



Animals in Distress
Torbay & Westcountry

Annual Report

Year Ended 31 December 2013

Animals in Distress (Torbay and Westcountry)
Company Limited by Guarantee

Company Registration Number 05171505
Charity Number 1105487

Financial Statements

Year Ended 31 December 2013

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Members of the Board and Professional Advisers

Registered Charity Name	Animals in Distress (Torbay and Westcountry)
Charity Number	1105487
Registered Office	Biltor, Edgelands Lane Ipplepen Newton Abbot TQ12 5UF
Trustees	R Brand A Nicholson G Gooding J Goodwin (resigned January 2014) P Walmsley K Drake (appointed Jan 2013, resigned October 2013) G Dix (appointed Jan 2013) A Cross (appointed June 2013) D Turner (appointed September 2013)
Secretary	G Wright
Chief Executive	G Wright
Auditors	Francis Clark LLP Chartered Accountants & Statutory Auditor Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF
Bankers	Lloyds Bank plc 2 Palace Avenue Paignton TQ3 3ER
Solicitors	Boyce Hatton, Torquay

Chairman's Report

Year Ended 31 December 2013

Animals in Distress continues to accommodate, care for and to re-home displaced and neglected pets. There were many demands on our services throughout 2013, sadly, some of them the result of neglect or cruelty. The appalling case of Ella and her puppies demonstrates the need for our charity in South Devon. Cases such as Henry the kitten also show how the charity can help by funding and arranging veterinary intervention.

The building of our new cattery was started and is expected to be completed by summer 2014. This new facility means that we will be able to look after our cats so much better and, it is expected, that the improved public access will lead to an increase in re-homing.

An evaluation and changes to our re-homing practices have led to significant increases in our re-homing figures. The appointment of Re-homing Co-ordinators from amongst our existing staff is proving particularly successful. We anticipate that this trend will continue and increase in 2014.

Our Shops continue to provide the income for a considerable proportion of the Rescue Centre's running costs. Our aim is to develop this income stream and, with this in mind, all our shops, including the ones opened in 2013, continue to perform very well.

I will be handing over the chairmanship at the AGM in May after over four years in the post; however I shall, be continuing as a trustee. I have enjoyed my time as chairman and been proud to represent the charity on many occasions. Also I have enjoyed the privilege of working with our dedicated staff and volunteers.

We are fortunate in that my place will be taken by David Turner. David recently joined us as a trustee and we have been working closely together over the last few months on a transition exercise. I have absolute confidence that he is the right man to develop and take the charity forward.

My thanks to my fellow trustees and also to our committed staff and volunteers, without them the successes of this year would not have been possible.

A.G. Nicholson

Trustees' Annual Report

Year Ended 31 December 2013

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2013.

Reference and Administrative Details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

Structure, Governance and Management

Animals in Distress (Torbay and Westcountry) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4 July 2004. It is registered as a Charity with the Charity Commission.

There is one class of member. The maximum number of members is 20 or such numbers as the members decide. The first members were the subscribers to the Memorandum; further members are such individuals or organisations as appointed by the Trustees. There are currently seven members, each of whom is liable to contribute £10 in the event of the Charity winding up.

Appointment of Trustees

As set out in the Articles of Association, the first Trustees were the subscribers to the Memorandum. Additional Trustees may be appointed by the Charity in a general meeting or by the other Trustees. A Trustee must be aged 18 or over, must be a member of the Charity and must not be disqualified by virtue of provisions of the Charities or Companies Acts. The number of Trustees may not be less than three, but is not subject to a maximum.

At the annual general meeting, one third of the Trustees must retire. The Trustees to retire shall be those who have been longest in office since their last appointment.

Trustees' Annual Report

Year Ended 31 December 2013

Trustee Induction and Training

New Trustees undergo an induction to brief them on their legal obligations under Charity and Company law, the content of the Memorandum and Articles of Association, the Committee and the decision making process, the business plan and the recent financial performance of the Charity. During their induction, the Trustee will spend time with the Chief Executive and with the Rescue Centre Management in order to familiarise themselves with the day to day running of the Charity. Ongoing training is given as appropriate to their position.

Organisation

The board of Trustees administers the Charity and meets every three months. A Finance committee meets every three months, and the Fundraising and Shop Managers' committees meet every two to three months. All committees are attended by one or two Trustees and also the Chief Executive.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operating, the Chief Executive has written terms of delegation approved by the Trustees for operational matters including finance and employment.

Related Parties

The "new" charity (charity number 1105487) incorporated the tangible and intangible assets of the original "old" charity, Animals in Distress (Torbay and Westcountry) (charity number 900234) on 31 October 2004. The only excluded assets were future bequests, cash at bank and the benefit of any insurance claims.

Risk Management

The Trustees actively review the major risks the Charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. A comprehensive risk analysis has been completed which has identified control

Trustees' Annual Report

Year Ended 31 December 2013

and monitoring procedures to minimise any risk to the charity and any impact they may have. The results are periodically reviewed.

Reserves

The charity has sought to separate those unrestricted reserves that are made up of its long-term freehold property from those that are freely available for its general purposes. As well as providing a more informed view of the overall reserves it enables a more realistic assessment to be made of the charity's strategy with regard to their level and future deployment.

The so-called free reserves are then demarcated into separate categories that accord with the charity's medium and long-term plans. This acknowledges and takes account of the fact that large scale capital projects require "saving up for" over many years. The balancing general reserve recognises that it is extremely difficult to predict income from legacies and a reserve level has therefore been set at approximately 6 months of average legacy funded expenditure.

It is anticipated that the charity's investment policy will match the spending and reserves policy.

Trustees' Annual Report

Year Ended 31 December 2013

Objectives and Activities

The objectives of the Charity are:

- to benefit the public by promoting the welfare of domestic animals in distress, primarily within Torbay and surrounding areas, and
- to alleviate pain, suffering and distress in such animals

Torbay and surrounding areas are the primary areas of operation, but the Charity may operate more widely in England and Wales if the need arises.

The objectives are limited to those of a strictly and exclusively charitable nature.

The strategies employed to achieve the Charity's objectives are in the mission statement, as follows:

- to care for and nurture any unwanted domestic pet that is brought to the Charity, providing it is suitable for re-homing and there is accommodation available at the Rescue Centre;
- to provide shelter, food, exercise and veterinary care for the animals in the Charity's charge;
- never to put an animal to sleep unless on the advice of a veterinary surgeon;
- to find suitable homes for animals on the basis of a reasonable home check or such similar precaution as deemed necessary;
- never to re-home a dog or cat without prior examination by the Charity's contracted veterinary surgeon, and
- at all times to show respect, understanding and courtesy to the Charity's user groups together with an inherent sense of duty and helpfulness.

Our care is open to all regardless of an individual's background or circumstances; the welfare of the animal is the primary concern of the Charity, not where the animal comes from or is going to. This includes the fostering of animals, when an animal has a chronic health issue requiring ongoing veterinary treatment which the Charity pays for, regardless of the individual's financial circumstances.

The activities carried out during the course of the year (as set out in the following section) demonstrate the level of trustee and management commitment in ensuring that the Charity

Trustees' Annual Report

Year Ended 31 December 2013

delivers real and tangible benefit to the public in all of its operations and thereby meets the public benefit requirements as set out by the Charity Commission in both spirit and word.

Use of Volunteers

The charity is fortunate to benefit from an invaluable contribution made by volunteers. The Charity utilises volunteers in most aspects of its work, including raising funds and working in the shops and at the Rescue Centre. The volunteers contributed at least 62,000 hours to the Charity in the year.

The Charity considers the recruitment of volunteers in the same way as staff and carries out a thorough administrative process in their selection.

Trustees' Annual Report

Year Ended 31 December 2013

Achievements and Performance

Animals in Distress exists to alleviate pain, suffering and distress in animals as well as to promote animal welfare practices and responsible pet ownership across Teignbridge, Torbay and South Hams.

Every year, the demand for our services continues to increase and 2013 was no different. We took in 581 cats, dogs, rabbits and guinea pigs, which was a 31% increase on 2012. At any given point throughout the year we were caring for an average of 180 animals who were all looking for that new, forever home. While at the same time, we consistently had over 100 animals on the waiting list to come in to the Rescue Centre.

In 2013 we evaluated our rehoming policies and practices with the view of increasing the number of animals we rehome. Key members of staff in the kennels, cattery and rabbit area became Rehoming Coordinators and took on a more formal role with added responsibility for rehoming decisions. We feel that this change has had a significant positive impact on our rehoming process and is leading to more successful matching between animals in need and new owners. Over the course of 2013, our Rehoming Coordinators found homes for 625 cats, dogs, rabbits and guinea pigs which was a 21% increase on the previous year.

Animals come to the Rescue Centre for a variety of reasons; family breakdown, financial uncertainty, and bereavement are just a few. Unfortunately we also have a number of animals abandoned either at our shops or the Rescue Centre every year. This was the case with Fern and Frannie, two rabbits who were dumped in a laundry basket one evening at the Rescue Centre. These lovely rabbits were covered in mites and clearly had been neglected, but because their previous owner dumped them rather than turning them in, we didn't know anything else about them. Luckily, after a full vet check and dedicated care and attention from the Rabbit staff they are now in good health and ready for rehoming.



We also take in a large number of strays throughout the year. These animals can arrive at the Rescue Centre in any state and quite often require significant veterinary treatment before they are able to be rehomed. Henry, a playful 2 year old cat, was one such stray.

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Year Ended 31 December 2013



When Henry was brought in he had paralysis in his left front leg and was unable to move it or put any weight on it. After weeks of physiotherapy and cage rest the leg was still not responding to treatment; the muscle wastage was clear. The leg was dying and had to be removed. The operation went ahead and was a huge success. Only half an hour after the surgery Henry was up to his old tricks but now without the burden of his floppy leg.

Henry is now happy and healthy in a new, forever home with a loving family. Caring for and rehoming animals in need is why we exist. Unfortunately, sometimes we have cases that are quite traumatic for both the staff and the animals involved.

Ella is a 1 ½ year old Staffie cross who was brought to the Rescue Centre by her owner just one day after giving birth to ten puppies. Ella and her puppies had received no post natal care and were left to fend for themselves on a cold metal tray in an extremely chaotic environment. Ella was scared and distressed and sadly turned on her own puppies.

When Ella and nine of her puppies arrived at the Rescue Centre, it was clear that six of the pups were not going to make it. However, we managed to save the other three little ones and they thrived. They have grown into playful, loving pups who have all gone to wonderful new homes.

Ella took a bit longer to settle after the experience and needed more dedicated attention from the kennel staff. But after only a few months, she has now found her own home.



Caring for animals who need our help and finding them that new, forever home are our top priorities. All of our work is focused on achieving those aims. With this in mind, we hold a number of events throughout the year not only to raise money to support the work at the

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Year Ended 31 December 2013

Rescue Centre, but also to raise awareness of the need for new homes as well as educate the public on responsible pet ownership.

In addition to the events which are held at the Rescue Centre, we participate in other events which are held in communities across South Devon. The Babbacombe Fayre, the Marldon Apple Pie Fayre and the Preston Rotary Fair just to name a few.

Income from our network of shops continues to increase and, together with Legacies, is the backbone of our support for the work delivered at the Rescue Centre.

In November 2013, our Outlet store celebrated its first full year of trading and exceeded our income expectations by over 16%. The year also saw the 20th anniversary of our very first shop which opened its doors on Reddenhill Road in 1993. In that time, the shop has raised over £1 million for the animals at the Rescue Centre. This amazing feat simply would not have been possible without the dedication of the volunteers who run the shop, the generosity of those who donate stock and the loyalty of the local customers.

Our shops raise a considerable part of the funding needed to run the Rescue Centre and to care for the animals who are in such desperate need of our help. But the shops also serve as the Charity's face on the High Street. Our shops extend our reach and enable us to communicate with the public in communities much further afield than the Rescue Centre site in Ipplepen.

We are continuously looking for the best possible premises on High Streets across South Devon that will give us the most income potential as well as the highest exposure to the passing public. With this in mind, in 2013 we opened a new shop in Teignmouth, we moved premises in Dawlish to a much better location and we updated the fittings in our Newton Abbot shop. Like with the shop in Dawlish, we also took the decision to move our St Marychurch shop from Foxlands Lane, which was tucked down a side alley, to Fore Street – the main shopping street in the Precinct. In the first six months of trading in its new location, the shop's income rose by over 42%.

We apply this same model of steady and measured improvement to all our development plans and decisions. Like with the introduction of Rehoming Coordinators with the aim of improving our rehoming approach, in 2013 we decided to recruit a full time fundraiser. This post was put in place with the aim of reducing the risk of our fundraising approach, specifically our reliance on Legacy income which is unplanned and unreliable. This new role is also tasked with increasing consistency across all our materials and introducing a more

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strategic approach to all fundraising, publicity and communications. We hope to see the impact of this role in the 2014 balance sheet.

Rescue Centre Development

We are committed to developing our site in line with the needs of the animals. With this in mind, we have received planning permission for the development of our entire site. The first phase was delivered in 2010 when we opened our puppy Special Care Unit. In early 2013, the next phase was completed with the opening of a new rabbit and guinea pig building, which has not only improved the conditions for the animals but has also seen a 27%



increase on our rehoming figures for rabbits and guinea pigs.

We are confident that the new cattery building, on which construction began in September 2013, will have the same positive effects on the care we are able to provide and number of cats we are able to successfully rehome. Once the cattery has been completed, we will look to develop our kennel facilities with the aim of providing a more suitable environment for the dogs in our care. The final phase of our development will be a new administration and outreach & education building which will revolutionise how we are able to interact with members of the public, both those visiting to find a new pet and those who are coming to us for education regarding responsible pet ownership and other animal welfare issues.

The development of the Rescue Centre is vital for us to deliver the best possible animal care, rehoming and community outreach & education. The improvements made across the site have been and will continue to be done with the welfare of the animals at the heart of all of our plans. We take a “no frills” approach to our buildings, focusing on what the animals

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need and how best we can provide that for them while avoiding unnecessary design features.

Future Plans

Animals in Distress is committed to providing the best possible care to as many cats, dogs, rabbits and guinea pigs in South Devon as possible. To achieve this, we will continue to develop our facilities to give the animals the best possible environment at the Rescue Centre.

We will also work to increase the planned income raised by the Charity by improving our website, and the online donation capabilities, increasing our contact with local community groups and volunteer fundraisers and also focusing on increasing the number of monthly Direct Debit supporters we have. Additionally, we plan to devise and implement a Legacy fundraising programme that will engage local solicitors and members of the public with the aim of increasing the number of the bequests left to the Charity in the future.

In 2014, we also plan to start working more closely with the South Hams Dog Warden to deliver micro-chipping events across the Council. We will continue to hold events both at the Rescue Centre and in the community with the aims of inspiring more families to rehome animals from the Rescue Centre as well as raising much-needed income.

We will also dedicate attention to developing our network of shops across South Devon with the aim of raising more income to support the vital work delivered at the Rescue Centre.

Finally, the trustees are committed to reviewing the structure of the Charity to ensure we deliver the care and attention the animals need and deserve. The welfare of the animals in our charge is our top priority and to guarantee we are delivering the highest standards, a new post of Animal Welfare Manager will be created in 2014.

The need for our services will always exist, but through our work we are striving to reduce the suffering of animals today and in the future.

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Year Ended 31 December 2013

In Gratitude

The Trustees would like to convey their sincerest thanks to the many volunteers and staff who have so generously given their support to Animals in Distress, and special thanks to the many regular volunteers who have assisted at the shops, fundraising events and the everyday animal care duties at the Centre.

With their support we look forward to continuing to enhance the delivery of support for domestic animals in our area.



Trustees' Annual Report

Year Ended 31 December 2013

Responsibilities of the Trustees

The trustees (who are also the directors of Animals in Distress (Torbay and Westcountry) for the purposes of Company law) are responsible for preparing the Trustee's Annual Report, the Chairman's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period.

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Annual Report

Year Ended 31 December 2013

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the trustees

A Nicholson
Trustee

13 May 2014

Independent Auditor's Report

to the Members of Animals in Distress (Torbay and Westcountry)

Year Ended 31 December 2013

We have audited the financial statements of Animals in Distress (Torbay and Westcountry) for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members 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 Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 charitable company'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 Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditor's Report

to the Members of Animals in Distress (Torbay and Westcountry)

Year Ended 31 December 2013

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Annual Report.

RICHARD HUSSEY BSc FCA
(Senior Statutory Auditor)

For and on behalf of
FRANCIS CLARK LLP
Chartered Accountants & Statutory Auditor
Sigma House, Oak View Close
Edginswell Park, Torquay TQ2 7FF
13 May 2014

Statement of Financial Activities

(Incorporating the Income & Expenditure Account)

Year Ended 31 December 2013

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Incoming Resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income	2	8,620	442,443	451,063	503,236
Activities for generating funds	3	-	848,904	848,904	577,892
Investment income	4	-	15,255	15,255	21,705
		8,620	1,306,602	1,315,222	1,102,833
<i>Incoming Resources from Charitable Activities:</i>	5	-	59,302	59,302	53,357
Total Incoming Resources		8,620	1,365,904	1,374,524	1,156,190
Resources Expended					
<i>Costs of generating funds:</i>					
Cost of generating voluntary income	6	-	108,770	108,770	71,512
Fundraising trading: cost of goods sold & other costs	7	-	609,432	609,432	407,381
<i>Charitable activities:</i>	8	7,629	643,353	650,982	601,176
<i>Governance costs:</i>	9	-	9,523	9,523	11,058
Total resources expended		7,629	1,371,078	1,378,707	1,091,127
Net (outgoing) / incoming resources before transfers	11	991	- 5,174	- 4,183	65,063
Reconciliation of funds					
Total funds brought forward		70,093	2,619,048	2,689,141	2,624,078
Total funds carried forward		71,084	2,613,874	2,684,958	2,689,141

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 on pages 20 to 29 form part of these financial statements.

Animals in Distress (Torbay and Westcountry)

Company Limited by Guarantee

Balance Sheet

31 December 2013

	<i>Note</i>	2013 £	2012 £
Fixed Assets			
Tangible assets	13	1,951,287	1,567,766
Current Assets			
Stocks	14	12,259	9,554
Debtors	15	49,969	33,437
Cash at bank		718,999	1,132,894
		781,227	1,175,885
Creditors:			
Amounts falling due within one year	16	47,556	54,510
Net Current Assets		733,671	1,121,375
Total Assets less Current Liabilities		2,684,958	2,689,141
Funds			
Restricted funds	18	71,084	70,093
General funds	19	170,461	375,087
Designated funds	20	2,443,413	2,243,961
		2,684,958	2,689,141

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on 13 May 2014 and are signed on their behalf by:

A Nicholson
Director – Chairman

Company Registration Number 05171505

The notes on pages 20 to 29 form part of these financial statements.

Notes to the Financial Statements

Year Ended 31 December 2013

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (revised 2011) and the Financial Reporting Standard for Smaller Entities (effective 2008). Accordingly, the format of the profit and loss account has been amended in order to present a true and fair view of the results of the company, as permitted by Section 396 of the Companies Act 2006.

Incoming Resources

All incoming resources becoming available to the charity in the year are recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income, by way of donations, membership, sponsorship and collections, is accounted for when receivable. Income raised through the operation of the shops is taken into account at the time of receipt. Legacies are included when the receipt of the legacy is reasonably certain and the amount can be quantified with reasonable accuracy.

Resources Expended

Expenditure includes any VAT which cannot fully be recovered, and this VAT is reported as part of the expenditure to which it relates.

Governance costs are those incurred in connection with the strategic management of the charity and compliance with statutory requirements.

Support costs represent the general operational and administrative costs of the charity which do not relate directly to individual operations. Support costs are allocated on the basis of staff time.

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 unrestricted funds that have been set aside by the trustees for particular purposes.

Notes to the Financial Statements

Year Ended 31 December 2013

1. Accounting Policies *(continued)*

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the relevant fund.

The purpose of each designated and restricted fund is set out in the notes to the financial statements.

Fixed Assets

Individual fixed assets are capitalised at cost.

Depreciation of Fixed Assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings:	2% straight line
Fixtures, Fittings and Equipment:	20% reducing balance
Motor Vehicles:	25% reducing balance

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension Costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Notes to the Financial Statements

Year Ended 31 December 2013

2. Voluntary Income

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Donations				
Other donations	8,620	87,624	96,244	121,038
Legacies	-	338,558	338,558	364,344
Collections	-	7,530	7,530	9,524
Sponsorship	-	267	267	128
Membership	-	8,464	8,464	8,202
	8,620	442,443	451,063	503,236

Donations include an estimate for donated animal food in the amount of £37,500 (2012 £43,000); the same amount has been included in the cost of animal food under expenditure on charitable activities.

3. Incoming Resources from Activities for Generating Funds

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Shop Income	-	837,855	837,855	560,139
Income from Raffles	-	1,508	1,508	2,326
Magazine Advertising Income	-	1,143	1,143	1,671
Similar incoming resources	-	8,398	8,398	13,756
	-	848,904	848,904	577,892

4. Investment Income

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Property Rental Income	-	12,710	12,710	7,885
Bank Interest Receivable	-	2,545	2,545	13,820
	-	15,255	15,255	21,705

Notes to the Financial Statements

Year Ended 31 December 2013

5. Incoming Resources from Charitable Activities

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Animal Boarding	-	13,690	13,690	14,816
Re-homing Acceptance Fees	-	44,776	44,776	38,297
Similar Incoming Resources	-	836	836	244
	-	59,302	59,302	53,357

6. Costs of Generating Voluntary Income

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Fundraising	-	17,607	17,607	14,933
Support Costs	-	91,163	91,163	56,579
	-	108,770	108,770	71,512

7. Fundraising Trading: Cost of Goods Sold and Other Costs

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Shop Costs	-	569,788	569,788	364,601
Support Costs	-	39,644	39,644	42,780
	-	609,432	609,432	407,381

8. Resources Expended: Charitable Activities by Fund Type

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Rescue Centre	7,629	607,232	614,861	566,675
Support Costs		36,121	36,121	34,501
	7,629	643,353	650,982	601,176

Notes to the Financial Statements

Year Ended 31 December 2013

9. Resources Expended: Governance Costs

	Restricted	Unrestricted	2013 Total	2012 Total
	£	£	£	£
Accountancy Fees	-	113	113	2,920
Audit Fees	-	4,250	4,250	4,000
Support Costs	-	5,160	5,160	4,138
	-	9,523	9,523	11,058

10. Analysis of Support Costs

	Costs of Generating Funds	Cost of Charitable Activities	Governance Costs	2013 Total	2012 Total
	£	£	£	£	£
Staff Costs	92,644	25,599	3,657	121,900	92,646
Telephone	2,106	582	83	2,771	3,778
Legal and Professional	5,761	1,568	224	7,553	9,180
Bank Charges	1,280	354	51	1,685	3,044
Printing, Post & Stationery	4,845	1,339	191	6,375	7,867
Insurance	6,299	1,740	249	8,288	7,168
Training	5,331	1,473	210	7,014	300
Overheads and Other Costs	11,279	3,117	445	14,841	11,796
Repairs and Maintenance	1,262	349	50	1,661	2,219
	130,807	36,121	5,160	172,088	137,998

Notes to the Financial Statements

Year Ended 31 December 2013

11. Net Incoming Resources for the Year

This is stated after charging:

	2013	2012
	£	£
Staff Pension Contributions	6,624	7,616
Depreciation of tangible fixed assets:	44,396	40,368
Auditors' Fees - Audit of Financial Statements	4,250	4,000
Auditors' Fees - Other Fees	113	2,819

During the year no Trustee received any remuneration (2012: £Nil)

During the year no Trustee received any benefits in kind (2012: £Nil)

During the year no Trustee received reimbursement of expenses (2012: £Nil)

12. Staff Costs

	2013	2012
	£	£
Wages and Salaries	711,206	533,309
Social Security Costs	39,930	28,107
Other Pension Costs	6,624	7,616
	757,760	569,032

The average monthly number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2013	2012
	No.	No.
Rescue Centre	20	18
Charity Shops	20	14
Administration and Support	3	2
Chief Executive	1	1
	44	35

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

Notes to the Financial Statements

Year Ended 31 December 2013

13. Tangible Fixed Assets

	Freehold Property	Equipment	Motor Vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 January 2013	1,685,312	101,318	27,245	1,813,875
Additions	406,716	6,587	14,614	427,917
Disposals	-	-	-	-
At 31 December 2013	2,092,028	107,905	41,859	2,241,792
Depreciation				
At 1 January 2013	159,082	65,786	21,241	246,109
Charge for year	30,818	8,422	5,156	44,396
Released on disposal	-	-	-	-
Transfer	-	-	-	-
At 31 December 2013	189,900	74,208	26,397	290,505
Net Book Value				
At 31 December 2012	1,526,230	35,532	6,004	1,567,766
At 31 December 2013	1,902,128	33,697	15,462	1,951,287

14. Stocks

	2013	2012
	£	£
Goods for Resale	6,549	3,844
Vet Room Supplies	5,710	5,710
	12,259	9,554

Notes to the Financial Statements

Year Ended 31 December 2013

15. Debtors

	2013	2012
	£	£
Trade Debtors	671	688
Prepayments and Accrued Income	18,655	14,215
Other Debtors	30643	18,534
	49,969	33,437

16. Creditors: Amounts Falling Due Within One Year

	2013	2012
	£	£
Trade Creditors	24,195	22,394
PAYE and Social Security	11,666	9,765
Other Creditors	1,200	2,669
Accruals and Deferred Income	10,495	19,682
	47,556	54,510

17. Commitments Under Operating Leases

At 31 December 2013 the charity had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings	
	2013	2012
	£	£
Operating leases which expire:		
Within one year	16,250	7,750
Between one and five years	78,070	68,750
After more than five years	-	6,320
	94,320	82,820

Notes to the Financial Statements

Year Ended 31 December 2013

18. Restricted Income Funds

	Brought forward	Incoming Resources	Resources Expended	Transfers	Carried forward
	£	£	£	£	£
Puppy Appeal (Capital)	39,615		(3,652)	-	35,963
Rabbit Appeal (Capital)	27,489		(3,732)		23,757
Charlie Appeal	2,989	267	(245)	-	3,011
Cattery Appeal	-	8,353			8,353
	<u>70,093</u>	<u>8,620</u>	<u>(7,629)</u>	<u>-</u>	<u>71,084</u>

The restricted funds shown above represent funds raised from appeals for specific projects.

19. Unrestricted Income Funds

	Brought forward	Incoming Resources	Resources Expended	Transfers	Carried forward
	£	£	£	£	£
Designated Funds					
Property Fund	1,458,961		(23,269)	406,716	1,842,408
Cattery and Reception Rebuilding Fund	575,000			(73,995)	501,005
Outreach Project Fund	210,000	-	-	(110,000)	100,000
General Funds	<u>375,087</u>	<u>1,365,904</u>	<u>(1,347,809)</u>	<u>(222,721)</u>	<u>170,461</u>
	<u>2,619,048</u>	<u>1,365,904</u>	<u>(1,371,078)</u>	<u>-</u>	<u>2,613,874</u>

The property fund represents the amount of the charity's reserves that are held as property.

The cattery and reception building fund was set aside for a new building which was started in 2013 and will be completed by September 2014. The transfer to designated property fund reflects the amount of unrestricted reserves used so far.

The outreach project fund is for outreach and education projects. Part of this fund has been re-designated to help towards the purchase of a freehold property in St Marychurch, Torquay.

Notes to the Financial Statements

Year Ended 31 December 2013

20. Analysis of Net Assets Between Funds

	Tangible Fixed Assets	Net Current Assets	Total Funds
	£	£	£
Restricted Income Funds			
Puppy Appeal	35,963	-	35,963
Rabbit Appeal	23,757	-	23,757
Charlie Appeal	-	3,011	3,011
Cattery Appeal	-	8,353	8,353
	<u>59,720</u>	<u>11,364</u>	<u>71,084</u>
Unrestricted Income Funds			
Designated Funds	1,842,408	601,005	2,443,413
General Funds	49,159	121,302	170,461
	<u>1,891,567</u>	<u>722,307</u>	<u>2,613,874</u>
Total Funds	<u>1,951,287</u>	<u>733,671</u>	<u>2,684,958</u>

21. Post balance sheet events

Since 31 December 2013 the charity has been notified of a substantial legacy. The exact amount is unknown at this stage but in total it could be as much as £1.4 million. Of this amount, £700,000 has already been received.

22. Related Party Transactions

P Walmsley, a Trustee, is a partner in Boyce Hatton Solicitors, and that firm has provided legal services to the charity during the year at a cost of £3,250 (2012 £6,946).

M White, a former Trustee, is married to an employee of the charity who was paid a total of £950 gross during the period January to April 2013 when Mr White resigned his position as Trustee.

23. Company Limited by Guarantee

The charity is limited by guarantee and has no share capital. In the event of a winding-up, the liability of the members is limited to a maximum of £10 each.