

# The RSPCA Danaher Animal Home

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

# **The RSPCA Danaher Animal Home**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 7
Statement of Trustees' Responsibilities	8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 to 27

# **The RSPCA Danaher Animal Home**

## **Reference and Administrative Details**

**Chief Executive Officer** Ms D J Satchell

**Trustees** R J Lord  
R W Lees  
Ms A J Dewar  
G R Barker  
F G Hammett  
Mrs H Hendry

**Secretary** Ms D J Satchell

**Registered Office** Thorley Farm  
Hedingham Road  
Wethersfield  
Braintree  
Essex  
CM7 4EQ

The charity is incorporated in England and Wales.

**Company Registration Number** 05572968

**Charity Registration Number** 1112369

**Solicitors** Holmes & Hills  
Bocking End  
Braintree  
Essex  
CM7 9AJ

**Bankers** Santander  
Corporate Business Bank  
Bridle Road  
Bootle  
Merseyside  
GIR 0AA

**Independent Examiner** N Forsyth FCA  
Lambert Chapman LLP  
Chartered Accountants and Registered Statutory Auditors  
3 Warners Mill  
Silks Way  
Braintree  
Essex  
CM7 3GB

# **The RSPCA Danaher Animal Home**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

### **Trustees**

R J Lord

J Bear (resigned 25 February 2021)

Ms P Lee (resigned 25 February 2021)

R W Lees

Ms R E Mason (resigned 25 February 2021)

Ms A J Dewar

G R Barker (appointed 8 April 2020)

F G Hammett (appointed 8 April 2020)

Mrs H Hendry (appointed 19 May 2021)

### **Objectives and activities**

#### *Objectives and aims*

The Danaher Animal Home provides a temporary stop for homeless domestic animals that have often been ill-treated and/or unwanted. At the Home they are assessed, seen by our veterinary team, cared for, nursed and rehabilitated by our staff and volunteers and then the vast majority are re-homed, returned to owners (strays) or transferred out.

Animals that are deemed unsafe or that cannot be kept comfortable physically or mentally, are sadly subject to euthanasia. Regrettably euthanasia is an unwelcome reality in any animal rescue establishment. No animal at Danaher is euthanased without first consulting with: our veterinary team, the animal care team, the senior management team, and any necessary RSPCA Branches and Inspectorate.

Danaher runs a fostering programme for various animals including; young animals, elderly animals and animals that are at the end of their lives due to medical conditions, but that can be kept comfortable through medication.

Danaher, whilst being affiliated to the RSPCA, is an independent company responsible for raising its own funding.

Its role is the acceptance, from RSPCA Essex branches and elsewhere, the RSPCA Inspectorate and other sources, of animals for re-homing, rehabilitation and to provide veterinary treatment in this connection.

Furthermore, the safekeeping of some animals pending the possible prosecution of their owners for cruelty, negligence or abuse.

#### *Public benefit*

The Home seeks to benefit the public through the pursuit of its stated aims.

Where animals are made available for rehoming, they are neutered and microchipped (dogs, cats and rabbits), vet checked and provided with a clean bill of health (or, where necessary, the medication to treat any ongoing health issues). Adoption fees are set at a level that, together with other forms of fundraising, ensures the financial viability of the Home and at a level that is consistent with our aim of providing a first class rehoming service.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### *Use of volunteers*

An induction programme is in place for volunteers and covers health and safety and Animal Home operational procedures.

The Home has around 150 volunteers that assist in the day to day running of the centre and its shops. This number has been drastically reduced during the pandemic but we are hopeful we will return to normal soon. From dog walking, grooming, socialising and enrichment of all animals to the sorting, pricing, displaying and selling of donated goods in our charity shops. Volunteers also carry out various administration and control tasks.

# The RSPCA Danaher Animal Home

## Trustees' Report

### Achievements and performance

As at 31st December 2020, there were 108 animals in residence at the Home. 28 dogs, 27 cats, 5 rabbits and 48 other small animals.

During 2020, 463 animals were re-homed. Please see the table below for a breakdown of animals entering and leaving throughout 2020.

2020	Dogs	Cats	Rabbits	Misc*	Total
Balance at start of year (1 January 2020)	74	43	16	14	147
Taken in during the year	143	159	61	181	544
<b>Overall total</b>					<b>691</b>
Re-homed during the year	137	153	71	102	463
Returned to owners	5	4	-	-	9
Transferred out of the Home	31	6	-	37	74
Died	1	-	-	6	7
Subject to euthanasia	15	12	1	2	30
Balance at end of year (31 December 2020)	28	27	5	48	108
<b>Overall total</b>					<b>691</b>

\*Misc refers to all small animals that are not classified as Rabbits e.g. Guinea Pigs, Hamsters, Birds and Gerbils, etc.

Only 4.3% (30/691\*100) of the animals taking in during 2020 were euthanised.

Our new veterinary facilities continue to bring benefits to animal welfare and cost savings of over £30,000 during 2020.

Sadly we were unable to hold our annual Fun Day due to Covid-19 restrictions. We did run a successful raffle ticket and calendar appeal which has raised approx. £18,000, which is a superb result.

We are in the process of reviewing our mission statement and values, to ensure we remain true to our core principles and goals, we hope to publish this during July 2021.

### Financial review

#### *Policy on reserves*

Trustees' board meetings are held quarterly with full financial reporting and attendance and input by RSPCA representatives. It is intended to maintain a reserve of six months operating expenditure.

The charity's available reserves, excluding tangible fixed assets and designated funds, amount to £1,221,644. The Trustees feel that they need to hold reserves of £440,600 in order to be able to meet any deficit not covered by recurrent income. The remaining reserves are available to be spent as the Trustees decide on capital or revenue projects, all in aid of improving animal welfare. The charity has regular capital projects meetings at which future needs are discussed and agreed upon.

#### *Principal funding sources*

It is the intention to match operating income to expenditure as far as possible - this to be supplemented by an application for any grant support available towards capital or revenue projects. The operation of fund raising activities and various regular giving schemes with gift aid is co-ordinated through the Chief Executive Officer (CEO) together with regular reviews of adoption fees and collection thereof. The regular support of the RSPCA, RSPCA branches and Inspectorate is highly valued, as is their contribution towards the re-homing costs. During each year Danaher's six shops together with general donations and legacies provide essential funding.

#### *Investment policy and objectives*

A regular review of investments and deposits is carried out to ensure that maximum use and return of funds available is achieved. Funds are moved between investments as necessary to meet operating requirements. Danaher has an investment subcommittee that meets regularly to ensure maximum return and security.

# **The RSPCA Danaher Animal Home**

## **Trustees' Report**

### **Plans for future periods**

#### *Activities planned to achieve aims*

Our Meet and Greet building, a large indoor open space, for training and off lead dog meets is underway. We are hopeful that this will be completed by September 2021. Once this is completed we will continue work on converting our old bird aviaries into three extra-large dog kennels.

The aviary conversion is commencing during mid-2021.

The trustees currently considering whether the cattery project will continue and a decision will be made in due course.

### **Structure, governance and management**

#### *Nature of governing document*

The governing document is the organisation's Memorandum and Articles of Association dated 23 September 2005.

#### *Recruitment and appointment of trustees*

The appointment of trustees is by having regard to the job description and person and by interview of interested parties. In addition references are taken up for each candidate as necessary. Once the board has selected a suitable candidate to engage with, final appointment will be approved by the national RSPCA.

#### *Induction and training of trustees*

Since the incorporation of the company, any new trustees will be recruited as necessary, being able to provide a professional level of expertise in various fields. They will be introduced to the aims and objectives of the company with an explanation of the foundation and history and relationship with the RSPCA.

#### *Organisational structure*

The organisation is managed by a board of trustees, with the day to day running and some strategic input provided by the CEO.

# **The RSPCA Danaher Animal Home**

## **Trustees' Report**

### **Relationships with related parties**

#### **RSPCA Essex branches and Inspectorate**

The charity aims to continue the relationship and support of/from the RSPCA Essex and other nearby branches and the Inspectorate. It also intends to continue and expand contact with other local based animal welfare support groups.

#### **Braintree District Council**

The Animal Home is affiliated, inspected and annually licensed by the RSPCA and has a contract with Braintree District Council for stray dogs.

### ***Major risks and management of those risks***

#### ***Risks facing the charity***

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A risk management policy is in place within the organisation.

Risks are identified and grouped into the following categories; Governance, Financial, Operational, Environmental and Compliance. Risks are re-evaluated and reported either to the Board or one of its ancillary sub-committees (Capital Projects, Fundraising, and Investment) at least quarterly.

The main risks include, but are not limited to;

- Trustee skills and commitment that is being mitigated by recruitment and engagement of a multi-skilled board including Accountancy, Law, IT, Business Management, PR and Veterinary Practice. Informal training and information sessions are held twice a year for Trustees.
  - The Charities 'brand' and public perception and subsequent loss of income that is mitigated by a written complaints policy and subsequent review of any issues identified through the complaints procedure.
  - Fundraising. The company mitigates as far as possible the risk of falling income in any of the various areas in which it raises money, by spreading fundraising over several different activities such as; donations, events, shops, sponsorship, boarding and adoption fees. A fundraising sub-committee meets regularly to share ideas and keep adopter, donor and sponsor engagement high. A reserve, of six months operating expenditure, is also provided to cover all possible disaster scenarios.
  - Health and Safety, this risk is mitigated by a very detailed policy including specific risk assessments. A full audit is carried out every three years by a Health and Safety official from Horsham. An inspection was carried out by Horsham in October 2019 and we scored very highly with 2.08%.
- With regard to the scoring system, if the score is 10% or less, this indicates that your health and safety management system is functioning to a good standard. Scores that are 5% or less indicate excellent health and safety management practices are in place.
- Loss of key personnel, experience and expertise.
- Our Operations manager continues to ensure the smooth running of the Home whilst undertaking regular review of our procedures and policies. We have identified and recruited a candidate to fulfil our animal behaviour ambitions for the coming year.

# **The RSPCA Danaher Animal Home**

## **Trustees' Report**

### *COVID-19*

The impact from Covid-19 has been felt across all areas of operation.

We had to close all of our six charity shops for a good portion of 2020 and well into 2021. The shops are an essential part of running the Home successfully and would normally provide around 50% of the recurring income needed. The shops reopened on 12th April 2021 and are not yet performing at the level they were before the pandemic took effect.

Sadly, the annual Fun Day was cancelled due to a combination of the pandemic and a lack of time to make the necessary arrangements leading up to the day itself.

We incurred losses of £85,857 throughout 2020. With current forecasts of further loss for 2021 approximately at an additional £100,000. Despite this our reserves remain strong and we are confident we will continue to endure.

We have decided to continue with a mixture of virtual and physical home checks now that the restrictions have eased; we have found that it has shortened the length of the rehoming process.

Access to our rehoming blocks has now been permanently restricted. This is to ensure the benefits and improvements to animal health and welfare, such as reduced stress levels, reduced noise levels, better gastrointestinal health and more play behaviour, is protected and sustained as we follow the Government roadmap out of restrictions.

Adoption numbers are down and we are starting to get extra behaviour support for some of the lockdown puppies as they have never left the home and are very under socialised.

We saw an increase in small animals (rabbits, guinea pigs) when children went back to school and again immediately prior to the summer holidays.

We anticipate that the animals we will need to assist in the coming year will have a difficult time adjusting to life after lockdown. In preparation for this, we have recruited a Behaviour and Welfare Manager who will be responsible for all behaviour assessments and welfare management plans. This will ensure we are able to cater for those animals who require extra attention.

Sadly we were unable to accommodate our animal volunteers for most of 2020. Following the easing of restrictions, we do not let volunteers in the blocks to collect dogs for walking, we bring the dogs up to them and this is working well.

We have been lucky that some of our shop volunteers were able to assist us during the periods where our shops were open.

We simply would not survive without our wonderful voluntary team and we are very grateful for their help.

We have had a couple of cases of covid within the team during the month of July 2021 – however our strict social distancing and covid policies prevented the virus spreading to any other team members. We will continue to utilise face masks, twice weekly testing and social distancing to keep our employees, volunteers and the general public safe.

We are looking forward to overcoming the challenges and getting on the road to recovery with continued success throughout 2021 and the subsequent period.



# **The RSPCA Danaher Animal Home**

## **Trustees' Report**

### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 27 August 2021 and signed on its behalf by:

.....  
R J Lord  
Trustee

## **The RSPCA Danaher Animal Home**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The RSPCA Danaher Animal Home for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the 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.

Approved by the trustees of the charity on 27 August 2021 and signed on its behalf by:

.....  
R J Lord  
Trustee

# **The RSPCA Danaher Animal Home**

## **Independent Examiner's Report to the trustees of The RSPCA Danaher Animal Home**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 10 to 27.

### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The RSPCA Danaher Animal Home (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The RSPCA Danaher Animal Home are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Since The RSPCA Danaher Animal Home's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of The RSPCA Danaher Animal Home as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

.....  
Nicholas Forsyth FCA

Lambert Chapman LLP  
Chartered Accountants and Registered Statutory Auditors  
The Institute of Chartered Accountants in England and Wales (ICAEW)

3 Warners Mill  
Silks Way  
Braintree  
Essex  
CM7 3GB

21 September 2021

# The RSPCA Danaher Animal Home

## Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	362,077	-	362,077	128,487
Charitable activities	4	498,199	-	498,199	779,467
Other trading activities	5	24,006	-	24,006	22,836
Investment income	6	6,397	-	6,397	6,913
Total Income		<u>890,679</u>	<u>-</u>	<u>890,679</u>	<u>937,703</u>
<b>Expenditure on:</b>					
Raising funds	7	8,468	-	8,468	18,434
Charitable activities	8	986,805	-	986,805	940,137
Total Expenditure		<u>995,273</u>	<u>-</u>	<u>995,273</u>	<u>958,571</u>
(Gains)/losses on investment assets		<u>(18,737)</u>	<u>-</u>	<u>(18,737)</u>	<u>(29,156)</u>
Net movement in funds		(85,857)	-	(85,857)	8,288
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>2,351,948</u>	<u>220,000</u>	<u>2,571,948</u>	<u>2,563,660</u>
Total funds carried forward	22	<u>2,266,091</u>	<u>220,000</u>	<u>2,486,091</u>	<u>2,571,948</u>

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

# The RSPCA Danaher Animal Home

(Registration number: 05572968)  
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	868,694	926,597
Investments	15	<u>274,112</u>	<u>255,375</u>
		<u>1,142,806</u>	<u>1,181,972</u>
<b>Current assets</b>			
Stocks	16	12,427	11,307
Debtors	17	161,920	118,859
Cash at bank and in hand		<u>1,198,591</u>	<u>1,281,572</u>
		1,372,938	1,411,738
<b>Creditors: Amounts falling due within one year</b>	18	<u>(29,653)</u>	<u>(21,762)</u>
<b>Net current assets</b>		<u>1,343,285</u>	<u>1,389,976</u>
<b>Net assets</b>		<u>2,486,091</u>	<u>2,571,948</u>
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		220,000	220,000
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,266,091</u>	<u>2,351,948</u>
<b>Total funds</b>	22	<u>2,486,091</u>	<u>2,571,948</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 10 to 27 were approved by the trustees, and authorised for issue on

27 August 2021 and signed on their behalf by:

.....  
R J Lord  
Trustee

# The RSPCA Danaher Animal Home

## Statement of Cash Flows for the Year Ended 31 December 2020

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash (expenditure)/income	(85,857)	8,288
<b>Adjustments to cash flows from non-cash items</b>		
Depreciation	85,680	81,231
Financial instrument net (gains) losses through statement of financial activities	<u>(18,737)</u>	<u>(29,156)</u>
	(18,914)	60,363
<b>Working capital adjustments</b>		
Increase in stocks	(1,120)	(3,956)
(Increase)/decrease in debtors	(43,061)	428,772
Increase/(decrease) in creditors	<u>7,891</u>	<u>(144,281)</u>
Net cash flows from operating activities	(55,204)	340,898
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	<u>(27,777)</u>	<u>(80,069)</u>
Net (decrease)/increase in cash and cash equivalents	(82,981)	260,829
Cash and cash equivalents at 1 January	<u>1,281,572</u>	<u>1,020,743</u>
Cash and cash equivalents at 31 December	<u><u>1,198,591</u></u>	<u><u>1,281,572</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

# **The RSPCA Danaher Animal Home**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Thorley Farm  
Hedingham Road  
Wethersfield  
Braintree  
Essex  
CM7 4EQ

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

The RSPCA Danaher Animal Home 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 notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### **Judgements**

Apart from those judgements involving estimations, management have not made any judgements in the process of applying the entity's accounting policies that have significant effect on the amounts recognised in the accounts.

# **The RSPCA Danaher Animal Home**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **Key sources of estimation uncertainty**

There are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### **Income and endowments**

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

### ***Donations and legacies***

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

Legacies are recognised within the financial statements when the charity has entitlement to the legacy, receipt of the legacy is probable and the amount of the legacy can be measured reliably.

### ***Grants receivable***

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

### ***Donated services and facilities***

Where services or facilities are provided to the charity as a donation that would normally be purchased from the charity's suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

### ***Gift aid***

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

### ***Other trading activities***

Income from other trading activities includes income from fundraising events undertaken by the charity, including events such as sale of Christmas cards and calendars, quiz nights and an annual fun day. Income is recognised when it is receivable.

### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### ***Charitable activities***

Income from charitable activities include charity shop sales and rehoming fees for animals from the Home and is recognised when it is receivable and the value of the income can be measured reliably.

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregates similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

### ***Raising funds***

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

### ***Charitable activities***

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



# **The RSPCA Danaher Animal Home**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements.

### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

### **Taxation**

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

### **Tangible fixed assets**

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### **Depreciation and amortisation**

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and Buildings	not provided
Equipment and shop fittings	15% reducing balance method & 20% straight line method
Motor vehicles	15% reducing balance method
Animal accommodation	5% straight line method
Drainage installations	25% reducing balance method
Reception	5% straight line method

### **Fixed asset investments**

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

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

### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

### **Trade debtors**

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

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### Trade creditors

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

### Fund structure

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

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

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

The Capital Fund is a permanent endowment fund and refers to the freehold of land and buildings which were transferred to the company by the North West Essex Branch of the RSPCA for the specific purpose of being used as an animal home. The original valuation was a combination of the purchase price paid by the branch and the estimated value of the gift given by Mrs Danaher. The property was valued as detailed in the fixed asset note.

### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

### 3 Income from donations and legacies

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Donations and legacies			
Donations from individuals	127,623	127,623	100,987
Gift aid reclaimed	11,205	11,205	25,099
Grants, including capital grants;			
CJRS Claims	67,598	67,598	-
Other grants re Covid 19	146,379	146,379	-
Grants from other charities	8,000	8,000	-
Donated services and facilities	920	920	2,260
Other income from donations and legacies	352	352	141
	<u>362,077</u>	<u>362,077</u>	<u>128,487</u>

### 4 Income from charitable activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Charity shop sales	310,898	310,898	514,964
Shop sales	3,917	3,917	9,209
Re-homing	154,397	154,397	223,193
Reimbursement of vet fees	28,987	28,987	32,101
	<u>498,199</u>	<u>498,199</u>	<u>779,467</u>

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 5 Income from other trading activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Fundraising events	24,006	24,006	22,836
	<u>24,006</u>	<u>24,006</u>	<u>22,836</u>

### 6 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Other investment income	6,397	6,397	6,913
	<u>6,397</u>	<u>6,397</u>	<u>6,913</u>

### 7 Expenditure on raising funds

#### a) Costs of trading activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Fundraising trading costs			
Fundraising	4,402	4,402	6,682
Costs of goods sold	4,066	4,066	11,752
	<u>8,468</u>	<u>8,468</u>	<u>18,434</u>

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 8 Expenditure on charitable activities

	Designated 2020 £	Unrestricted 2020 £	Total 2020 £	Total 2019 £
Staff costs	-	579,508	579,508	510,419
Animal food and bedding	-	16,438	16,438	16,379
Veterinary fees and vaccines	-	71,265	71,265	97,246
Depreciation of animal accommodation	-	50,371	50,371	50,371
Depreciation of motor vehicles	-	2,952	2,952	3,473
Depreciation of drainage installations	-	10	10	13
Depreciation of reception	-	2,476	2,476	2,476
Depreciation of strawberry field fencing	1,783	-	1,783	464
Depreciation of equipment and shop fittings	-	28,088	28,088	24,434
Allocated support costs (see note 9)	-	228,640	228,640	223,377
Governance costs (see note 9)	-	5,274	5,274	11,485
	<u>1,783</u>	<u>985,022</u>	<u>986,805</u>	<u>940,137</u>

£986,805 (2019 - £940,137) of the above expenditure was attributable to unrestricted funds and £Nil (2019 - £Nil) to restricted funds.

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 9 Analysis of governance and support costs

#### Charitable activities expenditure

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Staff expenses	769	769	3,794
Charity shop rent	87,785	87,785	83,450
Water and general rates	11,139	11,139	14,681
Lighting and heat	23,058	23,058	27,378
Insurance	4,425	4,425	4,241
Repairs and maintenance	20,104	20,104	19,177
Telephone	6,271	6,271	6,262
Postage, stationery and computer consumables	9,919	9,919	8,961
Equipment rental	7,945	7,945	7,461
Clothing	1,034	1,034	1,443
Sundry expenses	8,224	8,224	5,824
Cleaning and refuse collection	34,228	34,228	26,520
Septic tank expenses	457	457	1,812
Motor expenses	8,616	8,616	9,404
Advertising	431	431	283
Bank charges	4,235	4,235	2,686
	<u>228,640</u>	<u>228,640</u>	<u>223,377</u>

#### Basis of allocation

Reference	Method of allocation
	All support costs have been allocated to the charity's principal objective of the provision of a temporary refuge for animals.

#### Governance costs

	Unrestricted funds			
	General	Other	Total	Total
	£	£	2020	2019
			£	£
Independent Examiner's remuneration	3,500	-	3,500	3,500
Legal fees	1,674	-	1,674	6,685
Other governance costs	100	-	100	1,300
	<u>5,274</u>	<u>-</u>	<u>5,274</u>	<u>11,485</u>

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	85,680	81,231
Independent Examiner's remuneration	3,500	3,500

### 11 Trustees' remuneration and expenses

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

No trustees have received any reimbursed expenses from the charity during the year.

### 12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
<b>Staff costs during the year were:</b>		
Wages and salaries	549,406	486,204
Social security costs	22,955	18,982
Pension costs	7,147	5,233
	<u>579,508</u>	<u>510,419</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Average head count	<u>49</u>	<u>45</u>

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

The total employee benefits of the key management personnel of the charity were £127,861 (2019 - £120,925).

### 13 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>3,500</u>	<u>3,500</u>

## The RSPCA Danaher Animal Home

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 14 Tangible fixed assets

	Land and buildings £	Equipment and shop fittings £	Motor vehicles £	Animal Accommodation £	Drainage installations £	Reception £	Total £
<b>Cost</b>							
At 1 January 2020	220,000	358,569	30,971	1,007,424	2,211	49,517	1,668,692
Additions	-	27,777	-	-	-	-	27,777
At 31 December 2020	<u>220,000</u>	<u>386,346</u>	<u>30,971</u>	<u>1,007,424</u>	<u>2,211</u>	<u>49,517</u>	<u>1,696,469</u>
<b>Depreciation</b>							
At 1 January 2020	-	125,412	11,291	571,509	2,171	31,712	742,095
Charge for the year	-	29,871	2,952	50,371	10	2,476	85,680
At 31 December 2020	<u>-</u>	<u>155,283</u>	<u>14,243</u>	<u>621,880</u>	<u>2,181</u>	<u>34,188</u>	<u>827,775</u>
<b>Net book value</b>							
At 31 December 2020	<u>220,000</u>	<u>231,063</u>	<u>16,728</u>	<u>385,544</u>	<u>30</u>	<u>15,329</u>	<u>868,694</u>
At 31 December 2019	<u>220,000</u>	<u>233,157</u>	<u>19,680</u>	<u>435,915</u>	<u>40</u>	<u>17,805</u>	<u>926,597</u>

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 15 Fixed asset investments

	2020 £	2019 £
Other investments	<u>274,112</u>	<u>255,375</u>

### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 January 2020	255,375	255,375
Revaluation	<u>18,737</u>	<u>18,737</u>
At 31 December 2020	<u>274,112</u>	<u>274,112</u>
<b>Net book value</b>		
At 31 December 2020	<u>274,112</u>	<u>274,112</u>
At 31 December 2019	<u>255,375</u>	<u>255,375</u>

The market value of the listed investments at 31 December 2020 was £274,112 (2019 - £255,375).

### 16 Stock

	2020 £	2019 £
Stocks	<u>12,427</u>	<u>11,307</u>

### 17 Debtors

	2020 £	2019 £
Trade debtors	9,833	41,412
Prepayments	143,696	60,081
Other debtors	<u>8,391</u>	<u>17,366</u>
	<u>161,920</u>	<u>118,859</u>



## The RSPCA Danaher Animal Home

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 18 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	10,862	10,604
Other taxation and social security	8,549	-
Other creditors	2,480	2,451
Accruals	7,762	8,707
	<u>29,653</u>	<u>21,762</u>

#### 19 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2020 £	2019 £
<b>Land and buildings</b>		
Within one year	88,540	77,250
Between one and five years	182,076	126,000
	<u>270,616</u>	<u>203,250</u>

#### 20 Taxation

The charity is a registered charity and is therefore potentially exempt from taxation.

#### 21 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £7,147 (2019 - £5,233).

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 22 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted</b>					
<i>General</i>					
Unrestricted funds	1,954,412	890,679	(993,490)	18,737	1,870,338
<i>Designated</i>					
Strawberry Field Fencing	12,536	-	(1,783)	-	10,753
Aviaries Conversion	45,000	-	-	-	45,000
Meet and Greet Room	40,000	-	-	-	40,000
Cattery	300,000	-	-	-	300,000
	<u>397,536</u>	<u>-</u>	<u>(1,783)</u>	<u>-</u>	<u>395,753</u>
<b>Total unrestricted</b>	2,351,948	890,679	(995,273)	18,737	2,266,091
<b>Endowment</b>					
<i>Permanent</i>					
Capital Fund	<u>220,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,000</u>
<b>Total funds</b>	<u>2,571,948</u>	<u>890,679</u>	<u>(995,273)</u>	<u>18,737</u>	<u>2,486,091</u>

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Unrestricted</b>					
<i>General</i>					
Unrestricted funds	1,945,660	937,703	(958,107)	29,156	1,954,412
<i>Designated</i>					
Strawberry Field Fencing	13,000	-	(464)	-	12,536
Aviaries Conversion	45,000	-	-	-	45,000
Meet and Greet Room	40,000	-	-	-	40,000
Cattery	300,000	-	-	-	300,000
	<u>398,000</u>	<u>-</u>	<u>(464)</u>	<u>-</u>	<u>397,536</u>
<b>Total unrestricted</b>	2,343,660	937,703	(958,571)	29,156	2,351,948
<b>Endowment</b>					
<i>Permanent</i>					
Capital Fund	<u>220,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,000</u>
<b>Total funds</b>	<u>2,563,660</u>	<u>937,703</u>	<u>(958,571)</u>	<u>29,156</u>	<u>2,571,948</u>

## **The RSPCA Danaher Animal Home**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

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

The Capital Fund is a permanent endowment fund and refers to the freehold of land and buildings which were transferred to the company by the North West Essex Branch of the RSPCA for the specific purpose of being used as an animal home. The original valuation was a combination of the purchase price paid by the branch and the estimated value of the gift given by Mrs Danaher. The property was valued as detailed in the fixed asset note.

The unrestricted fund relates to funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Strawberry Field Fencing relates to monies allocated to fence the perimeter of a  $\frac{3}{4}$  acre field to enable us to let groups of dogs to free run and as additional exercise runs. This is especially important for welfare as being able to socialise with conspecifics and display natural behaviours are essential to the well-being and health of all dogs. We will be planting trees and shrubs and embedding large tubes and tunnels for the dogs to play in.

The Aviaries Conversion fund relates to monies allocated to building work to convert an old disused building into extra-large dog kennels. We are seeing an increase of large breed dogs and stressed dogs coming into our care. These large kennels will mean these dogs can be housed more comfortably. They will also enable us to house large dogs that come in together, which is much better for welfare. The work was to be started in September 2019 but delays mean that the conversion is now commencing in mid-2021.

The Meet and Greet Room fund relates to monies allocated to provide a large indoor space for dog to dog introductions in inclement weather. It will also provide a space to hold training classes to further support the dogs that have been re-homed with behaviour issues. This building can also be used to host our educational programmes for children in schools and care. This is hoped that the room will be completed by September 2021.

The Cattery fund relates to allocated monies which will help with the need across the National Society to create additional space to house cats. The number of cats held in private boarding regularly exceeds 100. This additional cattery will provide another 36 pens and be able to house some 60 cats or kittens. This will decrease the amount of money the National Society spends on private boarding fees and mean donor money is better spent. This will also benefit the local RSPCA branches that board their animals for rehoming here at Danaher.

# The RSPCA Danaher Animal Home

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 23 Analysis of net assets between funds

	Unrestricted funds		Endowment funds	Total funds at
	General	Designated	Permanent	31 December
	£	£	£	2020
Tangible fixed assets	638,590	10,104	220,000	868,694
Fixed asset investments	274,112	-	-	274,112
Current assets	987,289	385,649	-	1,372,938
Current liabilities	(29,653)	-	-	(29,653)
Total net assets	<u>1,870,338</u>	<u>395,753</u>	<u>220,000</u>	<u>2,486,091</u>

  

	Unrestricted funds		Endowment funds	Total funds at
	General	Designated	Permanent	31 December
	£	£	£	2019
Tangible fixed assets	694,710	11,887	220,000	926,597
Fixed asset investments	255,375	-	-	255,375
Current assets	1,026,089	385,649	-	1,411,738
Current liabilities	(21,762)	-	-	(21,762)
Total net assets	<u>1,954,412</u>	<u>397,536</u>	<u>220,000</u>	<u>2,571,948</u>

### 24 Related party transactions

There were no related party transactions in the year.