

Company registration number: 05572968
Charity registration number: 1112369

The RSPCA Danaher Animal Home

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Lambert Chapman LLP
Chartered Accountants and Registered Statutory Auditors
3 Warners Mill
Silks Way
Braintree
Essex
CM7 3GB

The RSPCA Danaher Animal Home

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The RSPCA Danaher Animal Home

Reference and Administrative Details

Trustees

R J Lord
R W Lees
Ms A J Dewar
G R Barker
F G Hammett
Mrs H Hendry
Dr M Bond

Secretary

Mrs H Hendry

Registered Office

Thorley Farm
Heddingham 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 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. 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 2021, there were 153 animals in residence at the Home. 86 dogs, 30 cats, 14 rabbits and 23 other small animals.

During 2021, 583 animals were re-homed. Please see the table below for a breakdown of animals entering and leaving throughout 2021.

2021	Dogs	Cats	Rabbits	Misc*	Total
Balance at start of year (1 January 2021)	28	27	5	48	108
Taken in during the year	264	276	73	153	766
Overall total					874
Re-homed during the year	127	229	60	167	583
Returned to owners	37	21	2	7	67
Transferred out of the Home	8	9	-	-	17
Died	8	2	2	1	13
Subject to euthanasia	26	12	-	3	41
Balance at end of year (31 December 2021)	86	30	14	23	153
Overall total					874

*Misc refers to all small animals that are not classified as rabbits e.g. guinea pigs, hamsters, birds and gerbils, etc.

Only 4.7% (41/874*100) of the animals taken in during 2021 were euthanased.

Our new veterinary facilities continue to bring benefits to animal welfare and cost savings during 2021. Our Vet and Vet Nurse undertook 633 operations over the year along with countless health checks, vaccinations and welfare checks. Having a vet provision on-site for the animals at the centre really makes a huge difference to animal welfare and means we do not have to spend hours transporting animals for veterinary procedures. This allows us to save time and money.

Sadly, we were once again 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. £17,500, which is a great result. We were able to run our Christmas event, 'Toys and Treats' and we raised an amazing £2,000.

Our mission statement and values were published this year and is available to view on our website here <https://danaheranimalhome.org.uk/mission-statement>.

Simon Mills, our IT manager, has spent many hours building us a bespoke website and database. These interact with one another to improve our website experience and our animal recording system. You can visit our new website here - <https://danaheranimalhome.org.uk>.

Simon has also expanded our IT network across the site meaning all our animal accommodation blocks are now linked. The installation of second-hand PCs into the animal blocks has enabled us to cut down on our paper use and we are almost finished transitioning to a paper free system. We have other improvements planned for 2022, like a VOIP phone system and a smoother online payments system, all with a view to continuing to reducing expenses across the charity.

Access to our rehoming blocks is still restricted and we are pleased that this has not impacted on our rehoming figures. In addition, we have been able to extend our opening hours so that we can accommodate more introductions to potential adopters along with being on-site for the animals over extended hours. We are now open to the public, by appointment, between the hours of 10am and 5pm. We are on-site for the animals from 8am to 6pm. This increased level of availability has been wonderful for our animals and staff and means we have more time available to achieve everything we need to during the day.

The RSPCA Danaher Animal Home

Trustees' Report

We were delighted to welcome back our volunteers from April 2021. We revamped our animal volunteer recruitment and training and we are loving having our extended family back to help us. Our shop volunteers also were able to return and are essential to the success of our shops.

Our Meet and Greet building is finished and in use, this is a great resource and is really benefiting our animals and team. Our old aviary has been converted into three extra-large kennels and we expect these to be completed and in use by mid-2022.

Our on-site pet shop in our reception building has enjoyed a revamp. The shop sells everything needed by a new adopter. We have everything you will need for your new family member. Adopters also receive money off vouchers to put towards future purchases.

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 fixed assets and designated funds, amount to £1,218,777. The Trustees feel that they need to hold reserves of £497,000 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 is 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 sub-committee that meets regularly to ensure maximum return and security.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	R J Lord
	R W Lees
	Ms A J Dewar
	G R Barker
	F G Hammett
	Mrs H Hendry (appointed 19 May 2021)
	Dr M Bond (appointed 13 October 2021)

Secretary:	Mrs H Hendry (appointed 26 April 2022)
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The RSPCA Danaher Animal Home

Trustees' Report

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.

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.

Colchester Borough Council

A new contract has been set up with Colchester Borough Council for the ad hoc acceptance of stray dogs.

Tendring District Council

A new contract has been set up with Tendring District Council for the acceptance of stray dogs.

The RSPCA Danaher Animal Home

Trustees' Report

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 Charity's '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. The Charity has appointed Acton Jennings as 'competent person'. A full audit was carried out by Acton Jennings and all recommendations were implemented. Our recent monitoring inspection confirmed compliance in all areas;
- Loss of key personnel, experience and expertise.

Our senior managers continue to ensure the smooth running of the Home and the shops whilst undertaking regular review of our procedures and policies.

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 recurrent income needed. We were able to reopen all shops on April 12th 2021. Although recovery to pre-covid figures has not been achievable yet, we are hopeful our shops will continue to improve during 2022.

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 £18,887 throughout 2021.

The RSPCA Danaher Animal Home

Trustees' Report

Trustee and staffing changes

In early 2022, Richard Lord will be standing down as Chairman after 16 years of serving both as a Trustee and the Chairman of Danaher. We are delighted that Richard has agreed to stay on as a Trustee. The board wish to express their sincere and heartfelt thanks to Richard for his dedication and service to the Home.

Deborah Satchell left us in May 2022, having worked tirelessly at Danaher for 16 years, latterly as our CEO.

It is very difficult to say what a debt Danaher owes to both of them. They have selflessly helped to make Danaher the hugely respected rehoming and caring centre for animals in both Essex and Suffolk. Whatever was thrown at them they have been equal to the task and, although both will be with us in the short term, we will hugely miss their leadership and management skills and, of course their friendship and warm personalities.

To cater for the loss of our CEO we have made the following appointments: Sam Garvey has been appointed as Acting General Manager. Sam is already a valued member of the team and her knowledge of our organisation, together with her RSPCA background will, we believe, continue to stand Danaher in good stead.

Debi Thomas has been appointed as Acting Finance Manager, to fulfil the financial part of Deborah's role. Debi is also a very valued member of the current team and many of you will have worked alongside her too.

Deborah, prior to her formally leaving in May, was attempting the near impossible task of ensuring that all the knowledge and experience she has accumulated at Danaher is handed over. This is especially true for Sam and Debi whilst they are starting to undertake their new responsibilities. We are very grateful to Deborah for the time and effort she has dedicated to the training and teaching.

We strongly believe that the appointments will lead to a smooth transition and that Danaher will continue to deliver the same high standards of animal care for which it is so well- known.

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 1 September 2022 and signed on its behalf by:

.....
G R Barker
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 1 September 2022 and signed on its behalf by:

.....
G R Barker
Trustee

The RSPCA Danaher Animal Home

Independent Examiner's Report to the trustees of The RSPCA Danaher Animal Home ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (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 Company'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

27 September 2022

The RSPCA Danaher Animal Home

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Endowment funds £	Total 2021 £	As restated Total 2020 £
	Note				
Income and Endowments from:					
Donations and legacies	3	319,696	-	319,696	362,077
Charitable activities	4	264,992	-	264,992	183,384
Other trading activities	5	405,797	-	405,797	338,821
Investment income	6	5,238	-	5,238	6,397
Total Income		<u>995,723</u>	<u>-</u>	<u>995,723</u>	<u>890,679</u>
Expenditure on:					
Raising funds	7	8,318	-	8,318	8,468
Charitable activities	8	1,035,246	-	1,035,246	986,805
Total Expenditure		<u>1,043,564</u>	<u>-</u>	<u>1,043,564</u>	<u>995,273</u>
(Gains)/losses on investment assets		<u>(28,954)</u>	<u>-</u>	<u>(28,954)</u>	<u>(18,737)</u>
Net movement in funds		(18,887)	-	(18,887)	(85,857)
Reconciliation of funds					
Total funds brought forward		<u>2,266,091</u>	<u>220,000</u>	<u>2,486,091</u>	<u>2,571,948</u>
Total funds carried forward	22	<u><u>2,247,204</u></u>	<u><u>220,000</u></u>	<u><u>2,467,204</u></u>	<u><u>2,486,091</u></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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	900,362	868,694
Investments	15	<u>303,065</u>	<u>274,112</u>
		<u>1,203,427</u>	<u>1,142,806</u>
Current assets			
Stocks	16	19,396	12,427
Debtors	17	133,630	161,920
Cash at bank and in hand		<u>1,139,725</u>	<u>1,198,591</u>
		1,292,751	1,372,938
Creditors: Amounts falling due within one year	18	<u>(28,974)</u>	<u>(29,653)</u>
Net current assets		<u>1,263,777</u>	<u>1,343,285</u>
Net assets		<u>2,467,204</u>	<u>2,486,091</u>
Funds of the charity:			
Endowment funds		220,000	220,000
Unrestricted income funds			
Unrestricted funds		<u>2,247,204</u>	<u>2,266,091</u>
Total funds	22	<u>2,467,204</u>	<u>2,486,091</u>

For the financial year ending 31 December 2021 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

1 September 2022 and signed on their behalf by:

.....
G R Barker
Trustee

The RSPCA Danaher Animal Home

Statement of Cash Flows for the Year Ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash expenditure	(18,887)	(85,857)
Adjustments to cash flows from non-cash items		
Depreciation	84,052	85,680
Financial instrument net (gains) losses through statement of financial activities	<u>(28,953)</u>	<u>(18,737)</u>
	36,212	(18,914)
Working capital adjustments		
Increase in stocks	(6,969)	(1,120)
Decrease/(increase) in debtors	28,290	(43,061)
(Decrease)/increase in creditors	<u>(679)</u>	<u>7,891</u>
Net cash flows from operating activities	56,854	(55,204)
Cash flows from investing activities		
Purchase of tangible fixed assets	<u>(115,720)</u>	<u>(27,777)</u>
Net decrease in cash and cash equivalents	(58,866)	(82,981)
Cash and cash equivalents at 1 January	<u>1,198,591</u>	<u>1,281,572</u>
Cash and cash equivalents at 31 December	<u><u>1,139,725</u></u>	<u><u>1,198,591</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 2021

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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.

Reclassification of comparative amounts

Charity shop sales and home shop sales have been reclassified from Income from Charitable Activities to Income from Other Trading Activities, to more appropriately align with the guidance in the Statement of Recommended Practice. This is simply a movement within the Statement of Financial Activities and the surplus reported in the accounts for the year ended 31 December 2020 remains unchanged.

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

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.

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 sales made at the Home and the shops and also 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 rehoming fees for animals from the Home and reimbursement of vet fees 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.

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

Raising funds

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

Charitable activities

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

Support costs

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

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:

Asset class	Depreciation method and rate
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

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

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.

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.

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Donations and legacies			
Donations from individuals	216,663	216,663	127,623
Gift aid reclaimed	17,035	17,035	11,205
Grants, including capital grants;			
CJRS Claims	38,160	38,160	67,598
Other grants re Covid 19	46,907	46,907	146,379
Grants from other charities	-	-	8,000
Donated services and facilities	560	560	920
Other income from donations and legacies	371	371	352
	<u>319,696</u>	<u>319,696</u>	<u>362,077</u>

4 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Re-homing	220,089	220,089	154,397
Reimbursement of vet fees	44,903	44,903	28,987
	<u>264,992</u>	<u>264,992</u>	<u>183,384</u>

5 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2020	2020
		£	£
Trading income;			
Shop income from sale of donated goods and services	374,929	374,929	310,898
Home shop sales	8,012	8,012	3,917
Fundraising events	22,856	22,856	24,006
	<u>405,797</u>	<u>405,797</u>	<u>338,821</u>

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

6 Investment income

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Other investment income	5,238	5,238	6,397
	<u>5,238</u>	<u>5,238</u>	<u>6,397</u>

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Fundraising trading costs			
Fundraising	2,811	2,811	4,402
Costs of goods sold	5,507	5,507	4,066
	<u>8,318</u>	<u>8,318</u>	<u>8,468</u>

8 Expenditure on charitable activities

	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Staff costs	614,335	614,335	579,508
Animal food and bedding	15,760	15,760	16,438
Veterinary fees and vaccines	86,727	86,727	71,265
Depreciation of animal accommodation	50,554	50,554	50,371
Depreciation of motor vehicles	2,509	2,509	2,952
Depreciation of drainage installations	7	7	10
Depreciation of reception	2,529	2,529	2,476
Depreciation of strawberry field fencing	-	-	1,783
Depreciation of meet and greet	1,364	1,364	-
Depreciation of equipment and shop fittings	25,574	25,574	28,088
Depreciation of strawberry field fencing	1,515	1,515	-
Allocated support costs (see note 9)	222,274	222,274	228,640
Governance costs (see note 9)	12,098	12,098	5,274
	<u>1,035,246</u>	<u>1,035,246</u>	<u>986,805</u>

£1,035,246 (2020 - £986,805) of the above expenditure was attributable to unrestricted funds and £Nil (2020 - £Nil) to restricted funds.

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Staff expenses	2,212	2,212	769
Charity shop rent	82,844	82,844	87,785
Water and general rates	11,751	11,751	11,139
Lighting and heat	25,468	25,468	23,058
Insurance	3,858	3,858	4,425
Repairs and maintenance	24,647	24,647	20,104
Telephone	6,781	6,781	6,271
Postage, stationery and computer consumables	13,331	13,331	9,919
Equipment rental	11,661	11,661	7,945
Clothing	1,400	1,400	1,034
Sundry expenses	2,738	2,738	8,224
Cleaning and refuse collection	16,084	16,084	34,228
Septic tank expenses	689	689	457
Motor expenses	8,375	8,375	8,616
Advertising	858	858	431
Bank charges	5,945	5,945	4,235
Staff training	3,632	3,632	-
	<u>222,274</u>	<u>222,274</u>	<u>228,640</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 2021 £	Total 2020 £
Independent Examiner's remuneration	3,500	-	3,500	3,500
Legal fees	6,644	-	6,644	1,674
Other governance costs	1,954	-	1,954	100
	<u>12,098</u>	<u>-</u>	<u>12,098</u>	<u>5,274</u>

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	84,052	85,680
Independent Examiner's remuneration	<u>3,500</u>	<u>3,500</u>

11 Trustees' remuneration and expenses

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

12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	577,378	549,406
Social security costs	29,179	22,955
Pension costs	<u>7,778</u>	<u>7,147</u>
	<u>614,335</u>	<u>579,508</u>

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

	2021 No	2020 No
Average head count	<u>45</u>	<u>49</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 £123,059 (2020 - £127,861).

13 Independent examiner's remuneration

	2021 £	2020 £
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 2021

14 Tangible fixed assets

	Land and buildings £	Equipment and shop fittings £	Motor vehicles £	Animal Accommodation £	Drainage installations £	Reception £	Total £
Cost							
At 1 January 2021	220,000	386,346	30,971	1,007,424	2,211	49,517	1,696,469
Additions	-	110,565	-	4,087	-	1,068	115,720
At 31 December 2021	220,000	496,911	30,971	1,011,511	2,211	50,585	1,812,189
Depreciation							
At 1 January 2021	-	155,283	14,243	621,880	2,181	34,188	827,775
Charge for the year	-	28,453	2,509	50,554	7	2,529	84,052
At 31 December 2021	-	183,736	16,752	672,434	2,188	36,717	911,827
Net book value							
At 31 December 2021	220,000	313,175	14,219	339,077	23	13,868	900,362
At 31 December 2020	220,000	231,063	16,728	385,544	30	15,329	868,694

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

15 Fixed asset investments

	2021 £	2020 £
Other investments	<u>303,065</u>	<u>274,112</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2021	274,112	274,112
Revaluation	<u>28,953</u>	<u>28,953</u>
At 31 December 2021	<u>303,065</u>	<u>303,065</u>
Net book value		
At 31 December 2021	<u>303,065</u>	<u>303,065</u>
At 31 December 2020	<u>274,112</u>	<u>274,112</u>

The market value of the listed investments at 31 December 2021 was £303,065 (2020 - £274,112).

16 Stock

	2021 £	2020 £
Stocks	<u>19,396</u>	<u>12,427</u>

17 Debtors

	2021 £	2020 £
Trade debtors	54,605	9,833
Prepayments	78,881	143,696
Other debtors	<u>144</u>	<u>8,391</u>
	<u>133,630</u>	<u>161,920</u>

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

18 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	10,934	10,862
Other taxation and social security	-	8,549
Other creditors	7,445	2,480
Accruals	10,595	7,762
	<u>28,974</u>	<u>29,653</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:

	2021	2020
	£	£
Land and buildings		
Within one year	87,593	88,540
Between one and five years	<u>120,483</u>	<u>182,076</u>
	<u>208,076</u>	<u>270,616</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 £7,778 (2020 - £7,147).

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

22 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds						
<i>General</i>						
General fund	1,870,338	995,723	(1,043,564)	85,753	28,954	1,937,204
<i>Designated</i>						
Strawberry Field Fencing	10,753	-	-	(10,753)	-	-
Aviaries Conversion	45,000	-	-	(35,000)	-	10,000
Meet and Greet Room	40,000	-	-	(40,000)	-	-
Cattery Development Project	300,000	-	-	-	-	300,000
	<u>395,753</u>	<u>-</u>	<u>-</u>	<u>(85,753)</u>	<u>-</u>	<u>310,000</u>
Total unrestricted funds	2,266,091	995,723	(1,043,564)	-	28,954	2,247,204
Endowment funds						
<i>Permanent</i>						
Capital fund	<u>220,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,000</u>
Total funds	<u>2,486,091</u>	<u>995,723</u>	<u>(1,043,564)</u>	<u>-</u>	<u>28,954</u>	<u>2,467,204</u>

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
Unrestricted					
<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>
Total unrestricted	2,351,948	890,679	(995,273)	18,737	2,266,091
Endowment					
<i>Permanent</i>					
Capital Fund	220,000	-	-	-	220,000
Total funds	<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 2021

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 fencing the perimeter of a $\frac{3}{4}$ acre field to enable us to let groups of dogs run free 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. This project is now completed and all funds allocated were spent on this project. We have just recently spent a further £6,000 on a new agility set to go within this area.

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 commenced in mid-2021. The Aviary conversion is now complete and has been signed off by RSCPA HQ. It does, however, require further works to be carried out as the drainage and flooring is not fit for purpose. A recent quote has been estimated at £10,000 plus VAT to complete the works and make this block fit for purpose during the winter season. New tiles need to be laid to improve the current drainage system.

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. The Meet and Greet Room is now complete and is being used as a public area for dogs to meet potential adopters.

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 cattery project is now underway. Meetings have been held with a local developer/builder and we are awaiting an architect visit. We are now looking at the options of converting the existing barn area that runs alongside the reception building as opposed to building a whole new building out on the fields. The delay with this project is the complexity of the asbestos located within this area. The estimated cost for building/renovating at present still stands at approximately £300,000. This project should negate any need for planning permission as it is an existing building. Further meetings with the architect should help with these outstanding matters.

The RSPCA Danaher Animal Home

Notes to the Financial Statements for the Year Ended 31 December 2021

23 Analysis of net assets between funds

	Unrestricted funds		Endowment funds	Total funds at
	General	Designated	Permanent	31 December
	£	£	£	2021
				£
Tangible fixed assets	680,362	-	220,000	900,362
Fixed asset investments	303,065	-	-	303,065
Current assets	982,751	310,000	-	1,292,751
Current liabilities	(28,974)	-	-	(28,974)
Total net assets	<u>1,937,204</u>	<u>310,000</u>	<u>220,000</u>	<u>2,467,204</u>

	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>

24 Related party transactions

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

Holmes and Hills

(Solicitors)

During the year £1,243 was paid to Holmes and Hills in respect of legal fees in which H Hendry, who is a trustee, has a material interest (2020: £Nil). At the balance sheet date the amount due to/from Holmes and Hills was £Nil (2020 - £Nil).