

Charity number: 263515

**Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough,
Windsor, Kingston & District branch**

Trustees' report and financial statements

for the year ended 31 December 2020

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 12
Independent auditors' report on the financial statements	13 - 16
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20 - 39

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 December 2020

Trustees

I Hansford, Chair
C Kirkby
J White-Cole
P Battle
F Longhurst, Secretary
A Longhurst
S Boon
G Martin, Treasurer (appointed 11 June 2020)
J Correia (appointed 24 February 2020)

Charity registered number

263515

Principal office

16 Crescent Parade
Hillingdon
Middlesex
UB10 0LG

Independent auditors

Kreston Reeves LLP
Chartered Accountants
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Bankers

Barclays Bank PLC
PO Box 299
Birmingham
B1 3PF

HSBC
PO Box 41
High Street
Uxbridge
UB8 1BY

Solicitors

B P Collins
Collins House
32-38 Station Road
Gerrards Cross
SL9 8EL

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Trustees' report for the year ended 31 December 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2020 to 31 December 2020.

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

Objectives and activities

Objectives and aims

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

Aims

The primary and ongoing aim of the Branch, is to deliver effectively and consistently against the stated objectives, to the best of our ability within active constraints and the resources available. Our immediate aim is to maintain a programme of Trustee recruitment to provide the levels of Committee members determined by the long term aims. In the long term, we aim to:

- maintain or ideally increase the levels of animal welfare activity provided in 2020 in future periods, through ongoing development and reviews of performance as highlighted in the section headed "Future Plans";
- maintain a Committee of between 9-11 Trustees with diverse skills to effectively manage and support the activities of the Branch.

Strategies for achieving objectives

1. Provision of subsidised treatment

An assessment procedure is carried out with owners of pets seeking subsidised treatment and a clearly defined policy outlining which owners are eligible for assistance is available.

2. Provision of preventative treatment

Our Hillingdon Clinic offers neutering, microchipping, vaccination and flea/worming treatments at subsidised rates to any residents within the Branch area, in order to promote responsible pet ownership, assist with uncontrolled breeding and reduce the incidence of avoidable health issues in companion animals.

3. Rescue and rehoming of vulnerable animals

The Branch takes in, free of charge, mistreated or abandoned animals, including pets whose owners suffer ill health or financial difficulties or pass away. Priority is given to intake via the Inspectorate, but also police and local authorities. All animals taken in are given necessary treatment, vaccinated, neutered and microchipped as appropriate and assessed prior to being found suitable new homes.

4. Maintenance and improvement of animal accommodation

With a view to providing the best care for the animals coming into our care, there is a programme of maintenance and improvement of animal accommodation. This programme aims not only to provide the best environment for individual animals but also to improve systems of disease control to ensure the animals are in good health prior to adoption.

**Trustees' report (continued)
for the year ended 31 December 2020**

Objectives and activities (continued)

Significant activities

There have been no changes in the Charity's policy in the last 12 months, and its main objectives for the year are:

- To continue to provide veterinary care and preventative health treatment for companion animals whose owners are unable to afford private veterinary fees, in addition to veterinary care for stray animals and initial assessment, first aid and treatment for wildlife casualties.
- To continue to take in domestic animals of all species, giving priority to those in urgent need where their current situation makes them vulnerable to immediate suffering. This may include stray animals as well as those subjected to cruelty or neglect. Having removed animals to a safer environment it is then the objective of the Charity to find new caring owners.
- To inform and advise the public on animal welfare issues, to promote responsible pet ownership and to campaign for improvements in animal welfare of both owned and unowned animals.

The Trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focused on our charitable aims, and continue to deliver benefits to the public. We have complied with the duty under the Charities Act 2011 to have due regard to public guidance published by the Commission. Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole. While the public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment. The Branch's animal welfare work, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. The next section of this report highlights the Branch's main activities and demonstrates the benefit provided to the public. All our charitable activities, as described in more detail in the following pages of this report, focus on promoting kindness and preventing or suppressing cruelty to animals and are undertaken to further these purposes for the public benefit.

Public benefit

We support our local Inspectors by taking in free of charge, mistreated or abandoned animals, including pets whose owners suffer ill health or financial difficulties or pass away. The Society's Inspectorate (as well as providing education, information and advice) rescues animals in distress and enforces laws against the cruel mistreatment of animals in England and Wales by bringing prosecutions.

This work is key to 'the prevention or suppression of cruelty' part of the RSPCA objects, and promotes humane sentiments towards animals which involves moral benefit to humankind as a whole.

We provide subsidised veterinary treatment for animals which are sick or injured and belong to local people on low incomes. We do this through our Hillingdon Clinic.

This work benefits those on means tested benefits by giving them financial help to obtain care for companion animals in need of veterinary treatment.

We provide subsidised neutering and microchipping of companion animals for those in the Branch area. We do this through our Hillingdon Clinic.

This work helps to control dog and cat populations through neutering, provides health benefits and promotes responsible pet ownership.

Animals in our care receive veterinary treatment, vaccination, neutering, microchipping and are assessed for rehoming.

This work helps to control the incidence and spread of disease and suffering through vaccination and neutering.

We rehome animals in need at low cost to people willing and able to have a companion animal.

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

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

**Trustees' report (continued)
for the year ended 31 December 2020**

Objectives and activities (continued)

We take in, free of charge, lost animals (excluding stray dogs which come under the responsibility of local authorities) and take steps to reunite them with owners.

This work benefits our local community by preventing straying and posing a risk to themselves and to people through road traffic accidents or aggressive behaviour.

We respond to enquiries (both direct and via the Society's National Call Centre) from the public about animals locally.

The public benefits by knowing that we can intervene to assist animals in need.

We offer free animal care advice through our Hillingdon Clinic, by telephone, email, in person and via our website.

The public benefits through the promotion of responsible pet ownership.

We provide volunteering opportunities for those who wish to support our work, including trusteeship, fundraising, administration, and dog walking.

The possibility of doing work which is compassionate and rewarding is a benefit to local people and business. The main activities to achieve this are the operation of an animal re-homing programme and an animal clinic to help provide veterinary care.

Volunteers

The charity receives support from a number of individuals who volunteer their time and services, assisting in various ways. The Trustees are extremely grateful for this help. Without the kindness and generosity of both donors of goods and those working within its shops and clinic, as well as the volunteers who assist with the animal welfare, fundraising activities and administration of the Branch, the charity would be unable to continue. The volunteer recruitment and induction procedure can be lengthy and time consuming. We estimate that our volunteers contributed some 11,700 hours of their free time during 2020, which at a conservative rate of £10 per hour amounts to approximately £117,000.

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

**Trustees' report (continued)
for the year ended 31 December 2020**

Achievements and performance

Chairman's Report

Ron Kirkby, President of this Branch and former National Society Chairman and Chairman of the old Kingston Branch, died on the 30th October 2020. Animal Welfare has lost a dedicated campaigner for animal rights and this Branch has lost a supporter and friend.

During his amazing life of supporting those who could not ask themselves, Ron once carried a veal calf crate along the Embankment to highlight the plight of veal production and at Brighton, Brightonsea and Dover to campaign also against the export of live animals. He attended an audience with The Pope presenting a petition. I first met Ron in Brussels at the European Parliament when we were campaigning against the export of live animals. He politically campaigned tirelessly for Parliament's support on many welfare issues.

This Branch and Society must at all costs continue Ron's example for animal rights, our thoughts are with his widow, Celia – Branch Trustee who is continuing in his name.

None of us will easily forget 2020. I am very proud of our Branch as we kept our animal welfare facilities open throughout lockdown. Repeat prescriptions and emergencies had to be dealt with. COVID itself produced animal casualties left without a home as owners were deceased or ill.

Our staff continued under sometimes dangerous situations from infection, following Health and Safety precautions to the letter.

Financially we struggled as all of our charity shops had to remain closed resulting in NIL income. We are indebted to The Brighton and Hove Branch who paid our monthly vet attendance fees, and the amazing Branch Welfare Fund created from many generous Branches contributing, voluntarily.

I sincerely thank our amazing Branch Trustees who supported us throughout this sad time, and our veterinary surgeon Cathy Siddle at Arden House who kept an open line to us for emergencies.

During 2020 loyalty has been tested, and I look forward to a strong future for local animal welfare.



.....
Irene Hansford
Branch chair

**Trustees' report (continued)
for the year ended 31 December 2020**

Achievements and performance (continued)

Key achievements 2020

- Reduction of expense as a response to the loss of income from enforced shop closures. Staff expense was reduced by some 4% over 2019, despite the cost of regrettable redundancies. The ongoing effect of the staff reduction will be likely more felt in 2021.
- The closure of one shop specialising in large items, which became untenable once visits to customers' homes for collections was prohibited.
- Keeping clinic and three shops open whenever government legislation permitted.
- Keeping the Homing Centre open throughout.

Delivery of animal welfare services

The four key priority areas relating to the delivery of animal welfare services by branches are:

- 1. Welfare treatments*
- 2. Welfare neutering*
- 3. Rescue, rehabilitate & rehome*
- 4. Welfare microchipping*

In 2020, in these areas the Branch performed as follows:

	<u>2020</u>	<u>2019</u>
<i>Animals treated</i>	<i>2,925</i>	<i>4,496</i>
<i>Animals neutered</i>	<i>239</i>	<i>400</i>
<i>Animals rehomed</i>	<i>281</i>	<i>408</i>
<i>Animals microchipped</i>	<i>205</i>	<i>327</i>
<i>Totals</i>	<i>3,650</i>	<i>5,631</i>

These figures include a range of animals including dogs, cats, rabbits, guinea pigs, ferrets, chickens and companion birds. There was a decrease of 31% in our rehoming figures during 2020 which reflects a lower intake of animals. We saw a smaller number of both cats and dogs coming into our care, although there was a small increase in the intake of both rabbits and miscellaneous animals. Some of this can be attributed to success with neutering and campaigns for responsible pet ownership together with improved legislation on the breeding and selling of pets. Over the course of the year, homes were found for 142 cats (2019: 238) and 62 dogs (2019: 83), 26 rabbits (2019: 49) and 51 miscellaneous (2019: 38), either through direct homing or via networking of animals to other branches better suited to satisfy the needs of individual animals.

Our staff and volunteers carried out 34 home visits. The circumstances in 2020 demanded that these were 'virtual' visits by way of video conferencing. Where possible, we prefer to home dogs within a reasonable distance of our Branch in order to facilitate the provision of any post adoption backup required, but in some cases, having given due consideration to the likely risks, had to forego this in the interests of providing the best homes for individual dogs. We face considerable high profile competition for the homing of dogs locally from both the Dogs Trust at Harefield and Battersea Cats & Dogs Home in Windsor and recognise the need to promote more awareness within our area of our dog rehoming programme.

Many of the animals coming into our care particularly via the Inspectorate, are sick or injured and may need extended stays in our care for full rehabilitation and recovery from illness and surgery. This of course also affects our intake capability as we only have a finite number of kennel and cattery spaces. A significant number of animals coming into our care are not microchipped or neutered and we continue to promote both procedures as a way to ensure responsible ownership.

The recent closure of the Hanwell, Southall and Putney Clinics have had a significant impact upon our Branch. We are seeing many more clients coming to our clinic and we have employed up to three vets to handle this increase. Our plans included outsourcing routine surgery and neutering services as many local veterinary practices offer competitive rates. Meanwhile we concentrate on the more complicated surgery which may be out of the financial reach of many of our clients without our support. We believe that this policy will have a positive impact on animal welfare in our area and on the psychological welfare of their owners who frequently rely on the companionship of their animals.

**Trustees' report (continued)
for the year ended 31 December 2020**

Achievements and performance (continued)

During 2020 the coronavirus lockdown and social distancing requirements impacted on the ability of our volunteers to help us across the Branch. Our shops had to close for long periods which severely affected our income and our Re-homing Centre had to rehome animals via video links as the centre was closed to visitors for viewing purposes. Even with these restrictions in place we managed to continue to pair animals and owners successfully.

We are pleased to report that with the careful deployment of staff, we were able to keep our clinic open for animal treatment during the whole year. With the help of grants and the hard work and flexibility of our staff, we are proud that the Branch continued to provide veterinary support to our clients during these extremely difficult times.

Fundraising activities

2020 was a very challenging year with several enforced shutdowns of shops and clinic. All were open when government legislation permitted, but the effect on our income was substantial. Shop income was £235k down 64% from 2019 (£658k) and Clinic income was £108k down 28% from 2019 (£151k). This contributed to an operating loss before grants, legacies and donations of appx £533k. The Trustees decided to close one of the shops in November, this being because it specialised in large furniture items which could no longer be collected due to covid regulations. Fortunately we were offered favourable terms for the lease surrender.

The charity shops network brought in sales and related income of £235,765 (2019: £658,859) against expenditure of £419,175 (2019: £403,134) yielding a net deficit to the charitable activities of £183,410 (2019: a net contribution of £255,725).

The negative operating position was wholly covered by the receipt of grants from Local Government, the Parent Charity, the UK Government 'furlough' scheme and others, resulting in a gross year end result virtually unchanged from 2019. Legacies of £147,370 resulted in a total net surplus of £143,479.

Fundraising events were not possible during the year due to covid restrictions, but we initiated sales by Facebook and Ebay as a small supplement to income.

At the present time the charity does not consider it necessary to register with The Fundraising Regulator, but is a member of the Chartered Institute of Fundraising. The charity ensures it is not unreasonably persistent in its fundraising approach, particularly with vulnerable persons. The charity received no complaints in respect of fundraising during the year.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The current economic conditions and the effects of COVID-19 have been reviewed and taken into consideration. Grants have been received and plans have been put in place for future activities; for this reason they continue to adopt the going concern basis in preparing the financial statements.

In March 2020 the UK government introduced social distancing measures in a response to the Coronavirus pandemic which has required the charity's retail shops to close and has necessarily restricted some of its animal welfare activities. Where possible the charity has utilised the support packages available from the Government including the Coronavirus Job Retention Scheme and retail grants. The retail shops reopened during July and August 2020 and are trading positively since this date except for the 4 week closure during November during the 2nd national lockdown. The Trustees have pro-actively managed the charity's expenditure and reduced the level of animal welfare activities to more closely align this to the revised income expectations for 2020/2021. The Trustees have re-forecast its financial position and on this basis they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in Accounting Policies.

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Trustees' report (continued) for the year ended 31 December 2020

Financial position

The Branch funds as at 31 December 2020 were £923,144 (2019: £779,635). The total incoming resources for the year were £1,084,721 (2019: £962,021) including legacies of £147,370 (2019: £17,426), expenditure was £941,283 (2019: £961,709) with net gains on investment of £41 (2019: £9,713) resulting in a net surplus for the year of £143,479 (2019: £10,025). N.B. The aforementioned legacies, whilst accounted for, were not received in 2020 to the tune of appx. £135,000. The net surplus for the year before accrued legacies was £8,177 (2019: £10,025). As shown in the cashflow statement, the cash generated from operating activities was £42,830 during 2020, which is significantly lower than the net surplus of £143,479. This is largely due to the accrued legacies which have not been received as cash during 2020.

The cost of maintaining the animal welfare operation, the Hillingdon Clinic, providing appropriate levels of care and rehabilitation for animals awaiting rehoming and undertaking pro-active animal welfare in the local community meant that the Branch spent £520,178 (2019: £557,258) on charitable activities during the year.

Principal funding sources

The principal source of Branch income, is our network of charity shops. The charity shops sell mainly second hand goods donated by the public to raise funds. Legacies can also make a significant contribution to income, but vary from year to year and are unpredictable. Effort must be made to maximise other sources of income in order to reduce the impact of the fluctuations in legacy funds received. Other funds are collected from homing, clinic receipts, donations, collection boxes, eBay sales, special fundraising appeals and events and grants. Funds raised support the Branch's charitable activities in delivering animal welfare services and supporting the Inspectorate, primarily via our rehoming facility and clinic. During 2020 grants accounted for appx 43% of income, and exceptional figure not expected to be repeated.

Investment policy and objectives

The Branch policy is to hold a very low risk portfolio of investments. The Trustees became increasingly aware of the need to have investments that were stable and were readily realisable should the need to cover operating deficits arise. The bulk of investments are term or notice bank accounts, with the remainder in a managed portfolio which is reviewed regularly at Trustees meetings.

Reserves policy

The Branch holds reserves in order that the service level provided for animal welfare is maintained, should there be a reduction in incoming resources. The Branch holds at times reserves that are both 'unrestricted' and 'restricted'. Restricted reserves represent funds donated for a specific purpose, which cannot be used for anything other than the purpose for which they were donated. Unrestricted reserves are those funds which are freely available for general purposes and are uncommitted. The Trustees have endeavoured to hold reserves of unrestricted funds equivalent to one year's expenditure, being £941,283 for 2020. At 31 December 2020, the Branch had unrestricted reserves of £877,382 equivalent to approximately 11 months expenditure based on 2020 levels. Although the annual expenditure exceeds the current target level of reserves, the Trustees are aware of the legal minimum to hold 6 months reserves, and are of the opinion that the existing level of reserves is sufficient to meet any reduction in incoming resources. The Branch held £45,732 of restricted funds at the close of 2020.

Structure, governance and management

Governing document

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch is a registered charity, number 263515. The charity is controlled by its governing document, a Trust deed and constitutes an unincorporated charity.

The Charity operates as an autonomous Branch of the Royal Society for the Prevention of Cruelty to Animals (the Society) subject to its rules for branches, carrying out its direct animal welfare work in the areas of Hillingdon, Slough, Windsor, Kingston and District. A Trustee Committee, elected at the Annual General Meeting governs the Branch.

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Trustees' report (continued) for the year ended 31 December 2020

Structure, governance and management (continued)

The objectives of the Branch are:

- To promote the work and objects of the Society.
- To promote kindness and to prevent or suppress cruelty to animals - with particular reference to the Area of the Branch, in accordance with the policies of the Society.
- Recruitment and appointment of new Trustees.

Recruitment and appointment of new trustees

Trustees serve for 12 months following election by the Branch membership at the Annual General Meeting, and may be re-elected by the Branch membership at the Annual General Meeting for a further 12 months. Up to 3 additional Trustees may be co-opted by the Branch committee during the year. All Committee members must be Society members for a minimum of three months prior to appointment. The honorary officers (Chair, Branch Secretary and Treasurer) are elected by the Trustees. The Branch aims to maintain a Committee of between 9 and 11 trustees. Two new Trustees joined the Committee in 2020. The RSPCA Hillingdon, Slough, Windsor, Kingston & District Branch was comprised of nine Trustees at the close of 2020.

Organisational structure

The charity Trustees have individual and collective responsibility for the management of the Branch and its funds. Subject to the overall supervision of the National Society, the Committee controls and monitors all the fundraising and animal welfare initiatives undertaken by the Branch. They are responsible for safeguarding the assets of the charity and to provide reasonable assurances that the charity is operating efficiently and effectively, its assets are safeguarded against unauthorised use or disposition, proper records are maintained and financial information used within the charity or for publication is reliable and that the charity complies with relevant laws and regulations. The Branch Trustees meet on a monthly basis to review animal welfare activity, financial performance, fundraising activity and to discuss non-routine matters arising.

Decisions are made by the Trustees, agreed at Committee and referred to managers and staff as appropriate for action. The day to day running of the Branch is delegated to the line managers, who are directly answerable to and supervised by the Trustees. Daily activity reports submitted by the clinic and rehoming facility keep all trustees informed of day to day activities, issues and performance.

During 2020 the Trustees have, under the guidance of Head Office, incorporated the Trustees in order to allow the signature of documents as an incorporated body.

Induction and training of new trustees

All Trustees are provided with comprehensive booklets and briefed on their responsibilities as Trustees prior to their acceptance of the role. When joining the committee new Trustees are able to access the RSPCA intranet (The Link) which holds information outlining the role of a Trustee with the Branch as well as the responsibilities and obligations that the role of a Trustee entails. In addition to this the new Trustees receive an introduction to the Branch, its history, the current activities and planned activities for the future from the Branch Chairman. Currently there is no formal training plan for Branch Trustees. As further support and training, courses are offered by the RSPCA, Trustees can elect to attend courses which interest them or which they feel will benefit them in their role as a Branch Trustee.

Setting of Key Management Personnel remuneration

Salaries for all employees are reviewed annually by the Trustees.

Related parties

The Branch operates within a national network of organisations that pursue the same objectives and which are known collectively as the Royal Society for the Prevention of Cruelty to Animals. The network comprises independent branches operating within a defined geographical area for the purposes of fundraising and the provision of animal care facilities and treatments. A regional structure also exists that is overseen on a national basis. This structure provides a team of specialist inspectors and coordinates the policies and objectives of the branches. Representatives of the branches, regional and national organisations meet on an annual basis as a forum to consider all issues affecting animal's welfare and to develop policies for the future pursuit of their common aims. Trustees give up their time freely for work as a Trustee and no Trustee remuneration has been paid in the year.

**Trustees' report (continued)
for the year ended 31 December 2020**

Structure, governance and management (continued)

The Branch has a Declaration of Interest Policy in place, which is included on the agenda for every Committee meeting. Irene Hansford, our Chairperson, is paid for kennelling and facilities services provided to the Charity. She also permits the Branch to maintain kennels and catteries on her land and a lease was formulated in 2019 to formalise this arrangement.

Two of the Trustees are married to each other.

Risk management

The Trustees actively review the risks, which the Charity faces on a regular basis through regular meetings of the Trustees that cover operational and financial reviews. The Trustees also examine other operational and business risks which the Branch faces and confirm that they have established plans to mitigate the significant risks, which have been identified as:

- Inability to operate the animal rehoming facility or clinic because of fire or other destruction
 - Use of private boarding facilities and other Society animal facilities
 - Temporary withdrawal of routine clinic services and emergency arrangements with private vets
- Loss of income through error or fraud
 - Annual independent accounts audit
 - Two signatures required for cheques (there are three signatories)
 - Monthly reviews of financial records
- Loss of Trustees
 - Ongoing volunteer recruitment programme
- Health and safety
 - Documented policies at each site
 - Annual insurance maintained
 - Oversight by advisers Acton Jennings

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Trustees' report (continued) for the year ended 31 December 2020

Plans for future periods

The main plans for 2021 aim to continue reducing costs and reverse the decline in income in order to achieve at least the optimum fundraising to support, and ideally extend, our animal welfare activities. Options being considered by the Trustees are:

- Maximising the impact and cost effectiveness of our clinic – e.g. consider opportunities to outsource certain routine procedures. Potential to add an x-ray machine to enable more complex procedures to be undertaken, and an IVR telephone system to assist with effective call management
- Apply for more grants
- Recruitment of additional Trustees to extend our skills and expertise, and support the management of the Branch
- Increase income from the shops by investing in more shop staff training and support
- A publicity campaign to make the general public in our area more aware of our presence and what we do
- Regularly review our financial plans
- Recruitment of more volunteers to increase our capacity to run events
- Hold community animal welfare events, to promote neutering, microchipping, preventative treatments and responsible pet ownership

The effect of the Coronavirus Pandemic on our Branch

In March 2020 the world was overtaken with the COVID 19 pandemic which had a profound effect upon our Branch activity.

We had to close all our charity shops for many weeks during both lockdowns which greatly reduced our income as they are the main source of our funding. We opened the shops whenever we could, but as the overwhelming majority of our volunteers are over 60, COVID 19 had a severe effect on the number of volunteers we could call on during any period when the shops could be open. This meant the shops were open for shorter hours which adversely impacted our income.

We managed to keep our clinic open whenever legally allowed but had to reduce the number of clients seen in order to comply with social distancing rules, so often we could only have one person in at a time. We had to balance a growth in the number of clients in need (due to the closure of Putney and Southall facilities), but at the same time COVID 19 restrictions have limited the number of animals we have been able to treat.

In September, the RSPCA National Society closed Putney Animal Hospital and Southall Cattery and Clinic. These closures have had a significant impact on demand for our services, as our Branch clinic is now the only one in a large and busy area. In addition, the RSPCA National Society made several hundred staff redundant, and the Branch lost some of the regional support staff and inspectorate members.

Our re-homing facility has also suffered, as for most of 2020 re-homing viewings and interviews have had to be carried out online and animals have had to be delivered to their new home. We hope that the easing of restriction will enable us to return to regular levels of activity.

We were fortunate that in June we had appointed a Treasurer who was able to look closely at our finances and prepare financial forecasts. We have taken many measures to ensure sustainability, and current figures suggest we remain financially viable for the foreseeable future. However, there was an inevitable reduction in our financial reserves until our shops could trade normally.

Financial measures we have taken include:-

- Closing our Ashford shop
- Making some staff redundant, including our Area Shops Manager
- During a brief time in the summer, we held car boot sales
- With the help of the National Society we have received grants from the RSPCA Branch Emergency Fund (set up to support Branches during the pandemic) and the Brighton Branch of the RSCPA
- Donations and bequests have continued and we sell on line wherever possible

We have been unable to hold any of our usual fundraising events such as quiz nights or Animal Action Days.

**Trustees' report (continued)
for the year ended 31 December 2020**

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.... 

I Hansford, Chair Trustee
Date: 14th October 2021

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Independent auditors' report to the Members of Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Opinion

We have audited the financial statements of Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent auditors' report to the Members of Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery, money laundering legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011; Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to:

- Cash-based nature of the trading operations of the charity which could lead to misstatement in relation to income recognition
- Management bias in the accounting estimates associated with the allocation of costs and use of funds

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety, anti-bribery, money laundering legislation and employment law) and fraud; and
- Reviewing a sample of trading income to gain comfort over completeness of income; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing low level analytical procedures to any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

Independent auditors' report to the Members of Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham

Date: 15 October 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

**Statement of financial activities
for the year ended 31 December 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	612,936	64,000	676,936	73,039
Charitable activities	4	156,549	-	156,549	198,496
Other trading activities	5	243,720	-	243,720	675,986
Investments	6	7,516	-	7,516	14,500
Total income		1,020,721	64,000	1,084,721	962,021
Expenditure on:					
Raising funds	7,8	421,105	-	421,105	404,451
Charitable activities	9	496,178	24,000	520,178	557,258
Total expenditure		917,283	24,000	941,283	961,709
Net income before net gains on investments		103,438	40,000	143,438	312
Net gains on investments		41	-	41	9,713
Net movement in funds		103,479	40,000	143,479	10,025
Reconciliation of funds:					
Total funds brought forward		773,903	5,732	779,635	769,610
Net movement in funds		103,479	40,000	143,479	10,025
Total funds carried forward		877,382	45,732	923,114	779,635

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

The notes on pages 20 to 39 form part of these financial statements.

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District branch

**Balance sheet
as at 31 December 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	23,444	50,372
Investments	15	129,447	127,122
		<u>152,891</u>	<u>177,494</u>
Current assets			
Stocks	16	14,922	14,922
Debtors	17	174,684	44,137
Investments	18	194,861	490,596
Cash at bank and in hand	23	459,129	116,909
		<u>843,596</u>	<u>666,564</u>
Creditors: amounts falling due within one year	19	(73,373)	(64,423)
Net current assets		<u>770,223</u>	<u>602,141</u>
Total net assets		<u><u>923,114</u></u>	<u><u>779,635</u></u>
Charity funds			
Restricted funds	20	45,732	5,732
Unrestricted funds	20	877,382	773,903
Total funds		<u><u>923,114</u></u>	<u><u>779,635</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
I Hansford, Chair

Trustee

Date: 14th October 2021

The notes on pages 20 to 39 form part of these financial statements.

**Statement of cash flows
for the year ended 31 December 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	22	41,830	50,922
Cash flows from investing activities			
Dividends, interests and rents from investments		3,251	3,574
Proceeds from the sale of tangible fixed assets		-	2,571
Purchase of tangible fixed assets		(577)	(5,240)
Proceeds from sale of investments		300,000	-
Purchase of investments		(2,284)	(5,050)
Net cash provided by/(used in) investing activities		300,390	(4,145)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		342,220	46,777
Cash and cash equivalents at the beginning of the year		116,909	70,132
Cash and cash equivalents at the end of the year	23	459,129	116,909

The notes on pages 20 to 39 form part of these financial statements

**Notes to the financial statements
for the year ended 31 December 2020**

1. General information

The RSPCA Hillingdon, Slough, Windsor, Kingston & District Branch is an unincorporated charitable association and a separately registered Branch of the Royal Society for the Prevention of Cruelty to Animals (the Society). The charity is governed in accordance with the RSPCA branch rules dated 18 February 2009 (as updated in 2012).

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Royal Society for the Prevention of Cruelty to Animals Hillingdon, Slough, Windsor, Kingston & District 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.

The financial statements are presented in Sterling which is the functional currency of the charity and are rounded to the nearest £1.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate and 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. Having reviewed the future projected cash flows, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. The Trustees have considered the level of reserves held and the expected level of income and expenditure for a period of twelve months from finalisation of these financial statements. These considerations take into account the impact of Covid-19. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' responsibilities.

**Notes to the financial statements
for the year ended 31 December 2020**

2. Accounting policies (continued)

2.3 Income

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 income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from charitable activities includes income earned from adoption fees. Adoption fee income is recognised upon collection of the animal by the new owner.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from other trading activities arises mainly from the sale of donated goods. It is impracticable to fair value the stock items due to the volume of low value items, therefore the sale of donated goods is not recognised in the financial statements until they are sold in line with SORP (FRS102).

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**Notes to the financial statements
for the year ended 31 December 2020**

2. Accounting policies (continued)

2.4 Expenditure (continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

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 institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold property improvements	- 20% straight line
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 20% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

**Notes to the financial statements
for the year ended 31 December 2020**

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Donated stocks are not recognised in the financial statements until they are sold as described in the income recognition policy above.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

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

2.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.16 Redundancy and termination payments

The Charity recognises termination benefits when they become committed, by legislation, by contractual or other agreements with employees or their representatives or by a constructive obligation based on business practice, custom or a desire to act equitably, to make payments (or provide benefits) to employees when it terminates their employment. Termination payments do not provide the Charity with future economic benefits and therefore they are recognised in the statement of financial activities immediately.

**Notes to the financial statements
for the year ended 31 December 2020**

2. Accounting policies (continued)

2.17 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	65,031	-	65,031
Legacies	147,370	-	147,370
Grants	212,778	64,000	276,778
Government grants	187,757	-	187,757
Total 2020	612,936	64,000	676,936

Government grants consist of Coronavirus Job Retention Scheme income of £107,757 and local authority grants of £80,000.

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations	49,951	-	49,951
Legacies	17,426	-	17,426
Grants	-	5,662	5,662
	67,377	5,662	73,039

**Notes to the financial statements
for the year ended 31 December 2020**

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Homing income	32,932	32,932
Clinic income	107,937	107,937
Sale of goods	15,058	15,058
Recovery on staff costs	292	292
Slough Dog Warden Project Income	330	330
Total 2020	156,549	156,549
	Unrestricted funds 2019 £	Total funds 2019 £
Homing income	42,387	42,387
Clinic income	151,171	151,171
Sale of goods	1,803	1,803
Recovery on staff costs	3,135	3,135
Total 2019	198,496	198,496

**Notes to the financial statements
for the year ended 31 December 2020**

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Sale of donated goods	235,765	235,765
Fundraising activities	7,955	7,955
	<u>243,720</u>	<u>243,720</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Sale of donated goods	658,859	658,859
Fundraising activities	17,127	17,127
	<u>675,986</u>	<u>675,986</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income - local listed investments	3,236	3,236
Investment income - local cash	4,280	4,280
	<u>7,516</u>	<u>7,516</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Investment income - local listed investments	3,441	3,441
Investment income - local cash	11,059	11,059
	<u>14,500</u>	<u>14,500</u>

Notes to the financial statements
for the year ended 31 December 2020

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £
Direct costs of retail activities	126,598	126,598
Fundraising costs	978	978
Staff costs - wages and salaries	217,870	217,870
Staff costs - NI	13,741	13,741
Staff costs - pension costs	3,804	3,804
Support costs (note 10)	57,162	57,162
	<u>420,153</u>	<u>420,153</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Direct costs of retail activities	152,999	152,999
Fundraising costs	355	355
Staff costs - wages and salaries	198,812	198,812
Staff costs - NI	13,101	13,101
Staff costs - pension costs	3,450	3,450
Support costs (note 10)	34,772	34,772
	<u>403,489</u>	<u>403,489</u>

8. Investment management costs

	Unrestricted funds 2020 £	Total funds 2020 £
Investment management fees	<u>952</u>	<u>952</u>

**Notes to the financial statements
for the year ended 31 December 2020**

8. Investment management costs (continued)

	Unrestricted funds 2019 £	Total funds 2019 £
Investment management fees	962	962

9. Analysis of expenditure by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £
Support costs (note 10)	-	110,963	110,963
Direct costs	409,215	-	409,215
	<u>409,215</u>	<u>110,963</u>	<u>520,178</u>

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £
Support costs (note 10)	-	67,494	67,494
Direct costs	489,764	-	489,764
	<u>489,764</u>	<u>67,494</u>	<u>557,258</u>

**Notes to the financial statements
for the year ended 31 December 2020**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2020 £	Total funds 2020 £
Staff costs	234,801	234,801
Drugs, medicines & veterinary expenses	133,380	133,380
Homing and boarding expenses	27,498	27,498
Goods for resale	515	515
Training, clothing and agency fee	13,021	13,021
	409,215	409,215

Included within drugs, medicines & veterinary expenses was £24,000 (2019 - £nil) expenditure from restricted funds. All other direct costs were from unrestricted funds in 2020 and 2019.

	Charitable activities 2019 £	Total funds 2019 £
Staff costs	276,412	276,412
Drugs, medicines & veterinary expenses	166,097	166,097
Homing and boarding expenses	32,648	32,648
Goods for resale	1,221	1,221
Training, clothing and agency fee	13,386	13,386
	489,764	489,764

**Notes to the financial statements
for the year ended 31 December 2020**

10. Analysis of support costs

	Raising funds 2020 £	Charitable activities 2020 £	Total funds 2020 £
Finance costs	2,006	3,894	5,900
Information technology	10,122	19,650	29,772
Governance costs	15,309	29,718	45,027
Management	29,725	57,701	87,426
	57,162	110,963	168,125
	Raising funds 2019 £	Charitable activities 2019 £	Total funds 2019 £
Finance costs	1,486	2,885	4,371
Information technology	3,357	6,516	9,873
Governance costs	4,091	7,942	12,033
Management	25,838	50,151	75,989
	34,772	67,494	102,266

11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £8,100 (2019 - £8,430), and other accountancy services of £1,200 (2019 - £1,200).

12. Staff costs

	2020 £	2019 £
Wages and salaries	435,172	453,981
Social security costs	27,446	29,916
Other pension costs	7,598	7,878
	470,216	491,775

**Notes to the financial statements
for the year ended 31 December 2020**

12. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Direct staff	24	27
Management & support	2	3
	26	30

No employee received remuneration amounting to more than £60,000 in either year.

£235,415 (2019 - £215,363) is included within the table above in respect of raising funds
£234,801 (2019 - £276,412) is included within the table above in respect of charitable activities.

Included within staff costs is redundancy costs of £7,950 (2019 - £nil).

The charity considers its key management personnel during the year to comprise the rehoming & facility manager, clinic manager and area shops manager. During 2019 the charity considered its key management personnel to comprise the centre manager, branch finance manager, clinical manager, clinic supervisor, rehoming centre assistant manager and the rehoming coordinator. The total employment benefits including employer pension contributions of the key management personnel were £80,335 (2019: £126,277).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

Notes to the financial statements
for the year ended 31 December 2020

14. Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2020	155,277	224,426	1,427	33,482	414,612
Additions	-	394	-	183	577
Disposals	(15,855)	-	-	-	(15,855)
At 31 December 2020	<u>139,422</u>	<u>224,820</u>	<u>1,427</u>	<u>33,665</u>	<u>399,334</u>
Depreciation					
At 1 January 2020	135,745	203,984	993	23,518	364,240
Charge for the year	6,068	10,441	286	4,757	21,552
On disposals	(9,902)	-	-	-	(9,902)
At 31 December 2020	<u>131,911</u>	<u>214,425</u>	<u>1,279</u>	<u>28,275</u>	<u>375,890</u>
Net book value					
At 31 December 2020	<u>7,511</u>	<u>10,395</u>	<u>148</u>	<u>5,390</u>	<u>23,444</u>
At 31 December 2019	<u>19,532</u>	<u>20,442</u>	<u>434</u>	<u>9,964</u>	<u>50,372</u>

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	127,122
Additions	3,236
Disposals	(952)
Revaluations	41
At 31 December 2020	<u>129,447</u>
Net book value	
At 31 December 2020	<u>129,447</u>
At 31 December 2019	<u>127,122</u>

**Notes to the financial statements
for the year ended 31 December 2020**

15. Fixed asset investments (continued)

All fixed asset investments are held in the UK. The investments are held primarily for an investment return.

Included within the investment portfolio is cash amounting to £2,280 (2019 - £2,963).

The historical costs as at 1 January 2020 and 31 December 2020 was £96,609.

The investment portfolio is managed by Northwood Symonds Independent Financial Advisors and measured on a fair value basis.

16. Stocks

	2020	2019
	£	£
Goods for resale	14,922	14,922
	<u><u>14,922</u></u>	<u><u>14,922</u></u>

17. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	13,025	10,143
Other debtors	10,385	11,398
Prepayments and accrued income	151,274	22,596
	<u><u>174,684</u></u>	<u><u>44,137</u></u>

18. Current asset investments

	2020	2019
	£	£
Listed investments	54,078	53,411
Unlisted investments	140,783	437,185
	<u><u>194,861</u></u>	<u><u>490,596</u></u>

**Notes to the financial statements
for the year ended 31 December 2020**

19. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	32,086	41,902
Other taxation and social security	24,837	14,656
Accruals and deferred income	16,450	7,865
	<u>73,373</u>	<u>64,423</u>
	<u>73,373</u>	<u>64,423</u>

**Notes to the financial statements
for the year ended 31 December 2020**

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds - all funds	773,903	1,020,721	(917,283)	41	877,382
Restricted funds					
New shop set up grant	4,592	-	-	-	4,592
Ultrasound fund	1,140	-	-	-	1,140
Support Adoption for Pets grants	-	24,000	(24,000)	-	-
Animal Welfare Action Days	-	5,000	-	-	5,000
IVO Trust grant	-	35,000	-	-	35,000
	5,732	64,000	(24,000)	-	45,732
Total of funds	779,635	1,084,721	(941,283)	41	923,114

During the year the charity had five restricted funds, two were funds carried forward from 2019 while three new restricted funds were set up this year.

- The New shop set up grant was restricted grant income received in 2017 and was restricted for purchases relating to the new shop in Denham. There has been no movement in this restricted fund this year.

- The ultrasound scanner fund was a grant received to purchase a new ultrasound scanner in 2018. A further amount of £610 was identified as expected in relation to this fund in 2019. There has been no movement in this restricted fund this year.

- The Support Adoption for Pets fund relates to grant income received during the year and was restricted for expenditure on vet bills and boarding costs. The fund was fully expensed during 2020.

- The Animal Welfare Action Days fund relates to grant income received during the year and was restricted for expenditure on Animal Welfare Action Days. There has been no movement in this restricted fund this year.

- The IVO Trust grant fund relates to grant income received during the year and was restricted for expenditure in order to open the clinic on Fridays during 2021. There has been no movement in this restricted fund this year.

Notes to the financial statements
for the year ended 31 December 2020

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
General Funds - all funds	714,509	956,359	(961,709)	55,031	9,713	773,903
Restricted funds						
New shop set up grant	4,592	-	-	-	-	4,592
Ultrasound fund	1,750	-	-	(610)	-	1,140
Clinic legacy	48,759	-	-	(48,759)	-	-
Cardell multiparameter monitor	-	5,662	-	(5,662)	-	-
	55,101	5,662	-	(55,031)	-	5,732
Total of funds	<u>769,610</u>	<u>962,021</u>	<u>(961,709)</u>	<u>-</u>	<u>9,713</u>	<u>779,635</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	23,444	-	23,444
Fixed asset investments	129,447	-	129,447
Current assets	799,004	44,592	843,596
Creditors due within one year	(73,373)	-	(73,373)
Difference	(1,140)	1,140	-
Total	<u>877,382</u>	<u>45,732</u>	<u>923,114</u>

Notes to the financial statements
for the year ended 31 December 2020

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	50,372	-	50,372
Fixed asset investments	127,122	-	127,122
Current assets	660,832	5,732	666,564
Creditors due within one year	(64,423)	-	(64,423)
Total	773,903	5,732	779,635

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

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	143,479	10,025
Adjustments for:		
Depreciation charges	27,505	28,609
Unrealised gains on fixed asset investments	(41)	(9,713)
Decrease/(increase) in stocks	-	(2,354)
Dividends, interests and rents from investments	(7,516)	(14,500)
Decrease/(increase) in debtors	(130,547)	47,250
Increase/(decrease) in creditors	8,950	(8,395)
Net cash provided by operating activities	41,830	50,922

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	459,129	116,909
Total cash and cash equivalents	459,129	116,909

**Notes to the financial statements
for the year ended 31 December 2020**

24. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	116,909	342,220	459,129
Liquid investments	490,596	(295,735)	194,861
	<u>607,505</u>	<u>46,485</u>	<u>653,990</u>

25. Contingent assets and liabilities

During the prior year there was a contingent asset in respect of legacy income due to the charity which could not be measured reliably and therefore was not accrued. At 31 December 2019 it was expected that this was in the region of £25,000.

At the year end the charity has a potential future obligation in relation to dilapidation of leased properties. It is not possible to reliably estimate this future obligation.

26. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £7,598 (2019 - £7,878). Contributions of £nil (2019 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	55,750	12,379
Later than 1 year and not later than 5 years	82,883	-
	<u>138,633</u>	<u>12,379</u>

**Notes to the financial statements
for the year ended 31 December 2020**

28. Related party transactions

I Hansford

(Trustee)

During the year I Hansford received £25,000 (2019 - £26,000) for kennelling and facilities services provided to the Charity. I Hansford permits the charity to maintain kennels and catteries on her land, which she also occupies for her own private animal homing business.

The charity also charged I Hansford for the branch staff time costs. During the year I Hansford was charged £Nil (2019 - £3,135) for branch staff time costs incurred in respect of the Charity's employees caring for the animals homed at I Hansford's private animal homing business.

K Hansford

(Close family member of I Hansford)

During 2019 K Hansford was employed by the charity. The total employment benefits including employer pension contributions were £31,700. K Hansford was not employed during 2020 and hence there were no related party transactions.