

Overview of 2015 ManxSPCA Accounts

The following information may assist in the interpretation of the 2015 Accounts, and answer queries that might arise about certain figures.

1. In the 2015 Accounts, both income and expenditure and the balance sheet has been split into 'restricted' and 'unrestricted' categories. Restricted funds are given to the Society for specific purposes, and unrestricted funds are utilised for running costs and general outgoings.
2. Looking at restricted funds:

£40,000 was donated to the Society by the Madenski Trust for the purposes of purchasing a multi-purpose vehicle – one that can be used day-to-day as an ambulance as well as doubling up as a promotional van for use at shows and events. The vehicle was actually purchased from restricted funds during 2016.

£22,624 administration expenses relates to restricted funds spent on Blue Spark Consulting Ltd for the final part of the Organisational Review, funded by the Scheinberg Family.

£92,213 (restricted cash in hand) largely comprises a donation from a Mr and Mrs Fright received in 2014, which being spent judiciously on capital items and projects as they occur.
3. From a review of income into the charity for the year, the reduction in donations and legacies is notable, and the Society is heavily dependent on these income streams to support the day to day running of the Society. This reduction is the most significant factor in the **£288,016** net operating deficit.
4. The charity shop in Windsor Road impacted negatively on the overall shop profit of **£15,715**, as it did in 2014. This issue has been addressed in 2016 as detailed in the General Manager's Report.
5. Expenses continue to rise, but at a managed level, and notably veterinary costs actually reduced. As can be seen from the Board/Operational Report, staffing levels remain static.
6. Looking at the balance sheet, overall net assets are down on the prior year, mainly comprising a reduction in cash, which has been utilised to meet the day to day running costs of the Society owing to the shortfall in income (mainly legacies and donations as noted in 3 above) during the year.
7. Tangible fixed assets have increased during the year owing mainly to the Cattery Isolation and Quarantine Unit refurbishment. This expenditure was from restricted funds.
8. Investments remains in bonds as the Society sold its equity shares during 2014.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE -
REGISTERED CHARITY NUMBER 26A

STATEMENT OF ACCOUNTS

YEAR ENDED 31ST DECEMBER 2015

CALLOW MATTHEWMAN & CO
CHARTERED ACCOUNTANTS
ATHOLL HOUSE
29-31 HOPE STREET
DOUGLAS
ISLE OF MAN
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MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

**COMPANY LIMITED BY GUARANTEE -
REGISTERED CHARITY NUMBER 26A**

STATEMENT OF ACCOUNTS

YEAR ENDED 31ST DECEMBER 2015

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MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE - REGISTERED CHARITY NUMBER 26A

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2015

The directors present their report and the financial statements for the year ended 31st December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts 1931-2004. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Society is to make provision generally for the welfare of animals in the Isle of Man.

The results for the year are set out on page 4.

Fixed assets

Details of movements in fixed assets are set out in note 3 to the financial statements.

Directors

The directors who served during the year were:

William P. Cubbon (resigned 08/07/16)
L. Vicky Wardhaugh (resigned 30/03/15)
James Stevenson (resigned 26/05/16)
Jacqueline Street
Mike Wilson (appointed 07/09/15)

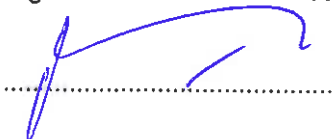
Susan M. Waring
J. David Ledgerwood (resigned 01/07/16)
Martin Howell
Paul Halliday
Alan Ormsby

Auditors

The Auditors, Callow Matthewman & Co., being eligible, offer themselves for reappointment in accordance with section 12(2) of the Companies Act 1982.

This report was approved by the Board on 16th September 2016

Signed on behalf of the Board.



Registered Office: Ard Jerkyll,
East Foxdale.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Company limited by guarantee - Registered charity number 26A

We have audited the financial statements of the Manx Society for the Prevention of Cruelty to Animals for the year ended 31st December 2015, set out on pages 4 to 7. 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, in accordance with Section 15 of the Companies Act 1982. 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 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 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 Directors and Auditors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for preparing 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 Practice 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 directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors' 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.

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31st December 2015 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Acts 1931 to 2004.

(continued on page 3)

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS**

Company limited by guarantee - Registered charity number 26A

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Acts 1931 to 2004 require 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Date: 16th September 2016

Callow Matthewman & Co.

Callow Matthewman & Co.
Chartered Accountants,
Atholl House,
29 - 31 Hope Street,
Douglas

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE - REGISTERED CHARITY NUMBER 26A

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2015

	Notes	2015 Restricted £	2015 Unrestricted £	2015 Total £	2014 Total £
Income					
Bank and building society interest receivable	1c	-	3,656	3,656	3,189
Dividends received	1c	-	11,949	11,949	20,925
Rent received		-	12,358	12,358	12,110
Boarding fees		-	29,196	29,196	30,502
Donations		40,000	214,637	254,637	484,734
Subscriptions		-	2,114	2,114	2,610
Fund raising proceeds		-	7,781	7,781	1,727
Dog warden services		-	16,621	16,621	9,322
Net profit from shops		-	15,715	15,715	15,609
		<u>40,000</u>	<u>314,027</u>	<u>354,027</u>	<u>580,728</u>
Administration expenses					
Administration expenses	2	22,624	26,668	49,292	27,934
Investment management and bank charges		-	3,124	3,124	4,531
ACDH conference costs		-	1,654	1,654	1,236
Audit and accountancy fees		-	5,950	5,950	1,980
Public relations and marketing		-	22,180	22,180	24,038
Staff training		-	5,776	5,776	2,306
		<u>(22,624)</u>	<u>(65,352)</u>	<u>(87,976)</u>	<u>(62,025)</u>
Establishment expenses					
Ard Jerkyll running and incidental costs		-	61,883	61,883	56,575
Insurance		-	10,212	10,212	9,106
Repairs, renewals and maintenance		909	14,191	15,100	13,417
Depreciation	3	-	11,602	11,602	14,543
Loss/(profit) on disposal of fixed assets		-	-	-	(210)
		<u>(909)</u>	<u>(97,888)</u>	<u>(98,797)</u>	<u>(93,431)</u>
Animal welfare expenses					
Staff wages		-	411,539	411,539	397,243
Food costs		-	19,439	19,439	20,260
Veterinary costs		-	111,298	111,298	118,200
Dog training costs		-	17,166	17,166	10,716
Motor expenses		-	10,396	10,396	8,773
		<u>-</u>	<u>(569,838)</u>	<u>(569,838)</u>	<u>(555,192)</u>
Surplus of operating income against expenditure 16,467					
Legacies and bequests	1b	-	103,179	103,179	183,969
Reduction in provision for diminution in value of investments	4	-	-	-	4,821
Profit/(loss) on sale of investments	4	-	11,389	11,389	92,310
Gain on foreign currency exchange		-	-	-	12
Gain on revaluation of property		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus/(deficit) transferred (from)/to					
Capital account		<u>16,467</u>	<u>(304,483)</u>	<u>(288,016)</u>	<u>151,192</u>

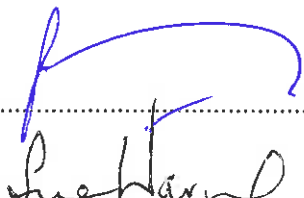
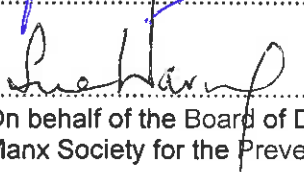
The notes on pages 6 and 7 form part of these financial statements.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE -
REGISTERED CHARITY NUMBER 26A

BALANCE SHEET - as at - 31ST DECEMBER 2015

	Notes	2015 Restricted £	2015 Unrestricted £	2015 Total £	2014 Total £
Tangible fixed assets	1d, 3	316,489	995,213	1,311,702	1,217,020
Investments (market value £264,360)	1e, 4	<u>-</u>	<u>241,725</u>	<u>241,725</u>	<u>301,575</u>
Total fixed assets		316,489	1,236,938	1,553,427	1,518,595
Current assets					
Stock on hand	1f	-	4,742	4,742	2,398
Debtors and prepayments		-	28,338	28,338	17,492
Cash at banks and building societies and in hand		<u>92,213</u>	<u>283,906</u>	<u>376,119</u>	<u>740,431</u>
		92,213	316,986	409,199	760,321
Current liabilities					
Creditors and accruals		<u>-</u>	<u>32,516</u>	<u>32,516</u>	<u>60,790</u>
Net current assets		<u>92,213</u>	<u>284,470</u>	<u>376,683</u>	<u>699,531</u>
Net assets		<u>408,702</u>	<u>1,521,408</u>	<u>1,930,110</u>	<u>2,218,126</u>
Net funds					
Balance brought forward		359,154	1,858,972	2,218,126	2,066,934
Surplus/(deficit) from income and expenditure account		16,467	(304,483)	(288,016)	151,192
Transfer between restricted and unrestricted funds		<u>33,081</u>	<u>(33,081)</u>	<u>-</u>	<u>-</u>
Balance carried forward		<u>408,702</u>	<u>1,521,408</u>	<u>1,930,110</u>	<u>2,218,126</u>


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On behalf of the Board of Directors of the
Manx Society for the Prevention of Cruelty to Animals

16/12/16..... Date

The notes on pages 6 and 7 form part of these financial statements.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE - REGISTERED CHARITY NUMBER 26A

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2015

1. Accounting policies

a. **Accounting convention**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

b. **Legacies and bequests**

Legacies and bequests received are credited to the Statement of Financial Activities on receipt.

c. **Investment income**

Bank and building society interest is accrued as income to the extent that it relates to the current period of account. Income from investments is credited as it is received.

d. **Tangible fixed assets and depreciation**

Tangible fixed assets other than land and buildings are carried at cost less depreciation. Depreciation is calculated so as to write off the cost of tangible fixed assets, except land and buildings (see below), over their expected useful lives. The bases and annual rates used for this purpose are:

Fixtures, fittings and equipment	Reducing balance	25%
Vehicles	Straight line	20%

Land is not subject to depreciation. Buildings are not depreciated because the directors are of the opinion that any depreciation would be immaterial, due to the expected life of the buildings and their policy of continuous maintenance. Land and buildings were revalued by the directors at 31st December 2013 on the basis of an expert independent valuation at that date and up to date expert independent valuation is currently being sought by the directors.

e. **Investments**

Investments are managed by Ramsey Crookall & Co Ltd. They are carried at cost, less a provision for diminution in the value of investments when this is thought appropriate. Market value at 31st December 2015 is disclosed on the face of the balance sheet.

f. **Stock**

Stocks of goods for sale and sundry consumable items are valued at the lower of cost and net realisable value.

2. Administration expenses

	2015	2014
	£	£
Legal and professional fees	26,317	10,832
General expenses	1,383	1,256
Stationery, postage and photocopying	7,179	5,656
Advertising	7,168	5,765
Telephone	3,372	2,695
Computer expenses	3,873	1,730
	<u>49,292</u>	<u>27,934</u>

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY LIMITED BY GUARANTEE - REGISTERED CHARITY NUMBER 26A

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2015 - continued

3. Fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost/valuation				
Balance at 31st December 2014	1,177,434	120,038	19,567	1,317,039
Additions	102,071	4,213	-	106,284
Revaluation	-	-	-	-
Disposals	-	-	-	-
Balance at 31st December 2015	<u>1,279,505</u>	<u>124,251</u>	<u>19,567</u>	<u>1,423,323</u>
Depreciation				
Balance at 31st December 2014	-	88,174	11,845	100,019
Charge for the year	-	9,028	2,574	11,602
Disposals	-	-	-	-
Balance at 31st December 2015	<u>-</u>	<u>97,202</u>	<u>14,419</u>	<u>111,621</u>
Net book value				
As at 31st December 2014	<u>1,177,434</u>	<u>31,864</u>	<u>7,722</u>	<u>1,217,020</u>
As at 31st December 2015	<u>1,279,505</u>	<u>27,049</u>	<u>5,148</u>	<u>1,311,702</u>

4. Investments

	2015 £	2014 £
Opening balance at cost	301,575	518,022
Cost of purchases in year	-	65,618
Proceeds of sales in year	(71,239)	(374,375)
Profit/(loss) on sale of investments	11,389	92,310
	<u>241,725</u>	<u>301,575</u>
Closing balance at cost	241,725	301,575
Provision for diminution in value	-	-
	<u>241,725</u>	<u>301,575</u>