

REGISTERED CHARITY NUMBER: 205154

RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2016

Bush & Co Limited
Chartered Accountants
2 Barnfield Crescent
Exeter
EX1 1QT

RSPCA SOUTH EAST AND WEST DEVON BRANCH

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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RSPCA SOUTH EAST AND WEST DEVON BRANCH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Name	RSPCA South East and West Devon Branch	
Charity Number	205154	
Address	Little Valley Animal Shelter Black Hat Lane Bakers Hill Exeter EX2 9TA	
President	Vacant Position	
Trustees	Mrs C B Allan (Chairman) Mrs W D Brookes (Secretary) Mr P Brush (Treasurer) Mrs A Eyles Mrs B Gooding Mrs M Hardy Miss E McPhail Mrs E Mundy (Appointed 2 June 2016) Mrs L Crowley-Stewart (Appointed 2 June 2016) Ms J Westgate Mrs J Williams	
Senior Staff	Miss M Wood	(Branch and Finance Manager)
	Miss J Evans	(Animal Shelter Manager)
	Mr C Marshall	(Area Retail Manager)
Auditors	Bush & Co Limited Statutory Auditors 2 Barnfield Crescent Exeter EX1 1QT	
Bankers	Nat West Bank Plc 59 High Street Exeter EX4 3DL	
Investment Advisors	Barclays Bank Plc Bridgewater House Finzels Reach Bristol BS1 6BX	
Other Names	Little Valley Animal Shelter RSPCA Exeter, East & West Devon RSPCA South Devon	

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Trustees present their report and financial statements for the year ended 31 December 2016.

STRUCTURE AND GOVERNANCE

The Charity is constituted as an Unincorporated Association, which operates as an autonomous Branch of the National RSPCA and is subject to its Branch Rules. It is governed by a Board of Trustees, which is responsible for effective leadership and direction, and which meet monthly to make strategic decisions. Day to day management of the Branch is delegated to the Branch and Finance Manager, the Shelter Manager and the Area Retail Manager who report to the Committee.

Trustee Recruitment and Appointment

A Committee of Trustees is elected at each AGM by the Branch members to govern the charity. Trustees are recruited for their experience, empathy and knowledge of the Charity and to keep the skills and composition of the Trustee body balanced. Succession planning is regularly kept under review. All Trustees give their time voluntarily and receive no benefits from the Charity, although Trustees can claim expenses properly and necessarily incurred in the performance of their duties.

Trustee Induction and Training

New Trustees are given literature on the work of the Charity and are encouraged to attend induction training. Information provided includes the latest financial statements of the Branch and its Minutes, the Branch Rules and the RSPCA's Animal Welfare Policies. Trustees are encouraged to keep up to date with current issues relevant to their roles and to attend regular training.

Trustee Responsibilities

Trustees are legally required to prepare financial statements for each financial year, in accordance with the Charity's governing document, the Charities Act 2011 and with Accounting and Reporting by Charities: a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 published October 2014. These financial statements must give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees are required to:

- prepare accounts which give a true and fair view;
- select suitable accounting policies and apply them consistently;
- 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;
- prepare the statements on the going concern basis unless it is inappropriate to assume that the charity will continue to operate;
- observe the methods and principles in the applicable Charities SORP.

The Trustees are also responsible for maintaining proper accounting records which disclose, with reasonable accuracy, the financial position of the Charity, which will enable them to ensure that the financial statements comply with applicable law, regulations and the trust deed. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps to prevent fraud or other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

OBJECTIVES AND ACTIVITIES

The aims of the Charity are to promote kindness and to prevent cruelty to animals by all lawful means. This involves the rescue, rehabilitation and re-homing of mistreated, abandoned and unwanted animals, support for the RSPCA Inspectorate in the Branch area and promotion of the work and objects of the National Society.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees' objectives for the year are shaped by these strategic aims, with a view to obtaining income for the benefit of animal welfare in the area by raising funds through the ten charity shops, fundraising and maintaining and improving the value of the Charity's investments.

The Trustees have paid due regard to guidance by the Charity Commission in deciding what activities the Charity should undertake.

The main activities of the Charity during the year were the operation of the Little Valley Animal Shelter and the re-homing of unwanted animals. The activities also included the provision of veterinary care, micro-chipping, neutering and inoculations and the provision of financial assistance with the cost of veterinary care for the animals of eligible people on state benefits.

PUBLIC BENEFIT STATEMENT

All charities in England and Wales must have charitable aims that are based on providing public benefit and comply with section 4 of the Charities Act 2011. The Trustees have regard to the Charity Commission's guidance on public benefit. The RSPCA's founders identified the Society's primary aim as being to alter the moral feelings of the country and to promote humane sentiment in humans towards animals which gives moral benefit to the human community as a whole.

The following Branch activities during the year constitute clear benefit to the public:

- The Branch supports the local community and Inspectors by taking in mistreated or abandoned animals and those whose owners, through bereavement, disability, age, marriage break-up or other reasons, are unable or unwilling to keep them.
- Animals in the Branch's care receive veterinary treatment, vaccination, neutering, micro-chipping and, if necessary, treatment for behavioural problems, and are assessed for re-homing.
- The Branch re-homes the animals in its care at low cost to people willing and suitable to provide a home for them.
- The Branch provides financial help to members of the public on state benefits, living in the Branch area, to assist them in paying for veterinary bills. Financial help is also given towards veterinary bills for age-related illnesses to those who adopt older animals from the Shelter.
- The Branch provides free animal care advice to members of the public.
- The Branch supports the RSPCA's Petsafe Scheme by providing temporary shelter and care for animals belonging to people fleeing abusive relationships.

ACHIEVEMENTS AND PERFORMANCE

The total kennels rebuild continued to be the focus of the Branch's fundraising activities and Trustees were extremely grateful to the Gerrick Rose Animal Trust for their generous donation towards the first phase of the development.

With the imminent closure of the Branch's longest serving shop, due to the redevelopment of Paris Street, Trustees took the decision to invest in retail premises in Sidwell Street. The new shop duly opened at the end of 2016 and continues to build on the reputation established in Paris Street and increase its customer base.

2016 saw a challenging environment in the charity shop sector generally due competition for good quality donations, sales and changing retail patterns. However, the Branch shops continue to hold their own and the Trustees would like to record their gratitude to Cliff Marshall, the Area Retail Manager, and all the staff and volunteers at the Branch's ten charity shops.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Shelter continues to operate well, in keeping with the objectives of the Branch. Along with all other RSPCA Animal Homes the Shelter receives 40% - 80% of incoming animals from the Inspectorate. There have been no changes in senior staff throughout the year and details of Animal Care Assistant changes are contained in the Shelter Manager's annual report. The Trustees welcome all new members of staff and would like to extend their thanks to the Shelter Manager, Joanne Evans, the Deputy Manager, Rachel Sirdefield, and all staff and volunteers for their continued hard work and commitment.

The Friends of Little Valley continue to support the work of the Shelter with their generous donations and their help and support at Branch events. The Trustees would like to thank Mrs Jill Brush for her hard work and dedication as Membership Secretary.

The Trustees also wish to record their appreciation to Miranda Wood, the Branch and Finance Manager, for her commitment to the role and efforts to ensure the smooth administration of the Branch.

During 2016 the Exmouth Supporters Group raised £5,803 by organising social and fundraising events. The Group has many long term and hardworking volunteers who are very generous with their time and support. Trustees would like to record their appreciation to all these volunteers and to Dave Pollock who has taken on the responsibility of organising local fundraising events.

Trustees would also like to record their appreciation of The Ottery St Mary Auxiliary group. During 2016, the Auxiliary Secretary, Jackie Williams and her small group of loyal supporters raised £3,546. Mrs Williams is also responsible for the two very successful Branch raffles which are held each year.

Trustees from South Devon continue to devote time and effort to raise the profile of the work of the Shelter in their area and to this end held two successful coffee mornings during the year and several collections at various supermarkets.

The commitment and dedication of all those involved in these fundraising efforts, which contribute towards the Branch being able to carry out its charitable purposes, are greatly appreciated by the Trustees.

The Trustees would also like to thank Colin Strong, who retired as Branch Support Specialist, for his helpful assistance and support and wish him a long and happy retirement. Trustees welcome Emily Bowen the current Branch Support Specialist, and thank her for her support.

Unfortunately 2016 saw the loss of Anne Short who was a dedicated supporter of animal welfare and of the work of the Branch. For many years she assisted the Treasurer with the accounts and was also an experienced, long serving home visitor. She will be greatly missed.

Finally, the Trustees acknowledge that the Branch would be unable to operate effectively for any length of time without the commitment and energy of the many volunteers who donate their time and effort towards furthering the cause of animal welfare. The Trustees would like to extend their thanks to all of them.

The Trustees have assessed the major risks to which the Charity is exposed and have identified three top-level risks:

PRINCIPLE RISKS AND UNCERTANCIES

- Damage to the Branch's reputation;
- The availability of finance to allow activities to continue; and
- The health, safety and welfare of volunteers and staff.

The Branch continues to take active steps to manage those risks.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

The total incoming resources for the year amounted to £1.21 million (2015: £1.34 million) including legacies of £373,667 (2015: £623,125). Expenditure in the year was £980,289 (2015: £1.05 million). After gains on investments of £152,049, the branch made a surplus of £383,054 (2015: £266,018)

RESERVES POLICY

It is the policy of the Charity to hold free reserves (total reserves less fixed assets, designated and restricted reserves) at a level of between one and a half years' and two years' expenditure. This is considered to be between £1.47m and £1.96m. It is felt prudent to maintain free reserves at this level as the Charity relies heavily on donations and legacies, both of which can fluctuate significantly from year to year. Designated funds comprise the Charity's capital commitments. Restricted funds are those funds which can only be used for the purposes prescribed by the donor and are not available for general charitable activities.

The total reserves at 31 December 2016 were £3.58 million, comprising £152,892 of restricted funds, £620,000 of designated funds and £2.81 million of undesignated funds, of which £1.5 million represent free reserves.

INVESTMENT POLICY

The Charity holds investments in order that the service level provided for animal welfare is maintained should there be a reduction in incoming resources. The Trustees have prepared an investment policy, with the objective of investing in a low to medium risk portfolio which will maximise income, whilst protecting capital. Professional advice is provided by Barclays Wealth Management, who manage the portfolio on a discretionary basis. Meetings are held with them as and when required to review the performance of the portfolio. A combination of stock market investments, together with bank fixed term deposits, meet the requirement for the generation of both income and capital growth, whilst reducing the risk of investment losses in uncertain and volatile markets.

The Trustees have adopted an ethical investment policy that takes all reasonable steps not to hold investments in companies whose activities are not consistent with RSPCA animal welfare policies. In particular, investments are avoided that carry out any testing on animals.

The value of the Charity's investments at 31 December 2016 was £1,199,896 (2015: £1,027,013). The total return on all managed investments was a positive return of 0.81% (2015: 0.5%).

FUTURE PLANS

The Trustees have identified the following areas as the focus of their plans for 2017:

- To maintain the high standards of animal welfare synonymous with Little Valley by ensuring ongoing up-to-date training is available for all staff.
- To embark on a major fundraising drive aimed at financing a total rebuild of the ageing kennel blocks.
- To finalise the 'Shelter Manager' project for computerising the administration of animal record keeping etc
- To continue to maximise profits from the Branch shops.
- To monitor the Fundraising Role taking into account the Branch's requirements for the future.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

KEY MANAGEMENT PERSONNEL

The key management personnel are held to be all of the Trustees and the senior staff listed on the cover sheet.

The pay levels for key management personnel, who are not Trustees, are reviewed by the Trustees and benchmarked against other charities.

On behalf of the Board of Trustees

Mrs Carol B Allan (Honorary Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF RSPCA SOUTH EAST AND WEST DEVON BRANCH

We have audited the financial statements of RSPCA South East and West Devon Branch for the year ended 31 December 2016 on pages 8 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice),

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- given a true and fair view of the state of the charity's affairs as at 31 December 2016 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.

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

Shane Cann, FCCA CTA
Bush & Co Limited
Statutory Auditors
2 Barnfield Crescent
Exeter
EX1 1QT

RSPCA SOUTH EAST AND WEST DEVON BRANCH
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Income and endowments from:					
Donations and legacies	2	418,753	129,213	547,966	669,005
Charitable activities	3	56,488	-	56,488	54,875
Other trading activities	4	573,945	-	573,945	592,021
Investments	5	32,895	-	32,895	28,141
Other	6	-	-	-	17
TOTAL INCOME		1,082,081	129,213	1,211,294	1,344,059
Expenditure on:					
Raising funds					
Costs of generating voluntary income	7	13,886	-	13,886	19,361
Fundraising trading costs shop purchases and expenses	8	411,254	-	411,254	429,157
Investment management costs		10,153	-	10,153	5,364
Charitable Activities	9	540,783	4,213	544,996	600,525
TOTAL EXPENDITURE	11	976,076	4,213	980,289	1,054,407
Net gains/(losses) on investment assets	12	152,049	-	152,049	(23,634)
Net income/(expenditure)		258,054	125,000	383,054	266,018
Net Movement in Funds		258,054	125,000	383,054	266,018
RECONCILIATION OF FUNDS					
Total Funds brought forward		3,173,883	27,892	3,201,775	2,935,757
TOTAL FUNDS CARRIED FORWARD		3,431,937	152,892	3,584,829	3,201,775

The statement of financial activities includes all gains and losses in the year and, therefore, a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes form part of these financial statements

RSPCA SOUTH EAST AND WEST DEVON BRANCH

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Tangible assets	15		1,311,234		945,061
Investments	16		1,199,896		1,027,013
			<hr/>		<hr/>
			2,511,130		1,972,074
CURRENT ASSETS					
Stocks	17	69,359		71,073	
Debtors	18	465,471		324,926	
Cash at bank and in hand		600,591		892,311	
			<hr/>		<hr/>
		1,135,421		1,288,310	
CREDITORS: Amounts falling due within one year	19	61,722		58,609	
			<hr/>		<hr/>
NET CURRENT ASSETS			1,073,699		1,229,701
			<hr/>		<hr/>
Total assets less current liabilities			3,584,829		3,201,775
			<hr/> <hr/>		<hr/> <hr/>
THE FUNDS OF THE CHARITY:					
Unrestricted funds	21		3,431,937		3,173,883
Restricted funds	22		152,892		27,892
			<hr/>		<hr/>
TOTAL CHARITY FUNDS			3,584,829		3,201,775
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the Board of Trustees on
on their behalf by:

and were signed

Mrs C B Allan
Trustee

Mrs W Brookes
Trustee

The notes form part of these financial statements.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Net cash raised in operating activities	26	131,495	190,346
Cashflow from investing activities			
Interest and Dividends		32,895	28,141
Purchase of Property, Plant and Equipment		(405,053)	(7,505)
Purchase of Investments		(468,359)	(513,729)
Proceeds from Sale of Investments		416,324	463,219
Net cash (outflow) from investing activities		(424,193)	(29,874)
Cashflow from financing activities			
Net cash provided by financing activities		-	-
		-----	-----
Change in cash and cash equivalents in year		(292,698)	160,472
		=====	=====
Cash and cash equivalents brought forward	27	935,209	774,738
Cash and cash equivalents carried forward		642,513	935,210
		=====	=====
		(292,696)	160,472
		=====	=====

RSPCA SOUTH EAST AND WET DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

Reconciliation of reported net income	£
Net income/expenditure as previously stated	294,276
Adjustment for gains/losses on investments now treated as a component of net income	(23,634)
	—————
2015 net income as restated	266,081
	=====

Incoming Resources

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.

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

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income received as a result of generating funds is recognised when received.

Incoming resources from charitable activities are recognised on the accruals basis and are included net of any VAT that has been charged.

Resources Expended

Resources expended are recognised in the period they are incurred and include VAT unless it is recoverable. Expenditure is either allocated on a direct or usage basis.

Expenditure that is directly attributable to raising funds is included in the costs of generating funds. This includes holding fundraising events, running charity shops and purchasing retail goods.

Expenditure attributable to meeting charitable objectives, including the support costs of the animal shelter, is included in charitable activities.

Costs associated with the general running of the charity which are not attributable to meeting charitable objects are classified as governance costs.

Allocation of Support Costs

Support costs have been allocated to each activity undertaken by the charity on the basis of an estimate of amount of the costs generated by each activity.

Tangible Fixed Assets

Fixed assets are recorded at cost, assets costing less than £500 are not capitalised. When an asset is received by way of donation it is recorded at its market value on the date of donation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over their expected useful lives on the following basis:

Freehold land	- not depreciated
Buildings	- straight line over 50 years
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost
Computers	- 25% on cost

Stocks

Donated stock is valued at the expected proceeds less the expected cost of sales in accordance with the SORP (FRS 102).

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

RSPCA SOUTH EAST AND WEST DEVON BRANCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

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 opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Financial instruments

The charity only has financial assets and 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.

Taxation

The charity is exempt from tax on its charitable activities.

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.

Designated funds comprise funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes, expenditure that meets these criteria is charged to the fund.

Leasing and Hire Purchase Commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Date of Transition

The charity transitioned to FRS 102 on 1 January 2015.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

2. DONATIONS & LEGACIES

	Unrestricted Funds £	Restricted Funds £	2016 Total Funds £	2015 Total Funds £
Gift Aid	723	-	723	983
General donations	41,607	129,213	170,820	41,567
Collecting boxes	2,756	-	2,756	3,330
Legacies	373,667	-	373,667	623,125
	<u>418,753</u>	<u>129,213</u>	<u>547,966</u>	<u>669,005</u>

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2016 Total Funds £	2015 Total Funds £
Adoptions	33,169	-	33,169	30,261
Boarding	15,045	-	15,045	21,161
Pet insurance reimbursement	561	-	561	323
Vet reimbursement	6,834	-	6,834	1,509
Membership fees	879	-	879	1,621
	<u>56,488</u>	<u>-</u>	<u>56,488</u>	<u>54,875</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2016 Total Funds £	2015 Total Funds £
Friends of Little Valley				
Animal Shelter	11,077	-	11,077	12,282
Shop income	481,639	-	481,639	504,170
Reception income	6,790	-	6,790	6,703
Flag days	1,792	-	1,792	1,619
RSPCA House to House	44,442	-	44,442	41,316
RSPCA week	3,134	-	3,134	2,967
Other events	25,071	-	25,071	22,964
	<u>573,945</u>	<u>-</u>	<u>573,945</u>	<u>592,021</u>

RSPCA SOUTH EAST AND WEST DEVON BRANCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

5. INVESTMENT INCOME

	2016	2015
	£	£
Dividends	19,502	18,833
Portfolio interest	11,485	7,785
Bank interest	1,908	1,523
	<hr/>	<hr/>
	32,895	28,141
	<hr/> <hr/>	<hr/> <hr/>

6. OTHER INCOMING RESOURCES

	2016	2015
	£	£
Other income	-	17
	<hr/>	<hr/>

7. COSTS OF GENERATING VOLUNTARY INCOME

	2016	2015
	£	£
Events expenditure	1,368	1,516
Legacy fee	9,169	17,845
Support costs	3,350	-
	<hr/>	<hr/>
	13,886	19,361
	<hr/> <hr/>	<hr/> <hr/>

8. FUNDRAISING COSTS

Shop Purchases and Expenses

	2016	2015
	£	£
Shop purchases	11,480	13,369
Shop consumables	1,753	1,630
Staff salaries	205,039	219,141
Rent	98,548	98,472
Rates	12,743	10,254
Light and heat	11,140	10,769
Telephone and internet	3,968	3,207
Insurance	3,489	2,993
Repairs and renewals	4,307	6,761
Cleaning and waste disposal	7,881	8,176
Depreciation of shop equipment	2,715	2,159
Depreciation of shop building	7,099	15,588
Shop card machine and gift aid tills	10,949	10,531
Support costs	30,143	26,107
	<hr/>	<hr/>
	411,254	429,157
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RSPCA SOUTH EAST AND WEST DEVON BRANCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities Undertaken Directly £	Support Costs £	Total 2016 £	Total 2015 £
Protection and rehoming of animals	507,228	37,768	544,996	600,526
	<hr/>	<hr/>	<hr/>	<hr/>
	507,228	37,768	544,996	600,526
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

10. AUDITOR'S REMUNERATION

The auditor's remuneration consisted of an audit fee of £5,000 (2015: £5,000) and an additional fee for accounting services of £2,000 (2015: £2,000).

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

11. RESOURCES EXPENDED

	Basis of Allocation	ACTIVITIES FOR GENERATING FUNDS			CHARITABLE ACTIVITIES			Support	Total 2016	Total 2015
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £			
Animal welfare	Direct	-	-	-	85,392	4,213	89,605	-	89,605	84,887
Shop purchase	Direct	11,480	-	11,480	-	-	-	-	11,480	13,369
Shop consumables	Direct	1,753	-	1,753	-	-	-	-	1,753	1,630
Shop card machine costs	Direct	8,742	-	8,742	-	-	-	-	8,742	8,622
Events expenditure	Direct	1,368	-	1,368	-	-	-	-	1,368	1,516
Shop card machine gift aid tills	Direct	2,207	-	2,207	-	-	-	-	2,207	1,909
Staff salaries	Usage	205,039	-	205,039	294,879	-	294,879	50,015	549,933	578,254
Staff welfare	Usage	-	-	-	1,740	-	1,740	-	1,740	7,549
Rent	Direct	98,548	-	98,548	-	-	-	-	98,548	98,472
Rates	Direct	12,743	-	12,743	6,065	-	6,065	-	18,808	16,196
Light & heat	Direct	11,140	-	11,140	16,297	-	16,297	-	27,437	34,617
Telephone and internet	Direct	3,968	-	3,968	3,149	-	3,149	-	7,117	6,359
Insurance	Usage	3,489	-	3,489	1,717	-	1,717	-	5,206	4,857
Repairs and renewals	Direct	4,307	-	4,307	15,583	-	15,583	-	19,890	18,560
Premises expenses	Direct	-	-	-	10,913	-	10,913	-	10,913	5,752
Cleaning and waste disposal	Direct	7,881	-	7,881	16,155	-	16,155	-	24,036	24,485
Motor and travelling	Usage	-	-	-	10,041	-	10,041	-	10,041	13,686
Postage, stationery & computer costs	Direct	-	-	-	5,785	-	5,785	-	5,785	5,731
Bank charges	Direct	-	-	-	2,513	-	2,513	-	2,513	2,431
Sundries	Direct	-	-	-	3,720	-	3,720	-	3,720	2,797
Legacy admin fee	Direct	9,169	-	9,169	-	-	-	-	9,169	17,845
Accountancy	Direct	-	-	-	-	-	-	9,392	9,392	8,417
Bookkeeping	Usage	-	-	-	-	-	-	-	-	-
Legal and professional	Direct	-	-	-	-	-	-	11,853	11,853	6,399
Investment fee	Direct	10,153	-	10,153	-	-	-	-	10,153	5,364
Depreciation										
Buildings	Direct	7,099	-	7,099	15,960	-	15,960	-	23,059	66,010
Motor vehicles	Direct	-	-	-	2,748	-	2,748	-	2,748	3,583
Plant	Direct	-	-	-	7,354	-	7,354	-	7,354	11,221
Computer equipment	Direct	-	-	-	1,645	-	1,645	-	1,645	1,704
Shop equipment	Direct	2,715	-	2,715	1,359	-	1,359	-	4,074	2,159
Loss on disposal of fixed assets	Direct	-	-	-	-	-	-	-	-	26
		<u>401,801</u>	<u>-</u>	<u>401,801</u>	<u>503,015</u>	<u>4,213</u>	<u>507,228</u>	<u>71,260</u>	<u>980,289</u>	<u>1,054,407</u>

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

12. GAINS/(LOSSES) ON INVESTMENTS

	2016	2015
	£	£
Realised gains/(losses)	30,223	16,042
Unrealised gains/(losses)	121,826	(39,676)
	152,049	(23,634)
	152,049	(23,634)

13. TRUSTEES' EXPENSES AND REMUNERATION

Trustees' Remuneration

No trustee received remuneration during the year ended 31 December 2016 nor for the year ended 31 December 2015.

Trustees' Expenses

No trustees' expenses were reimbursed for the year ended 31 December 2016 nor for the year ended 31 December 2015.

14. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	521,938	547,336
Social security costs	27,995	30,918
	549,933	578,254
	549,933	578,254

The average number of employees during the year was as follows:

	2016	2015
Fundraising and shop	13	15
Charitable activities	17	18
Support staff	3	3
	33	36
	33	36

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

The aggregate emoluments of key management personnel for the year totalled £83,337 (2015: £87,539)

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

15. TANGIBLE FIXED ASSETS

	Freehold Property & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Computer £	Total £
COST						
At 1 Jan 2016	1,417,168	80,687	37,123	26,696	7,988	1,569,662
Additions	396,408	7,805	299	-	541	405,053
Disposals	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 Dec 2016	1,813,576	88,492	37,422	26,696	8,529	1,974,715
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
DEPRECIATION						
At 1 Jan 2016	512,109	55,921	28,429	23,294	4,848	624,601
Charge for year	23,059	7,354	4,074	2,748	1,645	38,880
Eliminated on disposal	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 Dec 2016	535,168	63,275	32,503	26,042	6,493	663,481
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
NET BOOK VALUE						
At 31 Dec 2016	1,278,408	25,217	4,919	654	2,036	1,311,234
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 Dec 2015	905,059	24,766	8,694	3,402	3,140	945,061
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

16. FIXED ASSET INVESTMENT

	Investments £
Market Value	
At 1 January 2016	984,113
Additions	468,359
Disposals	(416,324)
Revaluation	121,826
Cash holdings	41,922
	1,199,896
Historical Costs	
At 31 December 2016	788,975
	784,107
At 31 December 2015	784,107
	784,107

There were no investment assets outside the UK.

The market value of investments is broken down between listed investments of £1,157,974 (2015: £984,113) and cash within the portfolio of £41,922 (2015: £42,898)

17. STOCKS

	2016 £	2015 £
Stock	69,359	71,073
	69,359	71,073

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	1,241	6,080
VAT recoverable	6,336	2,650
Tax refunds	6,690	11,485
Prepayments	24,856	24,459
Other debtors	426,348	280,252
	465,471	324,926
	465,471	324,926

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	23,569	20,027
PAYE and social security	7,692	7,748
Accruals	30,461	30,834
	61,722	58,609
	61,722	58,609

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

20. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2016 the branch had commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2016	2015
	£	£
Amounts due in less than one year	88,898	109,648
Amounts due between two and five years	178,500	227,400
Amounts due in more than five years	18,500	37,000

The total of operating lease expenditure recognised in the statement of financial activities during the year was £109,648.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	2016	2015
	Undesignated Funds	Designated Funds		Total Funds	Total Funds
	£	£	£	£	£
Fixed assets	1,311,234	-	-	1,311,234	945,061
Investments	1,199,896	-	-	1,199,896	1,027,013
Current assets	362,529	620,000	152,892	1,135,421	1,288,310
Current liabilities	(61,722)	-	-	(61,722)	(59,323)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,811,937	620,000	152,892	3,584,829	3,201,061
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Following recent redevelopment work, the Kennels is now the only area in need of significant investment. Last year the Trustees designated £420,000 towards initial works and planning to get the project underway and have increased it to £620,000 this year as planning is now being sought.

Last year the Trustees designated £75,000 to expand and improve the store at Cowick Street. This work was undertaken and completed in the year and therefore the funds designated have been expended.

Last year the Trustees designated £5,000 to develop and improve the store at Brixham. This work was undertaken and completed in the year and therefore the funds designated have been expended.

22. RESTRICTED FUND

During the year £4,213 was received under the Safe Haven Scheme. This is restricted to use for supporting the running costs of the kennels. All the income was spent on kennel running costs during the year.

During 2014 the charity received a legacy totalling £27,892 which was restricted for use in specific projects to be chosen at the charities discretion. The charity has restricted the legacy for use in the new dog kennel project.

During the year, the charity received a donation of £125,000 from the Gerrick Rose Animal Trust, restricted for the construction of the new kennel facility and available as soon as required.

There was no other restricted income or expenditure in 2016 or 2015.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

23. RELATED PARTY

During the year, the Branch received all of its legacies and some of its donations which were processed by the Head Office of the Royal Society for the Prevention to Cruelty to Animals. This included £44,442 (2015: £41,316) received from house to house collections.

The charity purchased animal food, drugs and sundries costing £46,263 (2015: £44,507) from the Head Office.

The charity received monies from the Head Office for boarding, veterinary fees and drugs rebate of £21,879 (2015: £19,954).

Donations received without condition from trustees during the year totalled £980.

24. SURPLUS/(DEFICIT) ON SHOP ACTIVITY

	2016	2015
	£	£
Income from activities of generating funds (note 4)	481,639	504,170
Shop purchases and expenses (note 8)	411,254	429,157
	<hr/>	<hr/>
Surplus/(deficit) on shop activity	70,385	75,013
	<hr/> <hr/>	<hr/> <hr/>

The surplus on shop activity has remained consistent during the 2015 and 2016 period.

25. CHANGE IN ACCOUNTING ESTIMATE

During the year ended 31 December 2016 the trustees of the charity changed the accounting estimates for depreciation of buildings from straight line over 20 years to straight line over 50 years with a 5% residual value. This has resulted in a decrease in the depreciation charge of £45,057.

26. NOTE TO THE STATEMENT OF CASHFLOWS

	2016	2015
	£	£
Net movement in funds	383,054	268,018
Add back depreciation charge	38,880	84,676
Deduct interest income shown in investment activities	(32,895)	(28,141)
Add back loss on disposal of fixed assets		26
Deduct gains/add back losses on investments	(121,826)	39,676
(Increase) in debtors	(140,545)	(153,734)
Increase/(decrease) in creditors	3,113	(18,162)
Decrease/(increase) in stock	1,714	(13)
	<hr/>	<hr/>
Net cash used in operating activities	131,495	190,346
	<hr/> <hr/>	<hr/> <hr/>

27. CASH AND CASH EQUIVALENTS IN STATEMENT OF CASHFLOWS

The cash and cash equivalents balance used in the Statement of cashflows contains the £600,591 (2015: £892,311) of cash at bank and in hand, and £41,922 (2015: £42,898) of cash held in the investment portfolio.