

THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2015

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

CONTENTS

	Page
Society Information	1
Statement of the General Committee's responsibilities	2
Auditors' report	3-4
Income and expenditure account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the Financial Statements	8-13

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

SOCIETY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2015

President	John Knight
Vice-president and Secretary	Mrs A Malpas
Vice-president	Mr T Le Pelley
Treasurer	Mr S Coe (stood down July 2016) Mr P Soulsby (co-opted January 2017)
Committee Members	Mr S Ford Mrs S Le Tissier (stood down June 2015, co-opted September 2016) Mr A Birnie (stood down October 2015) Mrs K Girdlestone (co-opted November 2015) Mrs V Spiller (co-opted November 2015)
Registered Office	Les Fiers Moutons St. Andrews Guernsey GY6 8UD
Auditor	Moore Stephens Town Mills South Rue du Pré St. Peter Port Guernsey GY1 3HZ

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

STATEMENT OF THE GENERAL COMMITTEE'S RESPONSIBILITIES

The General Committee is responsible for the preparation of financial statements in accordance with the accounting policies and The Guernsey Society for the Prevention of Cruelty to Animals (Incorporation) (Guernsey) Law, 1990.

In preparing those financial statements the General Committee is required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The General Committee is also responsible for safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

We have audited the financial statements of The Guernsey Society for the Prevention of Cruelty to Animals ('the Society') for the year ended 31 December 2015 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, 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 January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). This report is made solely to the Society's members as a body. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of General Committee and Auditor

As explained more fully in the Statement of the General Committee's Responsibilities, the General Committee is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements 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 Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS - CONTINUED

Basis for disclaimer of opinion

The evidence available to us for both the current and comparative years was limited because the charity, in common with many others of similar size and organisation, derived £354,921 (2014: £141,618) of its income from voluntary income, and shop and other income, which could not be controlled until they were entered in the accounting records and are not therefore susceptible to independent audit verification. Included in voluntary income is £134,000 relating to donations. Due to some missing documentation relating to 2015 it was not possible for us to adequately test donations. We did not attend the stock take and are therefore unable to satisfy ourselves that the stock of £40,174 (2014: nil) was correctly valued. In addition, the financial statements for both the current and comparative years have not been drawn up in a number of significant respects in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" which include that the financial statements do not contain a General Committee's report or a Statement of Financial Activities distinguishing between restricted, unrestricted and endowment funds. As a result of these matters, we were unable to determine whether any adjustments might have been found to be necessary to the financial statements.

Disclaimer of opinion on the financial statements

Because of the significance of the matters described in the basis for disclaimer of opinion paragraph of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. Accordingly, we do not express an opinion on the accompanying financial statements of the Society.

Matters on which we are required to report by exception

In respect of the limitation on work relating to the matters described in the basis for disclaimer of opinion paragraph:

- We have not obtained all the information and explanations that we consider necessary for the purposes of our audit: and
- We were unable to determine whether proper accounting records have been maintained

Moore Stephens

Town Mills South

Rue du Pré

St. Peter Port

Guernsey

GY1 3HZ

Date: 10 November 2017

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2015**

Income	NOTE	<u>2015</u> £	<u>2014</u> £
Voluntary income	2	343,773	125,809
Operating income	3	416,010	348,609
Investment income	4	296	5,338
Total income		<u>760,079</u>	<u>479,756</u>
Expenditure			
Direct costs:			
Wages & States insurance		431,619	479,072
Food		8,994	12,567
Consumable stores		18,682	22,780
Vet and medicines		48,541	33,150
Closing stock		(40,174)	-
		<u>467,662</u>	<u>547,569</u>
Establishment costs:			
Electricity, water and heating fuel		49,059	54,002
Repairs and renewals		15,942	17,658
Insurance		13,695	12,461
Refuse and sewage disposal		10,080	8,777
		<u>88,776</u>	<u>92,898</u>
Finance and administration:			
Bank charges		7,256	2,973
License fee		-	3,500
Telephone		6,467	6,325
Motor expenses		4,367	8,349
Printing, advertising, stationery and subscriptions		2,380	5,258
Audit fees		10,000	6,399
Other accountancy fees		10,251	1,200
Depreciation		58,109	47,695
Travel and animal transport		775	3,305
Training		1,006	1,587
Fundraising expenses		7,620	16,398
Sundry expenses		4,285	2,569
Interest expense on loan		2,879	-
Realised loss on investments		39	-
Bad debt expense		520	-
		<u>115,954</u>	<u>105,558</u>
Total expenditure		<u>672,392</u>	<u>746,025</u>
Surplus/(deficit) for the year transferred to/(from) capital account	9,11	<u>87,687</u>	<u>(266,269)</u>

None of the Society's activities were acquired or discontinued during the current and previous years.
The notes on pages 8 to 13 form part of these financial statements.

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2015**

	NOTE	<u>2015</u>	<u>2014</u>
		£	£
Surplus/(deficit) for the year		87,687	(266,269)
(Decrease)/increase in unrealised gain on investments	11	(11,543)	11,505
Total recognised gains and losses for the year		<u>76,144</u>	<u>254,764</u>

The notes on pages 8 to 13 form part of these financial statements.

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**
BALANCE SHEET
31 December 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	5	2,287,511	1,380,980
Investments	6	2,882	333,827
		<u>2,290,393</u>	<u>1,714,807</u>
Current assets			
Debtors	7	80,192	3,864
Stock – finished goods		40,174	-
Cash at bank and in hand		170,374	561,100
		<u>290,740</u>	<u>564,964</u>
Creditors			
Amounts falling due within one year	8	104,449	79,231
		<u>186,291</u>	<u>485,733</u>
Net current assets		186,291	485,733
Total assets less current liabilities		2,476,684	2,200,540
Creditors			
Amounts falling due after more than one year	8	200,000	-
Net assets		<u>2,276,684</u>	<u>2,200,540</u>
Funds			
Capital account	9	2,274,411	2,186,724
Investment revaluation reserve	10	2,273	13,816
Total society's funds	11	<u>2,276,684</u>	<u>2,200,540</u>

These financial statements were approved by the undersigned on

Signed: **John Knight**
President

Philip Soulsby
Treasurer

Date: 10 November 2017

The notes on pages 8 to 13 form part of these financial statements.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2015

1 Accounting policies

(a) Basis of accounting

The financial statements have been prepared under United Kingdom Accounting Standards and the historical cost convention as modified by the revaluation of investments. The financial statements have not been prepared in a number of significant respects in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (the 'SORP') because in the General Committee's view such compliance is not warranted for a charity of the size and nature of the Society. The most significant departures from the SORP are that the financial statements do not include a General Committee's report or a Statement of Financial Activities distinguishing between restricted, unrestricted and endowment funds.

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

(b) Going concern

The financial statements have been prepared on a going concern basis. The Society is heavily reliant on voluntary income, particularly legacies, which by its nature is unpredictable and accordingly cannot be guaranteed.

(c) Voluntary income

Voluntary income is included on a receipts basis.

Legacies

Legacies have been included on a receipts basis. The accruals concept is not practicable in respect of income of this nature due to the uncertainty with regard to potential claims against the estate of the legator, however, where a legacy is notified as receivable after the accounting year end, but it is clear that it had been agreed by the executor prior to the year end, then it would be accrued. Legacies are taken to the income and expenditure account.

(d) Operating income

Operating income is included on an accruals basis.

(e) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives on a straight line basis. The rates used are as follows:-

Motor vehicles	25%
Equipment	20%
Plant	10%
Fixtures and fittings	15%
Computers	25%
Buildings	2%

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

NOTES TO THE FINANCIAL STATEMENTS CONTINUED For the year ended 31 December 2015

1 Accounting policies (Continued)

(f) Investments

Investments are stated at bid valuation. Unrealised profits are taken to the investment revaluation reserve. Unrealised losses are first taken against any credit balance on the investment revaluation reserve and thereafter against the income and expenditure account. The process is reversed if those unrealised losses are subsequently made good.

(g) Stock

Stock purchased for resale is recorded at the lower of cost and net realisable value. Stock purchased for promotional purposes or to be utilised in services provided by the Society is recorded at cost unless its value is deemed to have been impaired. Stock donated for resale is only valued if total is material in the context of the financial statements.

(h) Investment income

Dividends are included on a receipts basis. Bank and other interest and index linked uplift are included on an accruals basis.

(i) Cash flow statement

The Society is a small entity as defined by the Financial Reporting Standard for Smaller Entities and is therefore exempt from the requirement to prepare a cash flow statement.

2 Voluntary Income

	<u>2015</u>	<u>2014</u>
Legacies (see below)	130,893	11,118
Donations	134,000	61,062
Subscriptions	9,795	5,571
Collection boxes and fundraising	60,616	42,499
In lieu of wreaths	7,645	5,559
Lottery income	824	-
	<u>343,773</u>	<u>125,809</u>
 <i>Legacies</i>		
M Beazley	-	100
M Brown	-	500
E Burrard	-	300
E Gallienne	107,992	6,000
E Sweet	-	4,218
P Browne	5,000	-
J McKenzie	15,776	-
V Willcocks	1,000	-
Various	1,125	-
	<u>130,893</u>	<u>11,118</u>

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
For the year ended 31 December 2015**

3 Operating Income	<u>2015</u>	<u>2014</u>
Boarding receipts	300,693	239,844
Animal Transportation	795	833
Cremation fees	74,681	73,418
Adoptions and dog training	28,693	18,705
Shop and other income	11,148	15,809
	<hr/> <u>416,010</u>	<hr/> <u>348,609</u>
 4 Investment Income	 <u>2015</u>	 <u>2014</u>
Dividends received – gross	73	83
National Savings & Investment interest	-	2,049
Royal London Asset Management interest	-	2,718
Bank interest receivable	223	488
	<hr/> <u>296</u>	<hr/> <u>5,338</u>

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
For the year ended 31 December 2015**

5 Tangible fixed assets

	<u>Freehold Land</u>	<u>Freehold Buildings</u>	<u>Motor vehicles</u>	<u>Equipment</u>	<u>Plant</u>	<u>Fixtures & fittings</u>	<u>Computers</u>	<u>Total</u>
<u>Cost</u>								
1 January								
2015	124,286	1,446,804	31,700	45,050	89,165	20,896	3,949	1,761,850
Additions	-	960,775	-	-	-	3,865	-	964,640
31 December								
2015	124,286	2,407,579	31,700	45,050	89,165	24,761	3,949	2,726,490
<u>Depreciation</u>								
1 January								
2015	-	233,095	21,301	34,908	67,934	19,821	3,811	380,870
Charge for the year	-	42,236	4,924	4,387	5,788	678	96	58,109
31 December								
2015	-	275,331	26,225	39,295	73,722	20,499	3,907	438,979
<u>Net book value</u>								
31 December								
2015	124,286	2,132,248	5,475	5,755	15,443	4,262	42	2,287,511
31 December								
2014	124,286	1,213,709	10,399	10,142	21,231	1,075	138	1,380,980

Freehold buildings additions are in respect of the new multi-purpose animal welfare building project, which was completed in the summer of 2015 and had a total cost of approximately £1.3 million. In May 2015 the Society entered into a loan agreement, detailed in Note 8, which was secured against the freehold land and buildings. This was fully repaid in 2017.

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
For the year ended 31 December 2015**

6 Investments

<u>Listed investments 2015</u>	<u>At cost</u>	<u>Unrealised gain/loss</u>	<u>Market Value 31.12.15</u>
UK Select Trust Limited 1,731 Ordinary 10p shares	823	2,059	2,882

<u>Listed Investments 2014</u>	<u>At cost</u>	<u>Unrealised gain/loss</u>	<u>Market Value 31.12.14</u>
UK Select Trust Limited 1,689 Ordinary 10p shares	750	2,147	2,897
National Savings & Investments	319,261	11,669	330,930
	<u>320,011</u>	<u>13,816</u>	<u>333,827</u>

7 Debtors

	<u>2015</u>	<u>2014</u>
Trade debtors	69,186	3,864
Prepayments and accrued income	11,006	-
	<u>80,192</u>	<u>3,864</u>

8 Creditors

	<u>2015</u>	<u>2014</u>
Amounts falling due within one year:		
Trade creditors	47,027	21,076
Accruals and deferred income	33,020	30,887
Taxation and social security	24,214	27,268
Credit card	188	-
	<u>104,449</u>	<u>79,231</u>

Amounts falling due after more than one year:

Loan	<u>200,000</u>	-
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In May 2015 the Society entered into a loan agreement with HSBC, under which the Society borrowed £200,000 over 13 years, with interest at 3.25% above the Bank of England base rate. The loan is secured against the Society's freehold land and buildings as detailed in Note 5. The loan was fully repaid in 2017.

**THE GUERNSEY SOCIETY FOR THE PREVENTION
OF CRUELTY TO ANIMALS**

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
For the year ended 31 December 2015**

9 Capital Account	<u>2015</u>	<u>2014</u>
At 1 January	2,186,724	2,452,993
Surplus/(deficit) for the year	87,687	(266,269)
At 31 December	<u>2,274,411</u>	<u>2,186,724</u>

The Capital account represents funds available for ongoing operating and financing of the Society.

10 Investment revaluation reserve	<u>2015</u>	<u>2014</u>
At 1 January	13,816	2,311
(Decrease)/increase in unrealised gain on investments	(11,543)	11,505
At 31 December	<u>2,273</u>	<u>13,816</u>

11 Reconciliation of movements in the Society's funds	<u>2015</u>	<u>2014</u>
Surplus/(deficit) for the year	87,687	(266,269)
(Decrease)/Increase in unrealised gain on investments	(11,543)	11,505
Net increase in Society's funds	<u>76,144</u>	<u>(254,764)</u>
Society's opening funds	2,200,540	2,455,304
Society's closing funds	<u>2,276,684</u>	<u>2,200,540</u>

12 Country of incorporation

The Society is incorporated in Guernsey under "The Guernsey Society for the Prevention of Cruelty to Animals (Incorporation) (Guernsey) Law 1990".

13 Related party disclosures

The General Committee is of the opinion that the Society has no immediate or ultimate controlling party.

During the year, a related party relationship existed between the society and The Vetcare Centres, of which John Knight, current committee member, is a Partner. In the year fees totalling £1,916 (2014: £11,438) were paid to the practice. The total fees due at the year end were £NIL (2014: £124).