MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

COMPANY INFORMATION

Directors	Jacqueline Street	(Chairman)
	Susan M. Waring	
	Deborah Clague	
	Daren Ward	
	Phillip Dearden	
	Geoffrey Gelling	(Appointed 27 March 2019)
Secretary	Phillip Dearden	
Company number	086297C	
Registered office	Ard Jerkyll East Foxdale Isle of Man IM4 3HL	
Auditor	Callow Matthewman & Co Atholl House 29-31 Hope Street Douglas Isle of Man IM1 1AR	

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

CONTENTS

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

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

Directors
The directors who held office during the year and up to the date of this report were as follows:

Jacqueline Street
Susan M. Waring
Deborah Clague
Phillip Dearden
Daren Ward
Geoffrey Gelling

Results
The loss for the year drawn from reserves was £122,148 (2018: surplus of £232,463).

Auditor
The auditor, Callow Matthewman & Co, has continued in office in accordance with Section 12 (2) of the Isle of Man Companies Act 1982.

Fund and reserves policy
As at 31 December 2019 unrestricted funds of the Manx SPCA totalled £1,783,349. This was made up of £1,379,863, being the net book value of unrestricted tangible fixed assets and £403,486 of free reserves. A level of free reserves is required to ensure the activities of the company can continue in the event of a significant decrease in expected income, or significant increase in expenditure. The directors' aim is to build up the reserves to 12 months worth of normal expenditure to provide a sufficient level of contingency to ensure the continued future of the company.

On behalf of the board

....
Director

29/06/2020
Date

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 company and of 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 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 proper 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 to 2004 and the Charities Registration Act 1989. 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.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Opinion

We have audited the financial statements of the Manx Society for the Prevention of Cruelty to Animals for the year ended 31 December 2019 set out on pages 5 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland, Section 1A (Small Entities) (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Small Entities; and
- have been prepared in accordance with the requirements of the Companies Acts 1931 to 2004 and the Charities Registration Act 1989.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report.

We have nothing to report in respect of the following matters in relation to which 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' loans and remuneration specified by law have not been made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors
As explained more fully in the Directors' Responsibilities Statement, set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report
This report is made solely to the company'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 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.

Callow Matthewman & Co

Callow Matthewman & Co
Chartered Accountants
Atholl House
29-31 Hope Street
Douglas
Isle of Man
IM1 1AR

30th June 2020
Date

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Incoming resources		
Bond and bank interest	1	547
Rent received	6,558	7,858
Boarding fees	60,658	51,289
Donations	252,314	224,550
Subscriptions	960	1,280
Fund raising proceeds	16,676	23,188
Dog warden services	6,984	6,984
Net profit from shops	14,304	21,882
Net profit / (loss) from tearooms	9,604	2,194
Legacies and bequests	135,078	438,134
Grant income	-	3,970
Restricted - donations	-	87,500
Other income	463	850
Total incoming resources	503,600	870,226
Resources expended		
Administrative expenses	(29,664)	(26,555)
Establishment expenses	(95,911)	(99,713)
Animal welfare expenses	(500,173)	(511,495)
Total resources expended	(625,748)	(637,763)
(Deficit)/surplus for the financial year	(122,148)	232,463

The notes on pages 7 to 9 form part of these financial statements

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 Total £	2018 Total £
Fixed assets			
Tangible assets	4	1,379,863	1,381,149
		1,379,863	1,381,149
Current assets			
Stocks		6,722	8,462
Debtors falling due within one year	5	3,390	4,256
Cash at bank	6	464,121	589,875
		474,233	602,593
Creditors: amounts falling due within one year	7	(10,747)	(18,245)
Net current assets		463,486	584,348
Net assets		1,843,349	1,965,497
Reserves			
Balance brought forward		1,965,497	1,733,034
Surplus/(deficit) from income and expenditure account		(122,148)	232,463
Balance carried forward		1,843,349	1,965,497

The notes on pages 7 to 9 form part of these financial statements

The financial statements were approved by the board of directors and authorised for issue on 29/06/2020 and are signed on its behalf by:

Director

Director

1 Accounting policies

Company information

Manx Society for the Prevention of Cruelty to Animals is a private company limited by guarantee incorporated in the Isle of Man (company no. 086297C). The registered office is Ard Jerkyll, East Foxdale, Isle of Man, IM4 3HL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Acts 1931 to 2004 and the Charities Registration Act 1989.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable if the company cannot reclaim it.

1.3 Tangible fixed assets

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

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

Land	Not depreciated
Buildings	Straight line 2%
Fixtures and fittings	Reducing balance 25%
Motor vehicles	Straight line 20%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged as a surplus or deficit.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

1.5 Stocks

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

1.6 Financial instruments

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

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

1 Accounting policies (Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

2 Auditor's remuneration

Fees payable to the company's auditor:	2019 £	2018 £
For audit services		
Audit of the company's financial statements	3,000	3,636

3 Employees

The average monthly number of persons employed by the company during the year was 22 (2018: 24).

4 Tangible fixed assets

	Land and buildings £	F&F and motor vehicles £	Total £
Cost			
At 1 January 2019	1,351,068	128,547	1,479,615
Additions	2,900	27,576	30,476
At 31 December 2019	1,353,968	156,123	1,510,091
Depreciation and impairment			
At 1 January 2019	21,380	77,085	98,465
Depreciation charged in the year	11,478	20,285	31,763
At 31 December 2019	32,858	97,370	130,228
Carrying amount			
At 31 December 2019	1,321,110	58,753	1,379,863
At 31 December 2018	1,329,688	51,461	1,381,149

5 Debtors: amounts falling due within one year

	2019	2018
	£	£
Trade debtors	3,390	3,518
Prepayments	-	738
	3,390	4,256

6 Restricted funds

There are a number of ongoing projects that funding has already been received for and these funds are recognised as restricted cash. The main project at the year end was the extension of the car park. As at 31 December 2019 there is £60,000 of restricted funds included within cash at bank.

7 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	7,553	9,486
VAT	262	3,017
Accruals	2,932	5,742
	10,747	18,245

8 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £5.

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018
	£	£	£	£
Income				
Bond and bank interest		1		547
Rent received		6,558		7,858
Boarding fees		60,658		51,289
Donations		252,314		224,550
Subscriptions		960		1,280
Fund raising proceeds		16,676		23,188
Dog warden services		6,984		6,984
Net profit from shops		14,304		21,882
Net profit / (loss) from tearooms		9,604		2,194
Legacies and bequests		135,078		438,134
Grant income		-		3,970
Restricted - donations		-		87,500
Other income		463		850
		503,600		870,226
Administrative expenses (including restricted expenses)	(29,664)		(26,555)	
Establishment expenses (including restricted expenses)	(95,911)		(99,713)	
Animal welfare expenses (including restricted expenses)	(500,173)		(511,495)	
Total resources expended		(625,748)		(637,763)
Operating (deficit)/surplus		(122,148)		232,463

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018
	£	£	£	£
Administration expenses (including restricted expenses)				
Administration expenses	6,577		4,940	
Investment management and bank charges	3,368		3,834	
ACDH conference costs	1,580		1,247	
Audit and accountancy fees	3,156		3,000	
Legal and professional fees	5,651		4,880	
Public relations and marketing	3,369		5,271	
Staff training	4,117		2,658	
Sundry expenses	1,846		725	
		29,664		26,555
Establishment expenses (including restricted expenses)				
Ard Jerkyll running and incidental costs	32,217		39,018	
Insurance	6,882		7,133	
Repairs, renewals and maintenance	25,049		23,966	
Depreciation	31,763		29,596	
		95,911		99,713
Animal welfare expenses (including restricted expenses)				
Staff wages	381,900		393,097	
Food costs	17,570		15,468	
Veterinary costs	93,391		92,708	
Dog training costs	671		1,266	
Motor expenses	6,641		8,956	
		500,173		511,495
Total resources expended		625,748		637,763

MANX SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

SCHEDULE OF SHOP INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2019

		31 December 2019		31 December 2018
	£	£	£	£
Bucks Road				
Income		36,667		40,317
Expenses				
Rent	(9,000)		(9,000)	
Wages	(16,421)		(14,171)	
Electricity	(1,404)		(1,512)	
Sundries	(1,400)		(1,378)	
		(28,225)		(26,061)
Profit for the period		8,442		14,256
Ramsey		34,383		35,922
Income				
Expenses				
Rent	(8,920)		(8,899)	
Wages	(16,629)		(16,664)	
Electricity	(1,423)		(1,585)	
Sundries	(1,549)		(1,148)	
		(28,521)		(28,296)
Profit for the period		5,862		7,626
Net profit from shops		14,304		21,882
Tearooms				
Income		138,841		127,584
Expenses	(2,989)		(4,320)	
Food	(43,482)		(40,282)	
Wages	(79,059)		(77,130)	
Electricity	(3,707)		(3,658)	
		(129,237)		(125,390)
Profit for the period		9,604		2,194