

Charity Registration No. 206300

**RSPCA SUSSEX CHICHESTER
& DISTRICT BRANCH**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2019**

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Falloon P Marshall N Cockram G Stribling-Wright F O'Kelly I Glenister A Faye C Penhallurick R Mills	(Appointed 4 December 2019) (Appointed 31 July 2019) (Appointed 19 August 2020) (Appointed 19 August 2020)
Charity number	206300	
Principal address	Mount Noddy Animal Centre Blackmill Lane Eartham Chichester West Sussex PO18 0LL	
Auditor	Watling & Hirst Limited Cawley Place 15 Cawley Road Chichester West Sussex PO19 1UZ	

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

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RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

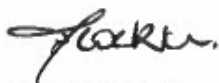
Welcome from Nicholas Cockram Chair:

In 2019, with animal welfare at the heart of our decision making and after careful consideration of the financial uncertainty post Brexit, the trustees put into action the charity's redevelopment plans for Mount Noddy Animal Centre. The Centre was built in 1969, it comprises 20 dog kennels and 24 cat pens and is licensed for 32 dogs and 48 cats. It is over 20 years since the existing kennel block was built and 15 years since the cattery was refurbished and the Centre is now in urgent need of upgrading. The proposed animal accommodation will be designed to prevent infection control and minimise stress for the animals, provide greater opportunities for enrichment and improving their quality of life.

Peter Fitzgerald resigned as trustee and after the year end, Sue O'Kane and Tom Davidson resigned. We thank them for their time and contributions they have made to the charity. Isabel Glenister was co-opted as a trustee in December, and after the year-end, Claire Penhallurick and Rachael Mills were also co-opted.

We owe a considerable debt of gratitude to all our supporters who donate so generously to Mount Noddy Animal Centre; to our volunteers who give their time and passion for animals working alongside our staff teams; and, our dedicated staff who consistently go that extra mile to improve the quality of life of the cats and dogs in our care. We are extremely grateful to them all and proud of what they have collectively achieved for charity in 2019.

Post year-end, and at the time of writing this report, we are having to adapt to the outbreak of Covid-19, and the considerable financial impact of lockdown and the challenges and risks it presents. We do not receive any government funding or funding from the National RSPCA. The closure of our charity shops and Mount Noddy Animal Centre from March 20th has already had a significant impact on the loss of income. We were unable to furlough our animal centre staff as the cats and dogs needed to be cared for by our committed staff team. The closures, together with the loss of value from our investment portfolio, will have a negative effect on the level of income we receive in 2020. As we re-open our shops and Mount Noddy Animal Centre, we are committed to ensuring that we can help as many cats and dogs find their forever homes. We are implementing a number of decisions to ensure that we can continue to deliver our charitable objectives while we, and the world, adapts to living with Covid-19.



.....
N Cockram

Chairman

Dated: ...

21/10/2020

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the National RSPCA Branch Rules, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and 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 geographic area of the Branch, in accordance with the policies of the National Society.

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit – running a Charity (PB2)'.

The trustees have reviewed and agreed the following six strategic aims:

- to support the Society's Inspectorate in their work, funding veterinary treatment and emergency accommodation for mistreated or abandoned animals;
- to accept stray and owned animals for rehoming; and, ensure healthy, rehomeable animals are never euthanised;
- to improve the accommodation and enrichment opportunities for cats and dogs incorporating best practice;
- to increase awareness of the animal centre and its offer;
- to maximise and diversify income streams and voluntary income; and,
- to provide volunteering and work experience opportunities in animal care, retail and fundraising.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance

To ensure activities remain focused on our charitable aims and continue to deliver public benefit, the trustees have reviewed the outcomes and achievements during the year.

In 2019, our four main areas of activity were: 1. Mount Noddy Animal Centre 2. Charity Shop Retail 3. Governance & Management and 4. Fundraising and Public Awareness.

1. Mount Noddy Animal Centre

At Mount Noddy Animal Centre we rescue, rehabilitate and rehome cats and dogs. We have an open intake policy and are committed to taking in all cats and dogs in need of our help and we are open every day, to respond to their needs. Unlike many other animal centres, we do not discriminate on breed or behavior history, when taking in unwanted animals. We support our local RSPCA Inspectors by taking in, free of charge, rehabilitating and rehoming cats and dogs suffering from neglect, abuse and animals that have been abandoned. We also take in pets whose owners suffer ill health, financial difficulties or die and lost animals and take proactive steps to reunite them with owners.

During 2019, the Branch took in 325 animals (106 dogs and 219 cats), compared to 224 animals in 2018. We rehomed 269, a total of 72 dogs and 197 cats. The Branch transferred out 19 dogs to other RSPCA centres and breed specialist rehoming charities, to give them the best chance of finding their forever homes. In addition, 20 stray animals were reunited with their owners and due to ill health, 8 (1 dog and 7 cats) were euthanised.

All the animals that arrive at Mount Noddy Animal Centre have a full health check where their body condition, skin, limbs, and gait are all checked. The animals are vaccinated, micro-chipped, neutered, and treated for parasites. Geriatric cats and dogs also have blood and urine tests to check liver and kidney functions. Any health conditions advised by the vet are thoroughly investigated and treated. During their stay at the Centre the cats and dogs have a healthy diet, regular exercise and, an individual enrichment programme. Our staff team are creative at finding a variety of ways to keep them stimulated that help to reduce stress levels and aid rehabilitation. Positive training methods are used to address any behavioral issues.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1.1 Case study - Dede

Dede, a 3 year old female English bulldog came to Mount Noddy as a result of her owners' relationship ending. She had almost certainly been used as a breeding dog. When she arrived at the Centre in May, she was very nervous and would not come out of the kennel. After a lot of patience and gentle coaxing, the staff were able to get her out of the kennel, and she was gradually introduced to more people and different parts of the Centre. It was clear that she was in pain and following her initial health check, she had a general anaesthetic so that x-rays could be taken to investigate the cause of the pain. As a result of the x-rays she had soft pallet surgery carried out to help with her breathing. At the same time she was spade to prevent the need of another general anaesthetic. Post surgery, she was no longer in pain and there was there was an improvement in her behavior. Dede was still nervous of new space and our behaviourist created a rehabilitation plan that included getting used to exploring different parts of the Centre to encourage her to be familiar with new spaces.

Work progressed with Dede over 4 months and once she was ready for adoption, she received a lot of interest. We were all keen to find her an extra special home and took time to find her the 'perfect match'. A lovely family fell in love with her profile on our website and made an appointment to come and meet her. Her new family came up many times to meet her, so she could get to know them. As Dede was very nervous of any buildings our Mount Noddy staff took Dede to her new owner's house on several visits and she enjoyed exploring their garden.

She was collected in October by her new family, and we just know she will have the best life! Her adopters said: "Dede has settled in so well and has really come out of her shell. She is happy with visitors in the house now and gets on so well with our son's French bulldog, she copies everything he does!"



1.2 Case study - Brave

Brave, a sweet 13-week-old kitten that came to the Centre in September via a private vet, after being taken in by an RSPCA inspector as a road traffic accident. The vet had x-rayed her and could not find anything wrong with her, although she was limping. Our vets re-x-rayed her and they found out she had a fractured femur. They advised to operate on her, however due to her young age, we got a second opinion from RSPCA Putney Animal Hospital. They said it should heal with 8 weeks cage rest, so one of our animal care assistants fostered her throughout this time. She was very well behaved and got on well with the two Labradors in the foster home. The vet advised for her movements to gradually increase by 10 minutes a day if she was not limping. A member of public came in looking for a kitten, and she lived in a lovely quiet area away from busy roads. Brave was adopted and now loves her new life in the countryside!



RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1.3 Foster scheme

During the year the fostering scheme has successfully fostered and rehomed a total of 62 animals, 50 cats and kittens, and 12 dogs. We have 10 volunteer foster carers who generously opened their homes and hearts, providing pregnant cats and kittens and dogs the opportunity to experience the normality of a loving home life, whilst waiting to find their perfect match adopters.

Providing pregnant cats and kittens with foster homes really improves the socialisation they receive, and once adopted, helps them successfully settle into new homes. The dogs in foster during the year have been on a medical basis, which has taken up a significant period of time, both in the foster homes, and coordinating their care.

Case study – foster home

Tracy got in touch after seeing a social media post and is one of the scheme's real success stories. Together with Samuel her partner, they have fostered 12 cats and kittens during the year.

Tinker, formally Rusty, was the biggest challenge for Tracy. We received a couple of updates from her new home, here is the most recent: "Here are some more photos of Tinker. She's settled so well, is no longer timid and shy, she's very loving and a real joy."



This is what Tracy has said about her experience as a volunteer foster carer: "Fostering for Mount Noddy Animal Centre has been one of the best things we have ever done! Showing our support to our local RSPCA branch by fostering kittens and cats is very enjoyable, and knowing that we have helped them on their journey to finding their loving forever homes, makes us feel very happy."

The process is so very rewarding and we feel honoured to have these cute, sometimes scared, but fun cats to enjoy in our home, safe in the knowledge that we are able to enhance and enrich their lives... Happy Days!"

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1.4 Cats at Work

We receive several feral cats throughout the year, brought to us by Inspectors for rehoming or to be part of the Trap, Neuter and Release (TNR) programme. Feral cats that come into our care have rarely had any human contact, can't be handled and find it incredibly stressful being around humans. For welfare reasons, they cannot be rehomed as a pet into a household, but this does not exclude them from being rehomed at all. Whilst under our care, they are given everything they need; those with long fur are unable to be groomed so matts are shaved at the vets when they visit for neutering. Pregnant or nursing females are left to raise their litter until they are old enough to be separated and the kittens rehomed as family cats. The mother will then be micro chipped, vaccinated, and treated for parasites, before being rehomed in a safe, rural area, typically on a farm as a 'working cat'. In some cases, as part of the TNR, the cats must return to the place of capture, so once they are neutered to control the growing cat population, we return them to their original territory. We rehomed 30 feral cats to farms and stables in 2019, and neutered a further 7, which were returned to feeders in the local area.

1.5 Redevelopment of Mount Noddy Animal Centre

We applied for permission to the South Downs National Park (SDNP) to re-develop Mount Noddy Animal Centre, incorporating best practice to improve the animal accommodation, increase capacity and the delivery of animal welfare services.

Working with the SDNP Assistant Ranger and volunteers, we started work to restore the Copse at the rear of the Centre, into a healthy and lasting eco-system that conserves, protects and encourages a diverse range of wildlife, fauna and flora local to the area. The Copse will be used as an enrichment woodland walk for Mount Noddy dogs providing scent, texture and sight stimuli to provide a calm experience for the dogs.

2. Charity Retail Shops

The shops generated a turnover of £448,944, (2018: £392,231) and generated a net operating profit of £77,880, (2018: £95,843). Although higher sales were generated in 2019 compared to the previous year, the costs were higher, primarily due to the set up costs of opening of our fifth shop in Littlehampton and increased staff costs related to the management role.

In May we opened our fifth charity shop in Littlehampton and it went on to win the Town Centre's best Christmas window award.



The charity shops' sales raise vital funds towards the operating costs of Mount Noddy Animal Centre. The shops provide a valuable source of low cost, good quality, preloved goods to the benefit of the public and the local environment - our five charity shops' prevented approximately 100 tonnes of textiles going to a landfill.

Our thanks go to our shop managers and staff for their hard work and maintaining a high standard of customer care and our shop volunteers for their dedication and time they give.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3. Governance & Management

We reviewed the trustee numbers and skill mix and embarked on a recruitment campaign to expand the trustee board and co-opted two trustees who will serve the remainder of the year until the Annual General Meeting.

The trustees restructured the branch, making the full-time post of Business & Income Generation role redundant and creating a part-time Shops' Group Manager role, focusing on maximising the potential income of the charity shops. To strengthen the staff team at Mount Noddy Animal Centre, we appointed an Animal Care Supervisor, deputising for the Animal Centre Manager in their absence and appointed an Animal Behaviour Advisor.

Towards the end of the year we were successful in applying for a grant to create and set up a new website.

Our small staff team could not achieve the positive results without the invaluable support of our team of dedicated volunteers. During the year, 61 people attended our volunteer induction sessions and went on to join our team of over 40 active volunteers, who received training and ongoing support. The volunteer activities they undertook ranged from dog walking, cat cuddling, fostering a cat or dog, cleaning the cat and dog accommodation, helping us maintain the grounds, fundraising events, reception cover and volunteering at our charity shops.

We thank all our volunteers, for the time they generously give which is not incorporated into the financial statements. If it were, it would equate to a considerable sum. This is what two of our amazing volunteers have said about their experience at Mount Noddy Animal Centre.

Lisa has been volunteering at the Branch as a reception support and dog walker since June 2016, Lisa said: *"The staff are so caring and work tirelessly to help the animals."*

Angela is a cattery support volunteer who started in October 2019, Angela said: *"I love volunteering here. The way they treat animals is incredible. I wish I could just adopt them all."*

4. Fundraising and Public Awareness

Our income sources are: our charity shops; rehoming fees; property rental income; donations and legacies. We rely on volunteers to assist with organising fundraising events that also provide an opportunity to raise public awareness of Mount Noddy Animal Centre. During the year these are some of the activities that took place.

- 'Noddyfest summer event and dog show' in June turned out to be the hottest day of the year. We had a 'have a go' agility ring and flyball course, a fun dog show, stalls and food stands and lots of paddling pools for the dogs to cool off.
- 4 of our Animal Care Assistants in April completing a sponsored fun run called 'Rough Runner'.
- Volunteers held a pub quiz in March. In November the animal care team organised a pub quiz in the pub in the village.

Pets at Home choose us as their Charity of the Year. We held two promotion days at the Pets at Home stores in June and December, raising awareness of our animals ready for adoption and animal welfare in general. The store raised £3,586 for the branch.

We continued to receive support from other local companies through corporate volunteering days and match funding. We would like to thank Halo and Eaton Electrical for their support with our fundraising activities.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Risks

The trustees actively review the risks, which the charity faces covering operational and financial aspects, and has systems in place to mitigate these risks. The trustees have considered the major risks to which the charity is exposed and have taken steps to mitigate them. For example:

- **Financial stability:** The financial challenge we face is to raise income in the region of more than one million each year to balance our present outgoings. The charity will work hard to strengthen its annual revenue, to future proof the ongoing operating costs of the re-developed, improved facilities for the animals in our care. The charity has robust financial management function and internal financial controls.
- **Non-financial risks:** risks that arise from health & safety of staff, volunteers, adopters and visitors. The Branch adheres to RSPCA policies and guidelines and Health and Safety law and best practice. The charity has entered into a contract with an external provider for health & safety advice and support that includes staff training. The management team regularly carries out risk assessments and appropriate insurance is in place to protect employment, buildings, property and public liability.

Financial review

The financial statements cover the activities of RSPCA Sussex, Chichester & District Branch. Income for the year £1,053,455 (2018: £1,513,834) and Expenditure £1,067,556 (2018: £797,332). There was a net operating surplus during the year of £177,309. Total reserves at 31st December 2019 are £11,990,113 (2018: £11,812,804). Included in the unrestricted reserves are fixed assets and the investment properties of £8,060,000, (valuation 31 December 2019). Whilst our assets are in excess of eleven million, the majority is made up from the valuation of the investment rental properties, rather than immediate liquid assets. We carried out repair and maintenance work on the properties, fulfilling our Landlord responsibilities to keep the buildings in a good state of repair. The rental income from the investment properties contributes towards the operating costs of the animal centre.

Income

Total income for the year was £1,053,455. We received £306,085 in legacies including: estates of the late Ms J Gill £110,601 and Mr R Rampton £112,418. We are extremely grateful to them and the other individuals during the year for remembering animals in need in their Wills.

Expenditure

Total expenditure for the year was £1,067,556.

Reserves policy

The charity maintains reserves to cover the impact of unforeseen events, to meet its financial obligations and to set aside funds for future development and/or, to meet future commitments.

We established an unrestricted reserve level of £500,000 in the general fund, to cover the continuing liabilities arising from five shop leases, employment of staff and the animals in our care, in the unlikely event of winding down the charity's activities. This represents six months expenditure, which is in line with Charity Commission guidelines. We will review our reserve's policy against the level of reserves held throughout the year, to ensure the policy remains in the charity's best interest.

The trustees increased the unrestricted designated reserve fund for the redevelopment of Mount Noddy Animal Centre to £3,159,800, an increase of £659,800 from unrestricted funds.

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 trustees have invested unrestricted funds across more than one investment provider, to spread the risk across the portfolio in markets that are closely regulated and covered under the Financial Services Compensation Scheme.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

In 2020, animal welfare will continue to be at the heart of everything we do. Mindful of the challenges Covid-19 continues to present, we will:

- go out to tender in 2020, for the re-development of Mount Noddy Animal Centre;
- launch an Appeal to raise the remaining funds required for the re-development of the animal centre;
- launch the new website, utilise technology to reach a larger audience and improve the internet connection at Mount Noddy to enable us to operate in an efficient and accessible way;
- seek the support of a PR and Marketing company on a pro bono basis, to assist us with building our public profile, to make Mount Noddy Animal Centre an integral part of the local community;
- review and increase the number of branch trustees;
- review the portfolio of investment rental properties and consider whether to diversify the income sources through the sale of one or more investment properties;
- expand our fostering scheme to include 'Bed and Breakfast' fostering, at evenings and weekends. This will open up opportunities for people who want to volunteer as foster carers, but work fulltime.
- develop and implement a fundraising strategy to future proof the operational costs of Mount Noddy Animal Centre and meet future challenges and opportunities in the year ahead; and,
- continue to work in partnership with local organisations and other RSPCA Branches sharing skills and best practice.

Structure, governance and management

RSPCA Sussex, Chichester & District Branch is a registered charity, structured as an unincorporated charitable association. The charity operates as a separately registered Branch of the National RSPCA, subject to its rules for Branches (as updated 18th February 2009).

The trustees are responsible for the governance, financial management and strategic direction of the charity. The trustees, are constituted as a corporate body and consists of between 7–14 elected RSPCA members. The trustees do not receive remuneration for their involvement.

New trustees are recruited through RSPCA Branch membership; national charity volunteer websites; networking; word of mouth; and, local media.

Candidates for election as trustee must be nominated in writing by at least two eligible Branch members. Eligible candidates are elected by a majority of Branch members present and voting at the Annual General Meeting (AGM). Candidates must have been members of the RSPCA Branch for three clear months prior to nomination. Members of the Trustee Board are elected to serve until the next AGM, unless their term of office is brought to an end at an earlier date. The Trustee Board can co-opt up to three trustees during the year and they serve until the next AGM, when they must stand down and if Branch members, may stand for election.

New trustees are inducted into the Branch, its policies and procedures; the RSPCA Guidance for Branch trustees; Branch rules; trustees' roles and responsibilities and given a copy of the Charity Commission's 'The Essential Trustee – What you Need to Know' leaflet.

The trustees held regular meetings during the year at which decisions were made and day-to-day running was delegated for action to the Animal Centre Manager and Business & Income Generation Manager and from October, the Shops' Group Manager and their respective staff team.

Remuneration policy

The trustees are ultimately responsible for setting remuneration levels for the senior management personnel and other key staff positions. This task is delegated to the Finance & Property Sub Committee. In deciding the band levels of pay, the following factors are taken into consideration: the potential financial impact to the Branch of loss of key staff and therefore the retention of good staff is considered essential; ability to attract the right calibre of staff and in this respect, salaries are benchmarked against similar organisations as well as local market pay rates. National minimum and living wage requirements are also key parameters together with the Branch's ability to pay, including in the longer term.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees who have served during the year and up to the date of signature of the financial statements were:

M Falloon	
S O'Kane	(Resigned 23 September 2020)
P Marshall	
P Fitzpatrick	(Resigned 31 December 2019)
N Cockram	
G Stribling-Wright	
F O'Kelly	
T Davidson	(Appointed 31 July 2019 and resigned 18 February 2020)
I Glenister	(Appointed 4 December 2019)
A Faye	(Appointed 31 July 2019)
C Penhallurick	(Appointed 19 August 2020)
R Mills	(Appointed 19 August 2020)

Key Management Personnel

Animal Centre Manager Sue Botherway

Business & Income
Generation Manager Clare Palmer (until 30th September 2019)

The Trustees' report was approved by the Board of Trustees.



.....
N Cockram

Trustee

Dated: 24/10/2020

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

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 and 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 the incoming resources and application of resources of the charity for that year.

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

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

The trustees are responsible for keeping sufficient accounting records that 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.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

Opinion

We have audited the financial statements of RSPCA Sussex, Chichester & District Branch (the 'charity') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

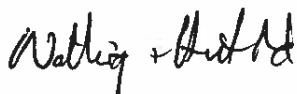
RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Watling & Hirst Limited

**Chartered Certified Accountants
Statutory Auditor**

23/10/2020
.....

Cawley Place
15 Cawley Road
Chichester
West Sussex
PO19 1UZ

Watling & Hirst Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Current financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Income from:						
Donations and legacies	3	347,072	-	-	347,072	872,620
Charitable activities						
Adoption fees		23,032	-	-	23,032	23,809
Other trading activities	4	459,642	-	-	459,642	407,080
Investments	5	223,709	-	-	223,709	210,325
Total income		1,053,455	-	-	1,053,455	1,513,834
Expenditure on:						
Raising funds	6	615,753	-	-	615,753	396,010
Charitable activities						
Animal Centre	7	451,803	-	-	451,803	401,322
Total charitable expenditure		451,803	-	-	451,803	401,322
Total resources expended		1,067,556	-	-	1,067,556	797,332
Net gains/(losses) on investments	11	191,410	-	-	191,410	(98,913)
Net incoming resources before transfers		177,309	-	-	177,309	617,589
Net incoming resources before transfers		177,309	-	-	177,309	617,589
Gross transfers between funds		(659,800)	659,800	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(482,491)	659,800	-	177,309	617,589
Fund balances at 1 January 2019		9,305,954	2,500,000	6,850	11,812,804	11,195,215
Fund balances at 31 December 2019		8,823,463	3,159,800	6,850	11,990,113	11,812,804

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

All income and expenditure derive from continuing activities.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Prior financial year

	Notes	Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £
Income from:					
Donations and legacies	3	870,193	-	2,427	872,620
Charitable activities					
Adoption fees		23,809	-	-	23,809
Other trading activities	4	407,080	-	-	407,080
Investments	5	210,325	-	-	210,325
Total income		1,511,407	-	2,427	1,513,834
Expenditure on:					
Raising funds	6	396,010	-	-	396,010
Charitable activities					
Animal Centre	7	401,322	-	-	401,322
Total charitable expenditure		401,322	-	-	401,322
Total resources expended		797,332	-	-	797,332
Net gains/(losses) on investments	11	(98,913)	-	-	(98,913)
Net incoming resources before transfers		615,162	-	2,427	617,589
Gross transfers between funds		(2,500,000)	2,500,000	-	-
Net (expenditure)/income for the year/ Net movement in funds		(1,884,838)	2,500,000	2,427	617,589
Fund balances at 1 January 2018		11,190,792	-	4,423	11,195,215
Fund balances at 31 December 2018		9,305,954	2,500,000	6,850	11,812,804

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

All income and expenditure derive from continuing activities.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	12		880,554		838,534
Investment properties	13		8,060,000		7,861,000
			<u>8,940,554</u>		<u>8,699,534</u>
Current assets					
Stocks	14	7,164		5,006	
Debtors	15	280,022		888,559	
Investments	16	2,602,930		2,050,674	
Cash at bank and in hand		237,219		242,011	
			<u>3,127,335</u>	<u>3,186,250</u>	
Creditors: amounts falling due within one year	17		<u>(77,776)</u>	<u>(72,980)</u>	
Net current assets			3,049,559		3,113,270
Total assets less current liabilities			<u>11,990,113</u>	<u>11,812,804</u>	
Income funds					
Restricted funds	18		6,850		6,850
<u>Unrestricted funds</u>					
Designated funds	19	3,159,800		2,500,000	
General unrestricted funds		8,823,463		9,305,954	
			<u>11,983,263</u>	<u>11,805,954</u>	
			<u>11,990,113</u>	<u>11,812,804</u>	

The financial statements were approved by the Trustees on 21/10/2020

.....
M Fallon
Trustee

.....
N Cockram
Trustee

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		403,685		(31,226)
Investing activities					
Purchase of tangible fixed assets		(74,311)		(23,658)	
Proceeds on disposal of tangible fixed assets		1,971		115	
Purchase of investment property		(7,590)		(98,913)	
Proceeds on disposal of other investments		(552,256)		(2,050,674)	
Interest received		223,709		210,325	
Net cash used in investing activities			(408,477)		(1,962,805)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(4,792)		(1,994,031)
Cash and cash equivalents at beginning of year			242,011		2,236,042
Cash and cash equivalents at end of year			<u>237,219</u>		<u>242,011</u>

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

RSPCA Sussex, Chichester & District Branch is an unincorporated charity. The branch was formed in 1961, and became a registered charity on 29th January 1964.

1.1 Accounting convention

The accounts have been prepared in accordance with the RSPCA branch rules, effective from 1st January 2006, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include include investment properties at fair value. The principal accounting policies adopted are set out below.

There are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.3 Incoming resources

Income is recognised and included in the accounts once the charity has entitlement to the funds, any performance conditions attached to the income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- The date on which 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 Centre that a distribution will be made; or
- When 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.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Goods donated for resale are included as income when they are sold.

Donated goods for ongoing use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations.

Income received in advance of any service is deferred until the criteria for income recognition are met.

Income received in respect of rents from investment properties is recognised on a straight line basis in line with the lease.

1.4 Resources expended

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

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2.5% straight line basis
Leasehold land and buildings	straight line over lease term
Plant and equipment	10% reducing balance basis

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Current asset investments

Current asset investments consist of cash deposits held within a variety of different institutions. Deposits are made for a minimum period of three months.

Interest is accrued on a daily basis and is recognised within the financial statements within the year to which the interest relates.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	40,987	-	40,987	41,852
Legacies receivable	306,085	-	306,085	830,768
	<u>347,072</u>	<u>-</u>	<u>347,072</u>	<u>872,620</u>
For the year ended 31 December 2018	<u><u>870,193</u></u>	<u><u>2,427</u></u>		<u><u>872,620</u></u>

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Donations and legacies (Continued)

Legacies receivable

Melvin	-	-	-	193,855
Walker	-	-	-	410,000
Parsons	-	-	-	112,000
Gill	110,601	-	110,601	-
Rampton	112,418	-	112,418	-
Other	83,066	-	83,066	114,913
	<u>306,085</u>	<u>-</u>	<u>306,085</u>	<u>830,768</u>

4 Other trading activities

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Fundraising activities	6,545	10,534
Sale of goods - charity shops	448,944	392,231
Sale of goods - rehoming centre	4,153	4,315
Other trading activities	<u>459,642</u>	<u>407,080</u>

5 Investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Rental income	205,442	198,429
Interest receivable	18,267	11,896
	<u>223,709</u>	<u>210,325</u>

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Raising funds

	2019 £	2018 £
<u>Trading costs</u>		
Operating charity shops	182,233	159,240
Staff costs	158,652	109,764
Depreciation	8,475	7,544
Support costs	21,704	19,840
	<u>371,064</u>	<u>296,388</u>
Trading costs		
Investment property costs	244,689	99,622
	<u>615,753</u>	<u>396,010</u>

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Charitable activities

	2019 £	2018 £
Staff costs	245,792	184,048
Depreciation	21,845	19,644
Rates, water and refuse	8,455	7,565
Light and heat	23,495	18,254
Repairs and renewals	6,965	13,855
Insurance	1,596	949
Veterinary fees, drugs and food	88,055	78,975
Training costs	658	10,340
Consumables	2,093	3,290
Goods for resale/fundraising costs	26,950	13,149
	<u>425,904</u>	<u>350,069</u>
Share of support costs (see note 8)	9,805	10,541
Share of governance costs (see note 8)	16,094	40,712
	<u>451,803</u>	<u>401,322</u>
Analysis by fund		
Unrestricted funds - general	451,803	
	<u>451,803</u>	
For the year ended 31 December 2018		
Unrestricted funds - general		401,322
		<u>401,322</u>

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Support costs	Support costs	Governance costs	2019	2018
	£	£	£	£
Office and advertising	-	-	-	5,985
Telephone	1,689	-	1,689	1,555
Miscellaneous expenses	10,303	-	10,303	1,735
Motor expenses	2,283	-	2,283	3,159
Fixed assets disposal	1,818	-	1,818	3,048
Disallowable VAT	1,929	-	1,929	115
Auditors' remuneration	-	10,525	10,525	13,960
Legal and professional	-	19,056	19,056	41,536
	<u>18,022</u>	<u>29,581</u>	<u>47,603</u>	<u>71,093</u>
Analysed between				
Trading	8,217	13,487	21,704	19,840
Charitable activities	9,805	16,094	25,899	51,253
	<u>18,022</u>	<u>29,581</u>	<u>47,603</u>	<u>71,093</u>

Governance costs includes payments to the auditors of £10,715 (2018 - £10,400) for audit fees.

9 Trustees

None of the trustees received any remuneration or benefits from the charity during the year.

The spouse of trustee P Marshall received remuneration of £5,938 (2018 - £11,221) during the year in respect of hours worked in the Horsham charity shop.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Employees	34	32

Employment costs

	2019 £	2018 £
Wages and salaries	360,866	267,741
Social security costs	39,463	26,071
Other pension costs	4,115	-
	<u>404,444</u>	<u>293,812</u>

There were a total of 20 (2018 - 18) full time equivalent employees in the year.

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Revaluation of investment properties	191,410	(98,913)

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Tangible fixed assets

	Freehold buildings	Leasehold land and buildings	Plant and equipment	Total
	£	£	£	£
Cost				
At 1 January 2019	805,445	58,784	55,776	920,005
Additions	47,077	16,074	11,160	74,311
Disposals	-	(70)	(19,967)	(20,037)
At 31 December 2019	852,522	74,788	46,969	974,279
Depreciation and impairment				
At 1 January 2019	35,172	20,970	25,329	81,471
Depreciation charged in the year	18,370	8,475	3,475	30,320
Eliminated in respect of disposals	-	(28)	(18,038)	(18,066)
At 31 December 2019	53,542	29,417	10,766	93,725
Carrying amount				
At 31 December 2019	798,980	45,371	36,203	880,554
At 31 December 2018	770,273	37,814	30,447	838,534

13 Investment property

	2019 £
Fair value	
At 1 January 2019	7,861,000
Additions through external acquisition	7,590
Net gains or losses through fair value adjustments	191,410
At 31 December 2019	8,060,000

Investment property comprises a portfolio of residential and commercial properties in South-West London. The fair value of the investment property has been arrived at on the basis of a valuation carried out by Peter N Dickin & Co Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Stocks

	2019 £	2018 £
Finished goods and goods for resale	7,164	5,006

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Other debtors	144,168	31,146
Prepayments and accrued income	135,854	857,413
	<u>280,022</u>	<u>888,559</u>

16 Current asset investments

	2019	2018
	£	£
Cash equivalents on deposit	2,602,930	2,050,674
	<u>2,602,930</u>	<u>2,050,674</u>

17 Creditors: amounts falling due within one year

	2019	2018
	£	£
Other taxation and social security	4,135	10,250
Trade creditors	33,346	21,071
Other creditors	-	589
Accruals and deferred income	40,295	41,070
	<u>77,776</u>	<u>72,980</u>

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2018	Movement in funds Incoming resources	Balance at 1 January 2019	Movement in funds Incoming resources	Balance at 31 December 2019
	£	£	£	£	£
Operation Fund	4,423	2,427	6,850	-	6,850
	<u>4,423</u>	<u>2,427</u>	<u>6,850</u>	<u>-</u>	<u>6,850</u>

The Operation Fund represents funds raised for a hip operation required by dog, Steve.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Transfers	Balance at	Transfers	Balance at
		1 January 2019		31 December 2019
	£	£	£	£
Redevelopment fund	2,500,000	2,500,000	659,800	3,159,800
	<u>2,500,000</u>	<u>2,500,000</u>	<u>659,800</u>	<u>3,159,800</u>

The Redevelopment Fund was set up to contribute towards the costs of the future redevelopment of the Mount Noddy Animal Centre.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

20 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total	
	2019	£	2019	£	2019	£	2018	£
Fund balances at 31 December 2019 are represented by:								
Tangible assets	880,554	-	-	-	880,554	838,534	-	838,534
Investment properties	8,060,000	-	-	-	8,060,000	7,861,000	-	7,861,000
Current assets/(liabilities)	(117,091)	3,159,800	6,850	6,850	3,049,559	606,420	6,850	3,113,270
	<u>8,823,463</u>	<u>3,159,800</u>	<u>6,850</u>	<u>6,850</u>	<u>11,990,113</u>	<u>9,305,954</u>	<u>6,850</u>	<u>11,812,804</u>

The assets are in excess of eleven million, with the majority made up from the valuation of the investment rental properties, rather than immediate liquid assets.

RSPCA SUSSEX, CHICHESTER & DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	102,467	94,200
Between two and five years	184,333	105,800
In over five years	7,000	-
	<u>293,800</u>	<u>200,000</u>

Operating lease commitments comprise four leases with monthly rents of £1,750 (64 months remaining), £2,183 (8 months remaining), £2,083 (22 months remaining), £1,250 (34 months remaining) and £2,000 (38 months remaining).

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	<u>60,250</u>	<u>49,154</u>

23 Cash generated from operations

	2019 £	2018 £
Surplus for the year	177,309	617,589
Adjustments for:		
Investment income recognised in statement of financial activities	(223,709)	(210,325)
Fair value gains and losses on investment properties	(191,410)	98,913
Depreciation of tangible fixed assets	30,320	27,188
Movements in working capital:		
(Increase)/decrease in stocks	(2,158)	933
Decrease/(increase) in debtors	608,537	(420,439)
Increase/(decrease) in creditors	4,796	(145,085)
Cash generated from/(absorbed by) operations	<u><u>403,685</u></u>	<u><u>(31,226)</u></u>