At a time when there is economic instability through COVID-19, the communication between our landlords and us as tenants has never been so important. In order to reduce our costs during the various lockdowns, we approached our landlords and are grateful to the majority of them who were sympathetic and understanding of our plight and agreed to reduce one or more of our monthly or quarterly rent payments. These gestures were very much appreciated during a time when all of our shops were closed. The landlord-tenant relationship is two-way and working together makes it mutually beneficial.

Looking ahead, there is more that councils would like to do to help their high streets and their local economies. Much of this depends on councils having access to further resources that they can spend effectively and efficiently, this should include government funding that supports economic growth and can be better targeted towards local needs. Many councils are in line to benefit from funding through the £1 billion Future High Streets Fund which has been earmarked for 101 towns. Provisionally, Newton Abbot, Teignbridge have been awarded £9,199,364 and Paignton, Torbay £13,363,248. 101 towns have also been identified to receive funding via councils through the £2.6 billion Stronger Towns Fund, including Torquay, Torbay which will receive £21.9 million. Whilst this funding was important to those places before the pandemic, this additional resource will become even more critical to help with town centre recovery. Given the speed at which high streets are being economically impacted councils are keen to be able to accelerate their spending and interventions now.

The pandemic is also likely to have a detrimental impact on many more towns and city centres. The impact will be felt differently from place to place depending on the local economy's dependency on particular sectors. There will therefore be other places that will require further intervention and support as they respond to variable local impacts. The government should therefore increase the funding and extend its town centres' funds to more places. We remain cautiously optimistic that our retail operation will survive the pandemic intact. The shops are a fundraising tool for the Charity and have to be performing to justify their existence. We are grateful for the support from the public for both the donated goods we receive to sell and also the customers who shop with us. Only time will tell if all of our shops return to pre-COVID-19 trade levels but as consumer confidence grows with the continued vaccination roll-out and the national restrictions easing, we are in the best possible position to maximise our return from them and give our customers a shopping experience that we can be proud of.

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Rescue Centre Improvements

During the year, we continued our rolling programme of improvements to the facilities at our Rescue Centre in Ipplepen. Although no major projects were undertaken in 2020, we were able to maintain facilities, where possible, in order to continue to provide a safe working environment for our staff and volunteers, excellent accommodation for the animals and to ensure that the site remained presentable at all times. COVID-secure measures were put into place, including hand sanitiser stations, cough guard screens, suitable signage and ensuring our staff and volunteers had suitable PPE. We installed a commercial washing machine and tumble dryer in the Cattery in order to keep up with demand for clean bedding and towels.

Adoption Fees

Our adoption fees remain broadly in line with other charities, both locally and nationally. At the start of each year, we apply a modest increase to the adoption fees for the animals which goes some way to offset some of the veterinary costs that the Charity incurs to give the animals the very best treatment and care. It generally costs the Charity far more to look after and treat each animal than the adoption fee covers. Occasionally, we have charged increased adoption fees above our standard rates for certain breeds and this additional income, ensures that we can help more animals that come into our care.

When an adopter rehomes an animal from Animals in Distress, they take home a pet which has been fully assessed by our expert animal welfare staff as well as our veterinary surgeon. Every pet at the Rescue Centre is: vaccinated, microchipped, neutered, wormed and flea treated (where appropriate for their species), examined by a vet and given any necessary treatments and where appropriate given a training plan designed to meet their specific needs.

Key Statistics

In 2020, we admitted 388 animals (679 in 2019) to the Rescue Centre (75 dogs, 185 cats/kittens, 70 rabbits and 58 guinea pigs) and rehomed 400 animals (620 in 2019) from the Rescue Centre (77 dogs, 200 cats/kittens, 62 rabbits and 61 guinea pigs). This represented a decrease of nearly 43% in admissions and 35.5% in rehoming compared to 2019. The reduction in numbers was purely down to the impact of the pandemic, the various national lockdowns and local restrictions as well as the restrictions placed on rescues throughout regarding admissions and rehoming.

We continued to work with and develop the Open Paw Programme in the kennels meaning that we were able to help many dogs find their forever homes. Open Paw is a programme specifically developed for dogs and cats in rescue centres, designed to provide animals with the enrichment, training and social skills they will need to make them more rehomeable, and to help them successfully settle into life in their new homes.

During 2020, in the spirit of cooperation between charities, Animals in Distress continued to assist Redditch Cat Rescue with taking on a number of cats and kittens. The lockdowns and travel restrictions severely curtailed this but when legally allowed to do so, we took some cats and kittens from the North Worcestershire based voluntary run charity. We always do our best to help out any other animal charity, including Cats Protection and the RSPCA, when there is a need and we will endeavour to take more cats from Redditch Cat Rescue during 2021.

As in the previous year, there were fewer rabbits and guinea pigs admitted and rehomed during the year. This seemed to be in line with what a number of other organisations reported on too. However, we have started to see an increase in people who took on a rabbit in the lockdowns, now wanting to rehome them. Since we have had our new admissions building to effectively quarantine new arrivals to ensure that animals are healthy before being transferred to the new building for rehoming, we have experienced no disease issues in the newly renovated rabbit and guinea pig facilities.

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Animals in Distress continues to ensure that all animals admitted and cared for at the Rescue Centre are healthy and receive all the necessary veterinary care that they need. The reduction in the number of animals on site during the pandemic resulted in fewer treatments required and a reduction in associated costs. A total of 3,496 (5,929 in 2019) consultations and combined treatments were administered (vaccinations, flea and worm treatments etc.) including operations (neutering, orthopaedic etc.) were performed in 2020. Whenever possible, the vast majority of treatments and operations continue to be undertaken on site at the Rescue Centre. Total veterinary costs which include ancillary costs (i.e. lab fees, medical gas, medication, equipment etc.) were £93,875 (£138,906 in 2019).

We continue to benefit from being able to purchase discounted veterinary medicines through MWI Animal Health which is a conglomeration of a best-in-class wholesale distributor Centaur Services, a practice management software innovator Vet Space, and two buying groups with relationships across the industry, St. Francis Group and Vetswest.

Veterinary Contract

Our veterinary provision at the Rescue Centre continues to be provided by Quarry House Vets, whose main practice is in Torquay. The Charity has maintained a good working relationship with this practice for nearly a decade now and our aim and requirement is the same as it is always has been, to ensure that they provide the best and most up to date veterinary care for our animals. We will consider undertaking a retendering exercise for the contract when we feel that the time is right, however, we will continue to utilise the services of Quarry House as they meet all of our requirements at this time.

Big Bark Kennel Build Project Update

After launching our fundraising campaign to raise funds to build new kennels in October 2018, we continued to fundraise for the project in 2019 and at the start of 2020. It was always going to be a mammoth task and we continued to be blessed by the generosity of so many of our supporters and corporate contacts as we started the long road to our target of £1.2m.

In December 2019, we received the fantastic news that Teignbridge District Council (TDC) had granted conditional planning permission for the development of the Rescue Centre site, including the kennels. This was great news as it meant that we could then move on to the next phase of the project in 2020. However, at the start of Lockdown One, it was clear that the pandemic was going to severely curtail our ability to fundraise for the new kennels. As a result, Rosey Oakes, our Campaign Development Lead for the Big Bark Appeal was furloughed. With fundraising becoming increasingly difficult with so many businesses having to close their doors and an uncertain future ahead, the focus had to be on raising general funds to ensure the sustainability of the Charity. The project therefore inevitably took a back seat throughout 2020 and that remains the case so far in 2021.

Rosey was brought back to work in March 2021 taking on the role of the Charity's Fundraising and Communications Manager. Part of her role is to keep the Big Bark kennel build campaign alive and continue to fundraise for the project as the Charity and the country emerge from the pandemic. We know that we have a long way to go but we are as determined as ever to deliver on this project and give our dogs the new facilities they deserve.

Use of Volunteers

Animals in Distress continued to benefit from the fantastic contribution that our wonderful volunteers made during 2020 despite the pandemic. The Rescue Centre was closed to general public access from March 2020 and initially, the government restrictions prohibited volunteering. However, revised government guidance over the months meant that we were able to bring back some of our volunteers to assist at the centre.

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The pandemic and the lockdowns forced the closure of our shops for much of the year so it is no surprise that the number of volunteers and the hours that our volunteers were able to contribute in 2020 was far less than in previous year but by no means, any less significant. Many of our volunteers were shielding meaning that we had fewer volunteers to call upon during the year.

Our volunteers contributed at least 6,235 hours to the Charity during 2020 (25,310 hours in 2019) in our shops, at the Rescue Centre, fundraising in the community and in our Head Office. We continue to recognise the incredibly valuable part that our volunteers play in making this Charity such a success and we will continue to involve our volunteers more in other areas of our work such as administration, fundraising and events. The Charity considers the recruitment of volunteers in the same way as staff and carries out a thorough administrative process in their selection.

Fundraising Activity

We started 2020 with a strong vision and extensive plan for the year, to continue our aim of becoming financially resilient and sustainable. However, the pandemic meant that 2020 turned out to be a very different and challenging year for the fundraising team. We very quickly had to change our focus and look at creative ways to engage and involve our supporters, whilst continuing to increase our reach, build our supporter base and develop enduring relationships.

We increased our digital marketing with an e-magazine, additional e-newsletters and virtual events. We continued to remain supporter focused, making over 500 telephone welfare calls to some of our more vulnerable supporters and phoned, emailed or wrote personal cards to those who made donations during the year. Animals in Distress are committed to ensuring our fundraising activities are safe, respectful, transparent and accountable.

Our fundraising efforts cover trusts and grants, corporate fundraising and sponsorship, individual giving, events and challenge fundraising, media appeals and community-led fundraising. We are grateful to every single supporter for every gift we receive. We like to communicate directly with our supporters and so never use third parties to act on our behalf.

Donors can be assured that we comply with the regulatory standards for fundraising. We are a member of the Institute of Fundraising and are registered with the Fundraising Regulator. We are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice, which can be found at <https://www.fundraisingregulator.org.uk/code>

We have several controls in place to ensure we protect our supporters' privacy and data and to provide our supporters and potential supporters with the respect and gratitude they deserve. We have a robust GDPR policy which is regularly reviewed by the fundraising team and staff from across the Charity have received training to ensure it is applied properly.

We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received no requests from this service last year.

A few highlights of 2020 include:

- Regular Giving was up 38% on the previous year from £10k to nearly £14k.
- We set up a lottery, in partnership with Your Charity Lottery, and raised £1,300 in 2020.
- Our online donations doubled from £10k in 2019 to nearly £20k in 2020.
- Our corporate friends raised £10k
- Supporters in the community raised over £15k by walking, running, sewing, knitting, writing and meeting virtually with friends!
- We received no fundraising complaints during 2020.

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Staff Personal Development

The Charity continues to invest in the continuing professional development (CPD) of our staff. It remains a priority for the Charity in order to ensure that we have a constantly developing workforce so that staff have the knowledge and skills to perform their roles in a professional context. This ranges from honing current skills, developing them to a new level or learning new ones that will allow an employee's job role to expand or prepare them for potential promotion.

As in the previous year, several staff members completed a Blue Cross Bereavement Support Skills course and undertook courses with the Centre of Excellence, including Level 3 - Leadership and Management, Feline Behaviour and Psychology Diploma, and the Canine Behaviour Training Diploma.

We continued our association with Battersea in 2020, although due to the pandemic, the majority of courses were cancelled. The Battersea Academy is a centre for professional development that trains animal welfare practitioners from across the UK and around the world. Delivered by Battersea's experts, Academy programmes are designed to equip participants with the knowledge and practical skills they need to operate their own rescue and rehoming centres effectively and to the highest possible standards. Their programmes cover up to date animal welfare principles, models and approaches to running a rescue centre.

They work with participants before they attend to ensure each programme is tailored to the specific needs of the organisations attending. The Charity has received bursaries from Battersea in the past to attend the intensive programmes and it is hoped that the Charity and staff will be able to take advantage of future programmes if not later this year, certainly in 2022.

New EPOS System

Following a number of EPOS providers being approached in 2019 for quotations to replace our current till system, we decided that we would remain with our current provider, Cybertill, and invest in a new system which is compatible with Windows 10 and is also future-proofed in that it is guaranteed to be upgradeable or be replaced up to 2032 in the event of further operating system changes. It was due to be installed in our retail premises and the Rescue Centre just after Easter 2020 but due to the first National Lockdown, this was postponed. With the shops being closed for much of the year, it was decided that this was unnecessary expenditure and that we would revisit the upgrade during 2021. At the time of compiling this report, our shops have only just reopened as they are non-essential retail in line with the government's roadmap out of lockdown.

Information Technology

The global Microsoft Exchange Server Hack in the first quarter of 2021 resulted in Electrowise, our business IT support, carrying out a number of security patches on our email server due to security issues potentially caused by it. As we had Microsoft Exchange, we were potentially vulnerable and despite the security patches, it was possible that hackers were already in our system. As far as could be ascertained, this had not happened to our email server, but we couldn't be sure. We were looking at the prospect of moving over to Microsoft Office 365 (cloud based) at some point this year as our servers are due for replacement/upgrade in 2022. Due to the potential server hack, it made sense to do this sooner rather than later, negating the need to have our email server. As a Charity, we do not have to pay for Microsoft Office 365 so we made the decision to migrate across to Microsoft Office 365.

Office 365 is Microsoft's productivity suite with tools like Word, Exchange, Excel, SharePoint, Teams and more. As it is cloud-based, it can be accessed from anywhere, on any device once online and is a totally secure environment with robust security measures in place, like two-factor authentication, which ensures unauthorised people can't access our files if they happen to get on our devices. Threat detection and anti-malware means security threats are identified and stopped immediately, which is

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particularly important for us as an organisation that deals with confidential data and information.

Using Office 365 means our Charity is free to operate without any concerns for IT security. Other benefits include improved communication, business continuity as no matter what happens to our physical devices, our email, files and data are safely stored in the cloud, automatic upgrades and centralised collaboration.

Challenges

Given current global events, there are increasingly demanding regulatory and operating environments for the charity sector. These are challenging times for everyone, and the charity sector is no exception. During the ongoing COVID-19 pandemic, we have revisited our top risks in an effort to understand how they were evolving, thereby determining what impact coronavirus was having on the likelihood and impact of our top risks. These risks reflect the shared nature of risks across the charity sector.

Strategy: The charity sector is experiencing a period of unrelenting change driven by factors such as:

- the digitalisation of the economy
- growing demands for a demonstrable impact, transparency and integrity
- an increasingly complex regulatory environment
- environmental events

These factors are forcing us to adapt and to respond in ways that protect our operations, while continuing to focus on the needs of our beneficiaries. These challenges are reflected in risks related to governance and strategy, organisational change and reputation.

Operational: If there is an organisational focus area that has become undeniably more challenging due to the effects of coronavirus, it is the charity's operations. Furloughing employees has required a significant management effort extending beyond human resources functions, diverting focus from other operational activities. Business continuity, people and the wider organisational risks are very much our top risks.

Income and financial sustainability: Like many organisations within the charity sector, we reduced our forecasted income for 2020 and have done so for 2021 as well. We had to cancel all of our traditional fundraising events for the last year or so and any future events have been postponed so that we can take account of social-distancing requirements and the uncertainty that coronavirus has created. Even before lockdown, we were revisiting how diverse and sustainable our sources of income were and are continuing to do so.

Compliance: Over the last few years, a key regulatory area of focus for the charity sector has been the General Data Protection Regulation (GDPR). The complex regulation will require management attention as the expectations of the Information Commissioner's Office (ICO) continue to evolve, particularly in relation to the technical measures required for personal data protection. In addition, there have been other recent and important changes in the regulatory landscape and expectations of regulators.

In October 2019, a new Code of Fundraising Practice was released by the Fundraising Regulator and the Charity Commission. The code has advocated increasingly, the need for robust charity governance in the wake of some high profile news stories and the need for trustees to have effective oversight of their charities. Furthermore, the Charity Governance Code, updated in December 2020, focuses on integrity (principle 3) and equality, diversity and inclusion (principle 6). Equality, diversity and inclusion, in particular, is an area that all charities will be focussing on and investing in.

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Technology: Digital transformation is a common trend across the charity sector. We are already in the middle of and continue to plan our digital transformation programme to enable more effective engagement with donors and beneficiaries, as well as streamlined ways of working. As a result, technology is becoming ever more pervasive within our operating model. This increases the need to focus on cyber security and the resilience of IT systems and infrastructure, which is relied upon to safeguard information and data, and to maintain business continuity. We continue to make sure that our IT service supplier is managed well, that our contractual arrangements are fit for purpose and that they adhere to the key policies of the charity, such as data protection, where non-compliance may result in reputational damage.

We have actively taken measures to cut our expenditure where we have been able to do so. We have restricted spending to our core activities and any future projects have been put on hold. In the short term, the measures that we have taken and the funding we have been able to source will make sure we are in a strong position to recover when the crisis is over.

The Trustees and CEO continue to discuss the issues and challenges, making decisions and then acting together to successfully implement those decisions. We are making timely decisions within shorter timescales. As income levels are threatened and additional costs arise, cash flow and reserves management inevitably demand our greatest attention. We are fortunate that we have a strong robust reserves policy, we have cash reserves that we are already drawing on to manage our cash requirements. The issue will be how the reduction in reserves is going to be managed going forwards. It will take time to build our reserves level up again and we may have to consider selling investments to help with this.

There are a number of key areas we are focussing on for our planning, budgeting and re-forecasting:

- Staff and volunteer welfare and safety remains paramount
- Fall in interest rates will mean a fall in investment income
- Fall in trading income arising from our retail operation being temporarily closed
- Fall in a voluntary income from sources such as donations, fundraising and sponsorships as well as events cancelled or as individuals have less disposable income to donate (as a result of falling investment rates or inability to work and the general shrinking of the economy).
- We implemented remote working policies and suspended all gatherings or meetings. This is helping protect staff and as far as we can ensure continuity of operations. In line with Charity Commission guidance, Board meetings are and our AGMs will be carried out virtually using secure technology rather than being face to face.
- Health and safety issues have been considered as the disease unfolded and we have ensured that decisions are made to correctly safeguard our staff. We have been clear about the need to self-isolate when appropriate and follow social distancing guidelines set by the government. We have considered the day to day needs as well as different ways of working to protect staff.

We have many issues to still consider due to COVID-19 and we have and will continue to adapt and change our business model due to the pandemic. There are extremely difficult times ahead as we feel the true impact of the pandemic is yet to be felt, but will continue to do all we can to mitigate the situation in the short-term in order to secure the medium to long-term sustainability of the Charity.

Plans for Future Periods

The developing coronavirus (COVID-19) pandemic and global economic crisis meant that any specific plans that we had for 2020 and beyond were either postponed or shelved. This has been an incredibly challenging time for all charities and we are not immune from the effects that the pandemic has had on the sector. No business or charity will come out of the current situation the same as it was at the start of 2020. Meeting those challenges that we will inevitably have to face is very much our focus now to ensure that the Charity can emerge from the crisis as strong as possible.

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Planning ahead

On 22nd February 2021, the roadmap out of national lockdown in England was published by the government. Like most charities across the country, we continue to have concerns and some key areas to focus on. With services being allowed to re-open, the end of the Coronavirus Job Retention Scheme (CJRS) in September 2021 and the continued roll out of the government's mass vaccination programme, we are asking ourselves the following questions:

- What will be the impact of the CJRS (furlough) scheme coming to an end?
- How can we support staff, volunteers and beneficiaries to feel safe?
- How can we re-engage volunteers who have stepped down as a result of the pandemic?
- How can we adapt and thrive in a post-COVID-19 world?

As lockdown eases, based on these concerns, our key areas of focus are:

Supporting the wellbeing of staff and volunteers

We recognise that the easing of lockdown will cause increased anxiety for some of our staff and volunteers. It is certainly going to take time to adapt to the gradual resuming of 'normality'. We have staff and volunteers whom may have felt the direct impact of coronavirus including experiencing the loss of a family member or loved one. Others may be struggling to cope after a prolonged period of furlough or working from home. In addition, for those whom have been working throughout, with the ongoing demand for our services, some staff may feel overwhelmed and/or burnt out.

Throughout the pandemic, we have endeavoured to support our staff and volunteers. We want this to continue and it starts by making the time to have open conversations with staff and volunteers to talk through any concerns they may have as well as carefully managing their workloads.

Re-engaging with and retaining volunteers

Volunteers have played a vital role during the pandemic. We have relied on them to help meet increased demand and respond to the changing needs of our beneficiaries. With the easing of lockdown and with the Coronavirus Job Retention Scheme coming to an end in the autumn, there is concern that some of our existing volunteers will be less available to offer support. In addition, many of our volunteers were shielding throughout and some have made the decision not to return due to the pandemic.

Going forward, we need to think how we can balance the changing needs of our volunteers as lockdown eases with our need for volunteers to carry out particular roles which will require a degree of flexibility. We will review our volunteer roles and think about whether these roles could be done in a different way or when people have less time.

Supporting staff, volunteers and customers to stay safe

Creating a safe working environment for our staff, volunteers and customers has been and remains a top priority for the Charity.

We have been clear about the practical implications and adhered to the government guidance throughout to ensure that we work safely during coronavirus.

Whilst the vaccination programme provides a route out of the pandemic, our understanding of the impact of the vaccine on transmission of COVID-19 is developing.

We started to think about our approach to COVID-19 vaccines and testing. Currently vaccines are not a mandatory requirement and it is not appropriate to make it a requirement for staff. What we have been able to do is take advantage of the government's workplace testing scheme and have provided rapid lateral-flow tests for our staff.

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Staff are obliged to inform the Charity if they test positive, in the same way they are required to tell the Charity if they test positive for COVID-19 outside the context of workplace testing. Of course, as an employer, we will have less visibility as to whether staff have carried out the tests in the first place.

As an employer, we cannot force staff to test themselves for COVID-19 at home, all we can do is ask and encourage it and provide information on the importance of regular testing to help prevent the spread of the virus. We hope that staff will be reassured that as an employer, we are taking steps to protect the health of staff in the workplace and therefore staff accept that the testing may be a necessary precaution in the current circumstances. Testing will form a crucial part of everyday life as parts of society reopen. Regular testing could be the difference between a workplace being able to stay open and operational, or needing to close due to a COVID-19 outbreak.

The government announced on 5th April 2021 that everyone in England will be able to take a free rapid coronavirus test twice a week. They will be able to do this via a home ordering service, community testing which is offered by all local authorities or by collecting tests from a local PCR test site during specific test collection time windows and we have encouraged staff to continue with home testing going forward.

Funding

The financial impact of COVID-19 on the sector is striking. Ensuring that we continue to fund our core costs remains a priority.

The future of work

Whilst the pandemic continues, it is probably too early to say for sure what exactly the future of work will look like, but like many organisations, we are anticipating that some of our staff will continue to work from home as lockdown and restrictions ease. Adapting to new and long-term working arrangements as well as developing a homeworking policy means that organisationally, we are embracing the new working world in which we find ourselves. The future success of the Charity post-pandemic is an opportunity to 'build back better' and become a more resilient organisation post-pandemic.

Principal Risks

The Trustees and CEO recognise that through the nature of our activities, funding base, reserves and structure, the Charity is exposed to differing areas of risk and levels of exposure. There are many areas of potential risk and we undertake our own processes for risk identification. The following list is an indication of a few of the main areas of risk that are considered by the Trustees and CEO:

- **Income and financial sustainability:** Insufficient income and reserves for the charity to achieve its strategic objectives and maintain its operations. Dependency on income sources - such as legacies and retail could have cash flow and budget impact if that income source is significantly reduced or lost.
- **National minimum wage and living wage:** Government proposals for the next few years will increase payroll substantially so future staffing levels will have to be considered.
- **Data Protection compliance and GDPR:** An event or incident such as an external data breach or inadvertent internal error resulting in the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to personal data.
- **Organisational change and digital transformation:** The failure to execute organisational change and transformation programmes effectively and to achieve the intended benefits of these, resulting primarily in inefficient use of the Charity's resources.
- **Safeguarding:** Failure to safeguard a Charity's beneficiaries or associated vulnerable persons, including children, from abuse and maltreatment.

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- People, leadership and culture: Weaknesses or failure of leadership, inability to develop and retain talent effectively and an organisational culture that is not an enabler in the pursuit of a Charity's strategy and objectives.
- Governance: The Charity does not achieve its strategic, charitable, regulatory and ethical objectives due to inadequate governance at board, senior management or operational levels.
- Regulatory: The Charity fails to comply with applicable regulatory requirements, leading to reputational damage and financial penalties.
- Coronavirus (COVID-19): The global pandemic and the effects on the economy, demand for services, finances, fundraising etc.
- Health, safety and environment: Failing to ensure a safe environment could result in injury to staff, volunteers or the public, breaking the law and rendering the Charity unable to operate.
- Cyber security: Cyber incidents (typically unauthorised or inappropriate access to our organisation's network) executed by external or internal parties that negatively impact the confidentiality, integrity and availability of a Charity's information systems and data.
- Business continuity incidents: The occurrence of incidents that limit the Charity's ability to operate as it normally would in business as usual situations.
- Reputation: A range of occurrences including incidents, events and outcomes that may consequently damage the Charity's reputation. Reputation risk is largely a consequence of other risk events materialising. Public perception and adverse publicity which could impact on voluntary income, use of our services, access to grants, loss of donor confidence or funding, impact on the morale of staff, loss of beneficiary confidence, relationship with funders etc.

Financial Position and Reserves

At 31 December 2020, the Charity had total reserves of £3,760,000, of which £3,713,000 were unrestricted.

The Charity has sought to separate those unrestricted reserves that are held in the form of property fund assets (£2,074,000) from those that are freely available for its general purposes. As well as providing a more informed view of the overall reserves it enables a more realistic assessment to be made of the Charity's strategy with regard to their level and future deployment.

The so-called free reserves are then demarcated into a separate category (building fund totalling £1,178,000) that accords with the Charity's medium and long-term plans to improve facilities at the Rescue Centre. This acknowledges and takes account of the fact that large scale capital projects require "saving for" over many years. The balancing general reserve (£461,000) recognises that it is extremely difficult to predict income from legacies, so the Charity aims to hold at least £750,000 in reserve, which equates to 6 months average operating costs. Our reserves currently exceed this figure in order to cover future projects and eventualities.

It is anticipated that the Charity's investment policy will match the spending and reserves policy.

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Trustees' Responsibilities in Relation to the Financial Statements

The Charity Trustees (who are also the directors of Animals in Distress (Torbay and Westcountry) for the purposes of Company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company 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 charitable company and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting 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.;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the U.K governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure to our Auditors

In so far as the Trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- the Trustees have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of relevant audit information and to establish that the auditor is aware of that information.

By order of the board of Trustees and signed on behalf of the Trustees:

D Turner (Chair of Trustee)

G Dix

Date:2021

Report compiled for and on behalf of the Trustees by: Neil Thomas (CEO)

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Animals in Distress (Torbay and Westcountry) (the "charitable company") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (incorporating the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 20), 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 they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

FOR THE YEAR ENDED 31 DECEMBER 2020

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered those laws and regulations that have a direct impact on the preparation of the financial statements, including, but not limited to FRS 102 (effective 1 January 2019) - (Charities SORP), the Companies Act 2006 and the Charities Act 2011. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to fraudulent financial reporting, in particular to grant funding received.

Audit procedures performed by the engagement team include, but were not limited to, discussions and inquiries with management of compliance with laws and regulations, reviewing grant funding agreements, and reviewing board minutes and significant legal costs incurred in the year. We also addressed the risk of management override of internal controls, including testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

FOR THE YEAR ENDED 31 DECEMBER 2020

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Martin Hobbs BSc ACA (Senior Statutory Auditor)

PKF Francis Clark, Statutory Auditor

Sigma House

Oak View Close

Edginswell Park

Torquay

TQ2 7FF

Date:.....

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income from:					
Donations and legacies	3	976,801	16,740	993,541	468,715
Charitable activities	4	38,992	-	38,992	61,807
Other trading activities	5	310,113	-	310,113	932,082
Investments	6	21,411	-	21,411	21,178
CJRS		287,425	7,847	295,272	-
Total income		<u>1,634,742</u>	<u>24,587</u>	<u>1,659,329</u>	<u>1,483,782</u>
Expenditure on:					
Raising funds	7	709,652	17,255	726,907	786,965
Charitable activities	8	709,047	4,672	713,719	818,611
Total expenditure		<u>1,418,699</u>	<u>21,927</u>	<u>1,440,626</u>	<u>1,605,576</u>
Net income/(expenditure)		216,043	2,660	218,703	(121,794)
Transfers between funds	22	-	-	-	-
Net movement in funds		<u>216,043</u>	<u>2,660</u>	<u>218,703</u>	<u>(121,794)</u>
Reconciliation of funds					
Total funds brought forward		<u>3,496,801</u>	<u>44,311</u>	<u>3,541,112</u>	<u>3,662,906</u>
Total funds carried forward	22	<u>3,712,844</u>	<u>46,971</u>	<u>3,759,815</u>	<u>3,541,112</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

The notes on pages 28 to 39 form part of these financial statements.

Income and expenditure from restricted funds in the comparative year is shown in notes 3, 7 and 8.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Fixed assets			
Intangible assets	15	1,094	2,569
Tangible assets	16	2,693,833	2,743,466
		2,694,927	2,746,035
Current assets			
Stocks	17	9,372	10,522
Debtors	18	108,494	119,544
Cash at bank and in hand		1,154,403	906,403
		1,272,269	1,036,469
Liabilities			
Creditors falling due within one year	19	56,794	73,130
Net current assets		1,215,475	963,339
Total assets less current liabilities		3,910,402	3,709,374
Creditors falling due after more than one year	20	150,587	168,262
Net assets		3,759,815	3,541,112
 Restricted funds	22	 46,971	 44,311
General funds	22	461,222	245,179
Designated funds	22	3,251,622	3,251,622
Total charity funds		3,759,815	3,541,112

The notes on pages 28 to 39 form part of these financial statements.

The financial statements were approved by the trustees on and signed on their behalf by:

D Turner

Trustee

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Cash flows from operating activities	24	257,671	(119,048)
Cash flows from investing activities			
Rent received		16,150	15,600
Interest income		5,261	5,578
Purchase of intangible fixed assets		-	-
Purchase of tangible fixed assets		(14,202)	(432,185)
Cash flows from investing activities		7,209	(149,895)
Cash flows from financing activities			
Repayments of bank borrowings		(16,880)	(14,858)
Proceeds from bank and other borrowings		-	200,000
Cash flows from financing activities		(16,880)	185,142
(Decrease)/increase in cash and cash equivalents in the year		248,00	(344,913)
Cash and cash equivalents at the beginning of the year	25	906,403	1,251,316
Cash and cash equivalents at the end of the year	25	1,154,403	906,403

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting Policies

The principal accounting policies adopted, judgements made and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation of financial statements and assessment of going concern

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), FRS 102 and the Companies Act 2006.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Please refer to the 'Challenges' section of the Trustees' Report on page 11 for more details of the implications of the Covid-19 pandemic on the going concern status of the charity.

Animals in Distress (Torbay and Westcountry) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Income

All income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income by way of donations, membership, sponsorship and collections, is accounted for when receivable. Income raised through the operation of the shops is taken into account at the time of receipt.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated goods relating to animal food are brought in to income and expenditure at the value they would have cost had they been purchased by the charity.

c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds received which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

d) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising and shop costs and their associated support costs.
- Expenditure on charitable activities includes the costs of the Rescue Centre and its associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between costs of raising funds, expenditure on charitable activities and other expenditure, based on staff time.

f) Operating leases

Rental charges under operating leases are charged on a straight line basis over the term of the lease.

g) Intangible fixed assets

Intangible fixed assets are initially recorded at cost. Computer software is amortised on a straight line basis over its expected useful economic life of 4 years.

h) Tangible fixed assets

Individual tangible fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Freehold buildings	2% straight line
Equipment	20% reducing balance
IT equipment	25% straight line
Motor vehicles	25% reducing balance

i) Stocks

Stocks are included at the lower of cost and net realisable value.

j) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is recognised where the criteria for recognising income has been met at the year-end but the claim or invoice has not been submitted/issued until after the year-end.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash held in current and savings accounts in UK banking institutions.

l) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) Pensions

The charity operates a defined contribution pension scheme and membership is open to all employees of the charity. The assets of the scheme are held separately from those of the charity. The charity matches employee contributions of 1-4% with an employer contribution of 3% and the contributions are paid into the fund on a monthly basis. The contributions made for the accounting period are treated as an expense and were £23,248 (2019: £22,876). Contributions totalling £1,829 (2019: £2,075) were payable to the fund at the balance sheet date and are included in creditors.

2 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The Charity is incorporated in England and Wales. The address of its registered office is: Biltor, Edgelands Lane, Ipplepen, Newton Abbot, TQ12 5UF.

3 Income from donations and legacies

	2020 £	2019 £
Donations and gifts	175,643	135,933
Legacies	602,670	310,663
Grants	201,418	11,950
Memberships and sponsorship	13,810	10,169
Total income from donations and legacies	993,541	468,715

Income from donations and legacies comprises £16,740 (2019: £21,814) in respect of restricted funds and £976,801 (2019: £446,901) in respect of unrestricted funds.

As noted in the trustees' report the charity benefits notably from the involvement and enthusiastic contributions of volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****4 Income from charitable activities**

	2020 £	2019 £
Re-homing fees	37,059	57,944
South Hams Strays and Vet income	1,933	3,863
Total income from charitable activities	38,992	61,807

5 Income from other trading activities

	2020 £	2019 £
Memberships and sponsorships	2,745	3,098
Fundraising events	24,877	29,354
Shop income	269,195	887,383
Petplan commission	13,296	12,247
Total income from other trading activities	310,113	932,082

6 Investment income

	2020 £	2019 £
Rent	16,150	15,600
Interest	5,261	5,578
Total investment income	21,411	21,178

7 Analysis of expenditure on raising funds

	2020 £	2019 £
Fundraising	20,047	36,327
Shop costs	489,146	558,516
Support costs	217,714	192,122
Total expenditure on raising funds	726,907	786,965

Expenditure on raising funds comprises £17,255 (2019: £19,998) in respect of restricted funds and £709,652 (2019: £766,967) in respect of unrestricted funds.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8 Analysis of expenditure on charitable activities

	2020 £	2019 £
Rescue Centre	663,030	770,644
Support costs	50,689	47,967
Total expenditure on charitable activities	713,719	818,611

Expenditure on charitable activities comprises £4,672 (2019: £5,939) in respect of restricted funds and £709,047 (2019: £812,672) in respect of unrestricted funds.

9 Analysis of support costs

All support costs are allocated based on the basis of staff time.

The analysis of support costs is as follows:

	Raising Funds £	Charitable Activities £	Total 2020 £	Total 2019 £
Salaries and other staff costs	197,976	40,073	238,049	187,401
Travel and subsistence	2	-	2	817
Professional fees	2,536	513	3,049	3,307
Finance costs and exchange losses	3,292	666	3,958	6,636
Office costs	5,512	1,116	6,628	17,042
Other costs	7,525	1,521	9,046	17,380
Governance	871	6,800	7,671	7,506
Total support costs	217,714	50,689	268,403	240,089

10 Analysis of governance costs

The analysis of governance costs is as follows:

	Total 2020 £	Total 2019 £
Salaries and other staff costs	796	1,109
Professional fees	6,800	6,149
Other costs	75	248
Total	7,671	7,506

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11 Net income for the year

This is stated after charging:

	2020 £	2019 £
Operating leases - property	74,146	78,260
- equipment	13,276	13,627
Depreciation	63,835	61,806
Amortisation	1,475	3,275
Interest payable	7,969	7,919
Auditors remuneration: audit fees	3,300	3,300
accounts	2,500	2,500
taxation	700	700

12 Analysis of staff costs, trustee remuneration and expenses, the cost of key management personnel and related party transactions

	2020 £	2019 £
Salaries and wages	927,825	947,764
Social security costs	50,207	54,593
Pension costs	23,248	22,876
	<u>1,001,280</u>	<u>1,025,233</u>

One employee had remuneration in excess of £70,000 and less than £80,000 (2019: one in excess of £60,000 and less than £70,000).

The charity trustees were not paid and did not receive any other benefits from the charity (2019: None). No travel or other expenses were reimbursed to the trustees during the year (2019: None).

The total remuneration, including employer's national insurance, of the key management personnel of the charity was £83,426 (2019: £77,773).

There were no related party transactions (2019: None).

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13 Staff numbers

The average monthly head count was 64 staff (2019: 67) and staff were engaged in the activities of the group as follows:

	2020	2019
Rescue Centre	27	29
Charity shops	29	29
Administration and support	7	8
Chief Executive	1	1
	<u>64</u>	<u>67</u>

14 Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Intangible fixed assets

	Software £	Total £
Cost:		
As at 1 January 2020	13,100	13,100
Additions	-	-
As at 31 December 2020	<u>13,100</u>	<u>13,100</u>
Amortisation:		
As at 1 January 2020	10,531	10,531
Charge for the year	1,475	1,475
As at 31 December 2020	<u>12,006</u>	<u>12,006</u>
Net book value:		
As at 1 January 2020	2,569	2,569
As at 31 December 2020	<u>1,094</u>	<u>1,094</u>

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16 Tangible fixed assets

	Freehold Property £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
Cost:					
As at 1 January 2020	3,141,640	142,311	63,694	21,920	3,369,565
Additions	509	11,144	2,549	-	14,202
As at 31 December 2020	3,142,149	153,455	66,243	21,920	3,383,767
Depreciation:					
As at 1 January 2020	434,298	120,090	59,038	12,673	626,099
Charge for the year	51,743	7,590	2,190	2,312	63,835
As at 31 December 2020	486,041	127,680	61,228	14,985	689,934
Net book value:					
As at 1 January 2020	2,707,342	22,221	4,656	9,247	2,743,466
As at 31 December 2020	2,656,108	25,775	5,015	6,935	2,693,833

17 Stocks

	2020 £	2019 £
Goods for resale	3,118	3,223
Vet room supplies	5,710	5,710
Shop stationery stocks	544	1,589
	9,372	10,522

18 Debtors

	2020 £	2019 £
Trade debtors	6,862	6,411
Other debtors	24,760	41,616
Prepayments and accrued income	76,872	71,517
	108,494	119,544

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****19 Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	10,427	20,600
Other creditors	6,725	7,399
Accruals and deferred income	10,226	14,156
Social security and other taxes	11,741	14,095
Bank loan	17,675	16,880
	56,794	73,130

Creditors due within one year include £17,675 (2019 - £16,880) bank loan which is secured over the asset to which it relates.

20 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loan	150,587	168,262
	150,587	168,262

Creditors due after one year include £150,587 (2019 - £168,262) bank loan which is secured over the asset to which it relates.

21 Obligations Under Leases

The total of future minimum lease payments is as follows:

	Land and Buildings		Other	
	2020 £	2019 £	2020 £	2019 £
Operating leases:				
Within one year	31,500	37,417	11,839	11,168
Between one and five years	146,000	146,000	60,416	38,132
After more than five years	60,333	91,833	590	1,820
	237,833	275,250	72,845	51,120

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

22 Analysis of movements in funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
General fund	245,179	1,634,742	(1,418,699)	-	461,222
Designated funds:					
Property fund	2,073,872	-	-	-	2,073,872
Building fund	1,177,750	-	-	-	1,177,750
	3,251,622	-	-	-	3,251,622
Total unrestricted funds	3,496,801	1,634,742	(1,418,699)	-	3,712,844
Puppy Appeal (capital)	14,455	-	(3,555)	-	10,900
Charlie Appeal	2,474	-	(46)	-	2,428
Big Bark Appeal	24,389	24,587	(17,591)	-	31,385
Other Appeals	2,993	-	(735)	-	2,258
Total restricted funds	44,311	24,587	(21,927)	-	46,971

The restricted funds shown above represent funds raised from appeals for specific projects.

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
General fund	362,850	1,461,968	(1,579,639)	-	245,179
Designated funds:					
Property fund	2,073,872	-	-	-	2,073,872
Building fund	1,177,750	-	-	-	1,177,750
	3,251,622	-	-	-	3,251,622
Total unrestricted funds	3,614,472	1,461,968	(1,579,639)	-	3,496,801
Puppy Appeal (capital)	18,010	-	(3,555)	-	14,455
Rabbit Appeal (capital)	1,874	-	(1,874)	-	-
Charlie Appeal	2,531	-	(57)	-	2,474
Big Bark Appeal	26,019	18,514	(20,144)	-	24,389
Other Appeals	-	3,300	(307)	-	2,993
Total restricted funds	48,434	21,814	(25,937)	-	44,311

The restricted funds for the year to 31 December 2019 represent funds raised from appeals for specific projects.

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****23 Analysis of net assets between funds**

At 31 December 2020	Unrestricted Funds £	Restricted Funds £	Total Funds £
Intangible fixed assets	1,094	-	1,094
Tangible fixed assets	2,656,811	37,022	2,693,833
Cash at bank and in hand	1,144,454	9,949	1,154,403
Other net current assets	61,072	-	61,072
Creditors more than one year	(150,587)	-	(150,587)
Total	3,712,844	46,971	3,759,815

At 31 December 2019	Unrestricted Funds £	Restricted Funds £	Total Funds £
Intangible fixed assets	2,569	-	2,569
Tangible fixed assets	2,701,772	41,694	2,743,466
Cash at bank and in hand	903,786	2,617	906,403
Other net current assets	56,936	-	56,936
Creditors more than one year	(168,262)	-	(168,262)
Total	3,496,801	44,311	3,541,112

24 Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the reporting period	218,703	(121,794)
Adjustments for:		
Depreciation charges	63,835	61,806
Amortisation charges	1,475	3,275
Rent receivable	(16,150)	(15,600)
Interest income	(5,261)	(5,578)
(Decrease)/Increase in stocks	1,150	(48)
Decrease/(Increase) in debtors	11,050	(20,543)
(Decrease)in creditors	(17,131)	(20,566)
Net cash from operating activities	257,671	(119,048)

ANIMALS IN DISTRESS (TORBAY AND WESTCOUNTRY)**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****25 Analysis of Changes in Net Debt**

	1 Jan 2020 £	Cash flows £	31 Dec 2020 £
Cash at bank and in hand	906,403	248,000	1,154,403
	<u>906,403</u>	<u>248,000</u>	<u>1,154,403</u>
Loans due within one year	(16,880)	(795)	(17,675)
Loans due after more than one year	(168,262)	17,675	(150,587)
	<u>(185,142)</u>	<u>16,880</u>	<u>(168,262)</u>
Total	<u><u>721,261</u></u>	<u><u>264,880</u></u>	<u><u>986,141</u></u>