



RSPCA Kent-Isle of Thanet Branch

Registered Charity No. 209365

THE ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

KENT ISLE OF THANET BRANCH

CHARITY NUMBER 209365



ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2020

**The Royal Society for the Prevention of Cruelty to Animals
Kent Isle of Thanet Branch
Annual Report of the Management Committee**

The Committee presents its annual report and the accounts for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Society for the Prevention of Cruelty to Animals Kent Isle of Thanet Branch, East Kent Animal Centre, Queensdown Road, Birchington, Kent, CT7 0HG was registered with the Charity Commission (No. 209365) on 22 September 1962 and is governed by the rules and regulations laid down by The Royal Society for the Prevention of Cruelty to Animals (RSPCA).

Bankers:

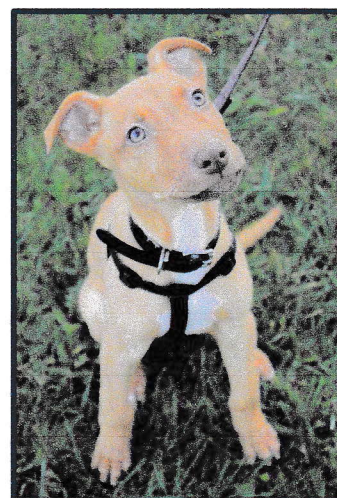
National Westminster Bank PLC Margate
Lloyds Bank PLC Ramsgate
CCLA Investment Management Ltd

Independent examiner:

The branch has annual turnover of less than £500,000 so does not require an audit but an independent examination. This was undertaken by S J Wren of Accountancy Matters (Kent) Limited.

Trustees:

Seven of the locally appointed Branch Committee serving in 2012 resigned during the course of 2012 leaving only two of its members. The Branch constitution requires a minimum of four Committee members to manage the Branch. As a result, the National RSPCA Council was asked to appoint, under the Society's Rules, temporary trustees to manage the Branch's affairs, to the exclusion of any former trustees. National trustees Christine Beaumont-Kerridge, Adrian Donno and Daphne Harris were accordingly appointed with effect from 17 October 2012. Due to the sad death of Adrian Donno on 3 November 2015, Joseph Piccioni was appointed as the third Council trustee on 9 December 2015. Joseph Piccioni stood down on 31st December 2019, Christine Beaumont-Kerridge stood down on 28th April 2020 and Daphne Harris resigned on 3rd March 2021.



The following trustees were appointed in 2020:

Samantha Jane Secomb - appointed 27th May 2020 (resigned 27th April 2021)
Nicholas Robbins - appointed 27th May 2020
Lara Wilks Sloan - appointed 27th May 2020 (resigned 3rd February 2021)
Paul Fuller - appointed 27th May 2020 (resigned Tuesday 10th November 2020)

Additionally, the current trustees are:

Joanna Majka - appointed 13th April 2021
Anton Pieterse - appointed 13th April 2021
Catherine Perry - appointed 17th February 2021
Karen Packham - appointed 17th February 2021

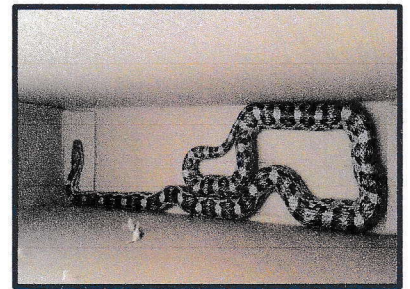
A meeting of the Branch membership took place on 11 October 2013 and 27 May 2015 to update the members on progress and to discuss the way forward for the Branch. Another meeting with the members was due to be held in 2020 but was postponed due to the COVID crisis.

The purpose of the temporary trustees is to protect the property of the Branch and secure its proper application for the Branch objects until such time as the Branch is returned to the control of a local committee and therefore it is intended to hold an AGM in late 2021 to return the Branch to local control.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as an unincorporated association. The charity operates as an autonomous branch of the National RSPCA subject to its rules for branches (as updated in 2012). In the normal course of business committee members are elected at every Annual General Meeting, from the members of the Branch, to carry on the work for the ensuing year. Candidates must receive not less than 51% of the votes of the members present and voting. The elected Branch Committee can co-opt not more than three members onto the committee until the next annual general meeting. All Committee members must be Society members for a minimum of three months on appointment. The Committee members are trustees of the branch and are briefed on their responsibilities as trustees prior to their acceptance of the role. The trustees hold monthly meetings at which decisions are made. In the event that the number of local trustees falls below four at any time, the branch is placed into temporary administration by the National Society, and that is currently the case for this Branch. The National Society will then appoint temporary trustees until such a time as the Branch can be returned to local control.

The day-to-day running of the shops is delegated to the shop managers via the Shops Co-Ordinator. The animal welfare work is delegated to the East Kent Animal Centre Manager, currently Clive Martin, and his supporting staff and volunteers.



RISK MANAGEMENT

The Branch has carried out a risk assessment and identified the following risks:

- Loss of income or reputation through error or fraud
- Loss of income through external forces
- Insufficient trustees to continue
- Insufficient volunteers to rehabilitate animals and fundraise
- Risk of claims against volunteers and staff
- Risk of claims by volunteers, staff or the public
- Adverse publicity
- Risk of inadvertent non-compliance with complex legislation such as GDPR
- Insufficient suitable homes for the animals rescued and rehabilitated, particularly the elderly and abused
- Health and safety of staff and volunteers working with the most abused and neglected animals in the most difficult areas of animal welfare
- Insufficient resources to help all the animals that need us. The reality of animal rescue is that all our resources and those of other charities are always overwhelmed with many more animals needing our help than can be accommodated
- Health and safety of staff with regards to injury from animals, risk of zoonoses and COVID-19. Risk assessments were produced following government and National Society guidelines as they were made available to ensure Animal Centre and Shops were COVID secure. These protocols allowed staff and volunteers to carry out their duties safely.

The trustees actively review the risks which the charity faces on a regular basis, covering operational and financial aspects, and put systems in place to mitigate these risks. The Branch adheres to RSPCA policies and guidelines and health and safety law and best practice. A health and safety contract is held with independent experts Acton Jennings LLP who do an annual health and safety audit and

provide ongoing advice and insurance cover. They also provide expert legal advice on human resources law.

STRATEGIC AIMS AND OBJECTIVES, PUBLIC BENEFIT STATEMENT AND PRINCIPAL ACTIVITIES

The object of the charity is to promote kindness and good care, and prevent or suppress cruelty to animals by all lawful means with particular reference to the area of the Branch, in accordance with the policies of the Society.

Our Branch key strategic aims are:



1. Welfare Aim: rescue, rehabilitation and rehoming of the most at risk, abused and neglected animals, prioritising those animals collected by our Inspectorate.
2. Prevention Aim:
 - a. By implementing community neutering schemes, aimed at pet owners on low and no incomes, to help prevent suffering and cruelty by reducing the overpopulation of unwanted pet animals.
 - b. By using the animal centre and outreach programmes in the community, to help address the link between social deprivation and poor animal welfare decisions by offering educational opportunities to young people and adults on how to make better animal welfare choices.
 - c. Advocacy Aim: Encourage legislation and policies to protect and enhance animal welfare
3. Organisational Aim: run a financially sustainable, digitally enabled Branch with the right systems, processes and governance systems in place.
4. Income Generation Aim: Diversify our income streams and attract new supporters.
5. People Aim: Ensure we have a motivated workforce with the right skills operating in a safe, progressive, open and empowering culture

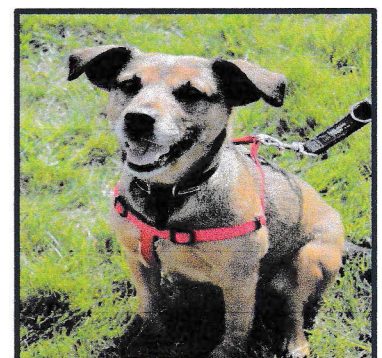
Our key activities in line with our strategic aims are:

Welfare Aim

To run the East Kent Animal Centre with maximum rehabilitation and rehoming capability to ensure a space is always available for an animal in need via our Inspectorate or from the public. The work benefits our local community including local authorities as it reduces the incidence of abandonment and cruelty and the public knows that we assist animals in need. Whilst we are primarily an animal charity, the service we offer pet owners who cannot assist their pets themselves in times of crisis can relieve much distress for the owner as well as the pet.

Whilst we predominantly help pet animals, as a coastal branch with three quarters of our border defined by the sea, we have an increasing need to assist gulls and other sea birds during the breeding season between May and July via our wildlife centre.

The Branch has ambitions to create a rehabilitation and release pool for gulls and other water fowl but due to the impact of Covid-19 and the Branch's financial constraints, this project has been put on hold.



Outside of, and concurrently with, gull breeding season, the wildlife centre assists other ailing wildlife to recuperate prior to release. In 2020 this included songbirds, seabirds, pigeons, doves, crows, magpies, hedgehogs, foxes, rabbits domestic and wild, hares, birds of prey, owls and ducklings.

We share our specialist wildlife expertise, particularly with coastal vets where specific skills can be useful in relation to gulls and other coastal wildlife.

We provide veterinary welfare assistance for those on low income and who meet the eligibility criteria. This work benefits pet owners who cannot assist their pets themselves and are distressed to witness their pet suffering.

Prevention Aim:

The Branch previously relied on the mobile neutering clinic to carry out subsidised cat neutering for those on low incomes. Sadly, the mobile neutering clinic closed at the end of 2019 and this, combined with the impact of Covid-19, particularly the limitation on services offered by veterinary practices and the impact on the Branch finances, the Branch was unable to offer a subsidised neutering scheme in 2020. One of the Branch's key objectives for the future is to reinstate subsidised neutering schemes for those on low incomes as we recognise that reducing the number of litters of unwanted pets born into an uncertain future is a key way to achieve our prevention aim. Neutering has both behavioural and health benefits for the animal which in turn benefits the owner.

We aim to enhance our education programme at the animal centre to teach children and pet owners correct, compassionate animal care, particularly for rabbits, one of the most misunderstood and poorly cared for pets.

Advocacy Aim:

We support National Society campaigns via shops and social media including petitions, posters, MP letter and email campaigns and key messages.

Organisational Aim:

We aim for best practice in our governance by being compliant with all relevant legislation including GDPR and Health and Safety.

We aim to maintain strong financial controls and protect and maximise the use of all our assets.

Income Generation Aim:

Covid-19 has severely impacted on our income generation aims, but we continue to seek to maximise our charity shop income through our four shops but also to diversify our income streams by increasing our fundraising capability through events, grant applications and ethical investment opportunities.

Our charity shops not only offer work experience opportunities but provide a valuable source of low cost good quality recycled goods to the benefit of the public and the environment. In previous years, our programme of fundraising events have included quizzes, dog shows, Christmas, Easter and Halloween events, car shows and Pets At Home collections, however these were all cancelled in 2020 due to restrictions put in place as a result of the Covid-19 pandemic. The Branch sought to diversify its income generation activity by moving some of these events online and held both an online pet show and an online auction in 2020.

People Aim:

We aim to offer our staff a safe, healthy environment in which to maximize their potential, with clear whistleblowing and safeguarding policies in place.

We aim to further develop our volunteer strategy to maximise recruitment and retention. We provide many volunteering opportunities for those who wish to support our work, including fostering, fundraising, retail opportunities and animal care. This benefits local people and companies by providing the possibility of doing work which is both compassionate and rewarding and offers experience which may assist participants in finding paid work. It is not possible to quantify the financial value of our volunteers but in 2020 we had the benefit of over 7,500 hours of volunteer work.



The trustees have reviewed the outcomes and achievements of our objectives and activities for the year to ensure they remain focused on our charitable aims and continue to deliver benefits to the public. We have complied with this duty under the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Our current short, medium and long term aims and objectives can be summarised as follows:

Short term:

- The individual houses in the Rabbit Village are now complete and the first rabbits were able to take residency in September 2020. The fence and pathway need to be completed along with some cosmetic adjustments. Availability of materials is proving difficult along with escalating costs, primarily due to the pandemic and Brexit but completion remains a priority.

As soon as the project is complete the Branch would like to offer visits to local schools etc as part of our wider education initiative.

- To restart local fundraising events beginning in Autumn 2021.
 - To strengthen relationships with local private veterinary surgeons, following their emergence from lockdown, to ensure the Animal Centre has supportive and cost effective veterinary provision.
 - To collaborate with other charities to offer members of the public on low incomes a subsidised neutering scheme for cats, and other animals, to replace the service the mobile neutering clinic used to offer.
 - To install remote monitoring at the Animal Centre as a backup to onsite occupation of the premises to meet RSPCA Animal Centre Licensing Requirements.

Medium term

- To develop our gull centre by creating enclosures with pools to allow juvenile gulls to be held until they are able to be released safely remains an ambition on the Branch, but this is currently on hold due to financial constraints.
- To develop an education centre to expand our preventative and educational work, particularly among young people, and to develop community partnerships around animal welfare.
- To reduce our reliance on charity shop income by expanding the type and extent of fundraising

initiatives we engage in, and developing a supporter journey package from childhood.

- To explore opportunities to return the Branch to local control, by continuing to recruit local trustees and to hold a successful AGM.
- To address the Branch's deficit budget to ensure the Branch reserves remain in line with the Branch reserves policy.

Long term:

- To develop our engagement with the community to ensure adequate homes for our animals, volunteers for our shops, fundraising and animal centres and support for our events.
- To consider further ways of utilising the land around the animal centre for animal welfare, both for domestic pets, rescued farm animals and wildlife.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Animal welfare results

During the year the animal centre rehomed 84 cats (2019: 198), 5 dogs (2019: 9) and 22 small animals (2019: 25). We admitted 305 wild animals (2019: 440). The RSPCA Kent - Isle of Thanet Branch continues to direct its focus towards the most abused, neglected, injured and at risk animals and there are financial implications to that decision on cost per animal rescued. It is the most difficult end of animal welfare in which to operate but is where we believe our limited resources deliver the biggest reduction in suffering.

Pressure on our resources remains extreme during key breeding seasons, so we continue to seek ways to increase the rate of rehabilitation and rehoming of our animals to generate the maximum number of places of safety for animals desperately in need.

Financial results and review

The charity's funds are collected from membership subscriptions, shop sales, rehoming, donations, legacies, recycling schemes, collection boxes, special fund-raising events and grants.

Total income for the year was £247,302 (2019: £378,906) and total expenditure £337,788 (2019: £420,029) before unrealised investment gains/losses. The excess of expenditure over income for the year after investment losses of £7,911 (2019: gains of £5,855) was £98,397 (2019: £35,268).

In normal years, the four shops provide the main source of operational income for the branch and animal centre. In 2020, net losses from the retail operation were £51,452 (2019 net income: £70,144), this was in part, due to the charity shops being required to close in line with government guidelines due to the Covid-19 pandemic, for large parts of the year. Some of this loss was offset by government grants to the Branch which valued £84,266. Our thanks go to all our shop managers and volunteers for their hard work.

The Branch continued to develop innovative fundraising events that could be carried out in line with government guidelines surrounding the Covid-19 pandemic and generated income of £996 (2019: £14,662). We thank our staff and volunteers for the extra mile they go to make these events so successful and enjoyable.

Fundraising events were a challenge throughout 2020 due to the Covid-19 pandemic, which severely impacted the Branch's ability to organise fundraising events and meant income of this type was minimal in comparison to previous years.

It is expected that both fundraising and retail income will remain a challenge for all charities for some time to come as the Covid-19 pandemic continues into 2021. The Branch does not have any commercial participator or professional fundraiser agreements in place.

We would like to thank all those people and local businesses who contribute to the success of the Branch and support us with volunteer time, fundraising activities, financial discounts or advertising. There are too many to name individually but they include veterinary surgeries, branch members, staff and volunteers and local press. Lastly we would like to thank the public for their ongoing support of the Branch and Animal Centre – we could not succeed without it.

RESERVES POLICY

The branch holds reserves to cover its operational costs and to develop the East Kent Animal Centre. At 31 December 2020 unrestricted reserves were £246,092 (2019: £309,853) and restricted reserves were £683,196 (2019: £717,832). Our target is to hold sufficient cash/near cash reserves to maintain the day to day operations of the Branch for a period of nine months. Total branch expenditure for 2020 was £337,788; this therefore equates to a target of £253,341 to be held as cash/near cash reserves. At the end of 2020, the Branch was therefore holding reserves in line with its reserves policy, however, the trustees will continue to monitor the financial performance of the charity throughout 2021 to ensure reserves are sufficient to meet an unforeseen reduction in incoming resources, until corrective action can be taken, as a deficit budget in 2021 would start impacting the Branch reserves level.

INVESTMENT POLICY

The trustees have wide powers of investment governed and restricted by the Royal Society for the Prevention of Cruelty to Animals Investment Act 1958. The branch holds long-term investments in holdings in JP Morgan equities funds, the income from which is used to further the work of the branch. At 31 December 2020 these investments had a market value of £42,717 (2019: £50,628). Our investment strategy is low risk.

FUTURE DEVELOPMENTS

2021 will continue to be defined by the COVID-19 pandemic and we expect the impact on our retail operation to be felt into 2021. Additionally, we expect there to be an ongoing need to carry out rehoming, fostering and fundraising events remotely and/or in line with government restrictions as they lift.



The Branch intends to hold an AGM in late 2021 to return the Branch to local control.

Although much progress was made with regards to the Rabbit Village in 2020, with the houses being complete in September 2020 and our first guests moving in shortly afterwards, shortages in materials meant some finishing touches such as paving and fencing remain outstanding. Following the sad closure of South Godstone Animal Centre, as a result of the 2020 National Society restructure, we were able to benefit from equipment donated - in our case 3 large Rabbit Boards. These will be of great use during our open day/school visits and as part of our wider education programme.

Our aim is to complete these elements in 2021. The Branch hopes to use this new facility to educate current and potential owners of rabbits on the complex needs of rabbits, particularly that for spacious accommodation that allows the full range of natural behaviours.

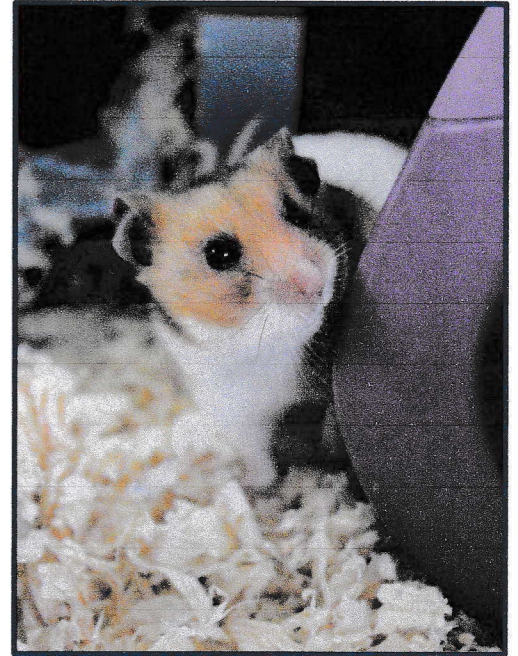
Whilst our ambition of creating a gull release pool to assist with the rehabilitation and release of gulls remains outstanding, this has been put on hold due to current financial constraints.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees of the charity to provide financial statements each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources for that period. In preparing those financial statements, the trustees are required to:

- * Select suitable accounting policies and then apply them consistently;
- * Make judgments and estimates that are reasonable and prudent;
- * State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enables them to ensure that the financial statements comply with The Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Signed:

Date: 4th August 2021

Catherine Perry - Branch Chair

THE ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS KENT ISLE OF
THANET BRANCH

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 11 to 21.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts as carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a member of the Association of Chartered Certified Accountants.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that in, any material respect:

- 1 accounting records were not kept in accordance with section 130 of the Charities Act ; or
- 2 the accounts do not accord with the accounting records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

S J Wren FCCA
Accountancy Matters (Kent) Limited
Chartered Certified Accountants
31 Queen Street
Ramsgate
Kent
CT11 9DZ

Date : 13.08.2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
INCOME					
Income from charitable activities	2(a)	11,682	-	11,682	18,745
Donations and legacies	2(b)	118,945	2,507	121,452	112,662
Income from other trading activities	2(c)	111,709	-	111,709	244,902
Investment income	2(d)	83	2,376	2,459	2,597
TOTAL INCOME		242,419	4,883	247,302	378,906
EXPENDITURE					
Costs of raising funds	3(a)	177,339	-	177,339	188,153
Expenditure on charitable activities	3(b)	145,217	15,232	160,449	231,876
TOTAL EXPENDITURE		322,556	15,232	337,788	420,029
NET INCOME/(EXPENDITURE)		(80,137)	(10,349)	(90,486)	(41,123)
OTHER RECOGNISED GAINS/LOSSES:					
Gains/(losses) on revaluation of investments	7	-	(7,911)	(7,911)	5,855
		(80,137)	(18,260)	(98,397)	(35,268)
Transfers between funds	11	16,376	(16,376)	-	-
NET MOVEMENT IN FUNDS		(63,761)	(34,636)	(98,397)	(35,268)
Balance as at 1 January 2020		309,853	717,832	1,027,685	1,062,953
BALANCE AT 31 DECEMBER 2020		246,092	683,196	929,288	1,027,685

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	6	668,887	678,850
Investments	7	<u>42,717</u>	<u>50,628</u>
		711,604	729,478
CURRENT ASSETS			
Debtors	8	14,067	8,308
Cash at bank and in hand		<u>211,441</u>	<u>304,554</u>
		225,508	312,862
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	<u>(7,824)</u>	<u>(14,655)</u>
		217,684	298,207
NET ASSETS	10	<u>929,288</u>	<u>1,027,685</u>
Represented by:			
FUNDS OF THE CHARITY			
Restricted funds	11	683,196	717,832
Unrestricted funds :			
Designated funds	11	-	-
General funds	11	<u>246,092</u>	<u>309,853</u>
TOTAL CHARITY FUNDS		<u>929,288</u>	<u>1,027,685</u>

These accounts were approved and signed for issue by the trustees on

4th Aug 2021

Catherine Parry - Chair

Joanna Majka - Treasurer

Nicholas Robbins - Vice Chair

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

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the requirements of the Charities Act 2011 and applicable accounting standards and follow the recommendations in the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

RSPCA Kent Isle of Thanet Branch meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The principal accounting policies adopted are as follows:

a) Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis as charity has sufficient liquid reserves to fund its operational activities for at least twelve months from the date these accounts are formally approved. This is on the basis that the shops are able to operate at pre Covid levels.

b) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and its receipt is probable.

The following specific policies are adopted and applied to particular categories of income :

Charity shop sales are recognised as income when the donated goods are sold as it is considered impractical to measure the fair value of goods donated for resale.

Legacies are recognised on the earlier of receipt of the legacy or where the receipt is probable.

Voluntary income by way of grants and donations is included in the statement of financial activities when receivable.

c) Expenditure

All expenditure is accounted for on an accruals basis and excludes VAT where applicable. Where such costs relate to more than one functional cost category they have been split on an estimate of time spent. Resources expended are shown as :

Charitable expenditure - comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both those costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs (costs associated with meeting the constitutional and statutory requirements of the charity and includes the Independent Examiners fee). Support costs are allocated individually based on their estimated relative benefit to charitable activities and raising funds.

d) Tangible fixed assets

Tangible fixed assets costing more than £250 are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows :

Animal Centre building	2% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% straight line
Leasehold improvements	Straight line over the period to the first break clause

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

1 ACCOUNTING POLICIES - Cont'd**e) Investments**

Investments are initially recognised at cost. Subsequently investments whose value can be measured reliably are measured at fair value. Gains and losses arising from changes in the fair value of investments are included in the Statement of Financial Activities in the period in which they arise.

f) Fund accounting

Unrestricted funds are donations and other income receivable without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for a particular purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criteria is charged to the fund.

g) Pensions

The charity operates a defined contribution pension scheme. Contributions payable are charged as an expenses in the statement of financial activities.

h) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

i) Significant judgements and estimates

No significant judgements have had to be made by the Trustees in preparing these financial statements

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

2 INCOME

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
a) Income from charitable activities				
Pet insurance	86	-	86	17
Services provided	11,596	-	11,596	18,728
	<u>11,682</u>	<u>-</u>	<u>11,682</u>	<u>18,745</u>
b) Donations grants and legacies				
Legacies	500	-	500	63,909
Donations	7,825	2,507	10,332	6,066
Subscriptions	185	-	185	162
Collection boxes	-	-	-	1,124
Fundraising	996	-	996	14,662
Grants : Door to Door	25,173	-	25,173	26,739
Grants : Local Authority Support	45,336	-	45,336	-
Grants : Job Retention Support	38,930	-	38,930	-
	<u>118,945</u>	<u>2,507</u>	<u>121,452</u>	<u>112,662</u>
c) Income from other trading activities				
Charity shop sales	109,825	-	109,825	241,089
Sale of new goods at the animal centre	1,884	-	1,884	3,813
	<u>111,709</u>	<u>-</u>	<u>111,709</u>	<u>244,902</u>
d) Investment Income				
Bank interest	83	-	83	165
Investment Income	-	2,376	2,376	2,432
	<u>83</u>	<u>2,376</u>	<u>2,459</u>	<u>2,597</u>

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

3 EXPENDITURE

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
a) Costs of raising funds				
Shop operating costs	161,277	-	161,277	170,945
Fundraising expenses	382	-	382	4,392
Support costs (see below)	15,680	-	15,680	12,816
	<u>177,339</u>	<u>-</u>	<u>177,339</u>	<u>188,153</u>
b) Expenditure on charitable activities				
Animal centre costs :				
Wages and salaries	82,245	-	82,245	92,418
Rates and utilities	1,471	-	1,471	1,493
Light and heat	9,645	-	9,645	11,327
Telephone	1,178	-	1,178	1,391
Veterinary costs	14,058	-	14,058	35,268
Food, litter and bedding	5,668	-	5,668	9,889
Cleaning and refuse	4,035	-	4,035	6,022
Repairs and maintenance	5,171	-	5,171	28,479
Other expenses	1,937	-	1,937	4,293
Depreciation - Animal Centre	-	15,232	15,232	15,232
Mobile neutering clinic support	3,010	-	3,010	11,986
Support costs (see below)	15,424	-	15,424	12,188
Governance costs				
Wages and salaries	-	-	-	-
Independent Examiner's fee	1,375	-	1,375	1,890
	<u>145,217</u>	<u>15,232</u>	<u>160,449</u>	<u>231,876</u>
	<u>322,556</u>	<u>15,232</u>	<u>337,788</u>	<u>420,029</u>

Allocation of support costs

	Raising Funds	Charitable Activities	2020 Total funds	2019 Total funds
Administration salaries	5,510	5,510	11,020	9,748
Legal and professional fees	1,745	1,745	3,490	3,771
Bank charges	577	297	874	2,187
Insurance	1,125	1,125	2,250	2,135
Web/internet	22	45	67	302
Printing, postage and stationery	341	341	682	1,346
Volunteer expenses	18	18	36	408
Depreciation - Fixtures, fittings & Equip	5,397	5,398	10,795	5,107
Depreciation - Motor vehicle	710	710	1,420	-
Profit on disposal of motor vehicle	(60)	(60)	(120)	-
Irrecoverable VAT	240	239	479	-
Miscellaneous	55	56	111	-
	<u>15,680</u>	<u>15,424</u>	<u>31,104</u>	<u>25,004</u>

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

4 NET INCOME	2020	2019
	£	£
This is stated after charging:		
Operating lease rentals	28,053	27,220
Depreciation	29,231	22,198
Independent Examiner's remuneration :		
- Independent Examiners' fee	1,375	1,750
	<u> </u>	<u> </u>

5 INFORMATION REGARDING EMPLOYEES	2020	2019
	£	£
Wages and salaries	186,937	204,603
Social security costs	9,974	11,099
Employer pension contributions	2,524	2,688
Employment Allowance	(4,000)	(3,000)
	<u>195,435</u>	<u>215,390</u>

The average number of employees based on full time equivalents analysed by function was:

	2020	2019
	Number	Number
Shops	6	7
Animal Centre	5	6
Management and administration	1	1
	<u>12</u>	<u>14</u>

The average monthly head count was 16 staff (2019 - 17 staff).

No employee had emoluments in excess of £60,000 (2019 - Nil).

No trustees received remuneration or were reimbursed expenses from the charity during the year (2019 - £Nil).

The total employee benefits (including employers national insurance) of the key management personnel of the charity were £53,218 (2019- £53,394).

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

6 FIXED ASSETS

	Animal Centre £	Leasehold Improvements £	Fixtures, Fittings & equipment £	Motor Vehicles £	Total £
Cost					
As at 1 January 2020	841,597	9,293	61,729	3,680	916,299
Additions	-	-	12,243	7,100	19,343
Disposals	-	-	-	(3,680)	(3,680)
As at 31 December 2020	841,597	9,293	73,972	7,100	931,962
Depreciation					
As at 1 January 2020	198,193	6,815	28,761	3,680	237,449
Disposals	-	-	-	(3,680)	(3,680)
Charge for the year	15,232	1,859	10,795	1,420	29,306
As at 31 December 2020	213,425	8,674	39,556	1,420	263,075
Net book value					
As at 31 December 2020	628,172	619	34,416	5,680	668,887
As at 31 December 2019	643,404	2,478	32,968	-	678,850

7 INVESTMENTS

	UK Equity funds £	UK Equities & securities fund £	2020 Total £	2019 Total £
Cost or valuation				
At 1 January 2020	13,226	37,402	50,628	44,773
Transfers	37,402	(37,402)	-	-
Revaluation to fair value	(7,911)	-	(7,911)	5,855
At 31 December 2020	42,717	-	42,717	50,628

All investments are held in the UK.

8 DEBTORS

	2020 £	2019 £
VAT	2,590	2,919
Other debtors	6,614	1,743
Prepayments	4,863	3,646
	14,067	8,308

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

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Trade creditors	3,240	12,304
Other creditors	479	601
Accruals	4,105	1,750
	<u>7,824</u>	<u>14,655</u>

10 ANALYSIS OF NET ASSETS BETWEEN FUND

	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	40,715	-	628,172	668,887
Investments	-	-	42,717	42,717
Current assets	213,201	-	12,307	225,508
Current liabilities	(7,824)	-	-	(7,824)
Net assets as at 31 December 2020	<u>246,092</u>	<u>-</u>	<u>683,196</u>	<u>929,288</u>

ANALYSIS OF NET ASSETS BETWEEN FUND - PREVIOUS YEAR

	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	35,446	-	643,404	678,850
Investments	-	-	50,628	50,628
Current assets	289,062	-	23,800	312,862
Current liabilities	(14,655)	-	-	(14,655)
Net assets as at 31 December 2019	<u>309,853</u>	<u>-</u>	<u>717,832</u>	<u>1,027,685</u>

11 MOVEMENT IN FUNDS

	As at 1 01 2020	Incoming resources	Outgoing resources/ Inv. gain	Transfers	As at 31 12 2020
	£	£	£	£	£
Restricted funds					
EKAC	694,032	4,883	(23,143)	(4,883)	670,889
Rabbit Village	23,800	-	-	(11,493)	12,307
Total restricted funds	<u>717,832</u>	<u>4,883</u>	<u>(23,143)</u>	<u>(16,376)</u>	<u>683,196</u>
Designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrestricted general funds	309,853	242,419	(322,556)	16,376	246,092
Total funds	<u>1,027,685</u>	<u>247,302</u>	<u>(345,699)</u>	<u>-</u>	<u>929,288</u>

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

11 MOVEMENT IN FUNDS - Cont'd

RESTRICTED FUNDS

East Kent Animal Centre (EKAC)

This fund originally arose from an appeal to fund the building of the East Kent Animal Centre, but now it is complete unrestricted funds are transferred to cover the shortfall of restricted income. The fund is represented by the book value of the Animal Centre and the carrying value of the investments.

Rabbit Village

Funding received from the Regional Board (in the previous year) to fund the construction of the Rabbit Village. The construction of this started in 2019 and the transfer represents the amount spent which has been included within fixed assets. The unspent funds have been carried forward to the following year.

MOVEMENT IN FUNDS - PREVIOUS YEAR

	As at 1 01 2019	Incoming resources	Outgoing resources/ Inv. loss	Transfers	As at 31 12 2019
	£	£	£	£	£
Restricted funds					
EKAC	703,409	6,401	(9,377)	(6,401)	694,032
Rabbit Village	40,000		-	(16,200)	23,800
Total restricted funds	743,409	6,401	(9,377)	(22,601)	717,832
Designated funds	-	-	-	-	-
Total designated funds	-	-	-	-	-
Unrestricted general funds	319,544	372,505	(404,797)	22,601	309,853
Total funds	1,062,953	378,906	(414,174)	-	1,027,685

RESTRICTED FUNDS

East Kent Animal Centre (EKAC)

This fund originally arose from an appeal to fund the building and running of the East Kent Animal Centre, but now it is complete unrestricted funds are transferred to cover the shortfall of restricted income. The fund is represented by the book value of the Animal Centre and the carrying value of the investments.

Rabbit Village

Funding received from the Regional Board (in the previous year) to fund the construction of the Rabbit Village. The construction of this started in 2019 and the transfer represents the amount spent which has been included within fixed assets. The unspent funds have been carried forward to the following year.

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

12 FINANCIAL COMMITMENTS

At 31 December 2020 the charity had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
within one year	27,950	20,700
within two to five years	49,326	39,901
after five years	28,000	-
	<u>27,950</u>	<u>39,901</u>

13 TAXATION

The Branch is a registered charity and accordingly is exempt from taxation on income and gains where they are applied for charitable purposes.

14 RELATED PARTY TRANSACTIONS

The Branch complies with the Branch Rules, as issued by the National Society, and has a number of related financial transactions with its umbrella body. Christine Beaumont-Kerridge, Nicholas Robbins and Daphne Harris served as trustees for other RSPCA Branches throughout 2020.

During the year the Charity received £25,173 (2019 - £26,739) in a share of Door to Door fundraising income from the National Society. The Branch contribution to the National Society (Regional Fund) was £110 (2019 - £110).

There were no other transactions with related parties during the year under review that need to be disclosed.