

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

**Report and Financial Statements
for the year ended
31st December 2011**

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Page 1

OFFICERS AND PROFESSIONAL ADVISER

PRESIDENT

Mrs J Le Cras (appointed 6 July 2011)

Mr J. Knight (resigned 6 July 2011)

VICE-PRESIDENT

Mrs A. Malpas (appointed 6 July 2011)

Mr T. Le Pelley (appointed 6 July 2011)

TREASURER

Mrs S Le Tissier (resigned 28 August 2012)

Mr T. Le Pelley (resigned 6 July 2011)

Mr S Coe (appointed 28 August 2012)

GENERAL COMMITTEE

Mr G. Solway (deceased 28 march 2011)

Adv F. Haskins (resigned 6 July 2011)

Mr J Knight (appointed 6 July 2011)

Mrs J Mahy (appointed 6 July 2011)

Ms J Unitt (resigned 5 August 2011)

Mrs J Coomer (co-opted 6 July 2011)

Mr A Fuller (co-opted 6 July 2011)

Ms C Le Vallee (co-opted 2 November 2011)

Mr S Coe (appointed 28 August 2012)

REGISTERED OFFICE

Les Fiers Moutons

St. Andrews

Guernsey

AUDITORS

Moore Stephens

Chartered Accountants

Town Mills South

La Rue du Pré

St. Peter Port

Guernsey, C.I.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

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

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 for the year ended 31 December 2011 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Treasurer and Auditor

As explained more fully in the Statement of Treasurer's Responsibilities, the Treasurer 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 Treasurer; 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. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

We have undertaken the audit in accordance with the requirements of APB Ethical Standard – Provisions Available for Small Entities, in the circumstances set out in note 14 to the financial statements.

Qualified opinion arising from limitation in audit scope and non compliance with Statement of Recommended Practice

The evidence available to us was limited because the charity, in common with many others of similar size and organisation, derived £255,962 of its income from voluntary donations, shop income and book sales which could not be controlled until they were entered in the accounting records and are not therefore susceptible to independent audit verification. Any adjustment to this amount would have a consequential effect on the result for the year. In addition, the financial statements have not been drawn up in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities"

The corresponding amounts in the current year's financial statements are derived from the financial statements for the year ended 31st December 2010. In our report on those financial statements we stated that the evidence available to us was limited because the charity, in common with many others of similar size and organisation, derived £225,592 of its income from voluntary donations, shop income and book sales which could not be controlled until they were entered in the accounting records and are not therefore susceptible to independent audit verification.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (Continued)

Any adjustment to this amount would have a consequential effect on the result for the year and consequently our opinion on the financial statements for the year ended 31 December 2010 was qualified because of this limitation in scope. Accordingly the corresponding amounts shown in the Income and Expenditure Account and Balance Sheet may not be comparable with the amounts in the current year.

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning voluntary donations, shop income and book sales, any adjustments to the comparatives which might have been found to be necessary had we been able to obtain sufficient evidence concerning voluntary donations, shop income and book sales for the year ended 31 December 2010 and the non-compliance with the Statement of Recommended Practice "Accounting and Reporting by Charities", in our opinion the financial statements:

- give a true and fair view of the Society's state of affairs as at 31st December 2011 and of its result 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 Guernsey Society for the Prevention of Cruelty to Animals (Incorporation) (Guernsey) Law, 1990.

In respect of the limitation on work relating to voluntary donations, shop income and book sales:

- 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
Chartered Accountants

Town Mills South
La Rue du Pré
St. Peter Port
Guernsey

Dated: November 2012

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Page 5

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2011

	Note	<u>2011</u>	<u>2010</u>
<u>INCOME</u>			
Voluntary income	2	231,428	196,804
Operating income	3	296,248	349,563
Investment income	4	2,340	530
TOTAL INCOME		<u>530,016</u>	<u>546,897</u>
<u>EXPENDITURE</u>			
Direct costs:			
Wages and States insurance		383,955	344,746
Food		18,572	12,344
Consumable stores		11,226	7,823
Vet and medicines		22,865	17,933
		<u>436,618</u>	<u>382,846</u>
Establishment costs:			
Electricity, water and heating fuel		39,805	33,861
Repairs and renewals		12,347	815
Insurance		9,213	8,270
Rates and taxes		218	275
Refuse and sewage disposal		8,177	4,400
		<u>69,760</u>	<u>47,621</u>
Finance and administration:			
Bank charges		2,005	1,539
Licence fee		665	1,260
Telephone		5,605	4,605
Motor expenses		5,781	6,347
Printing, advertising, stationery and subscriptions		8,253	7,467
Postage		1,122	535
Audit and accountancy		5,359	16,181
Depreciation		30,008	29,983
Travel and animal transport		6,504	18,986
Training		2,715	1,584
Profit on disposal of fixed assets		(1,503)	-
Sundry expenses		2,510	2,803
		<u>69,024</u>	<u>91,290</u>
TOTAL EXPENDITURE		<u>575,402</u>	<u>521,757</u>
<u>(DEFICIT)/SURPLUS FOR THE YEAR</u>			
<u>TRANSFERRED (FROM)/TO CAPITAL ACCOUNT</u>	9,11	£ <u>(45,386)</u>	£ <u>25,140</u>

None of the Society's activities were acquired or discontinued during the current and previous years.
The notes on pages 8 to 12 form part of these financial statements.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Page 6

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST DECEMBER 2011**

	<u>2011</u>	<u>2010</u>
(Deficit)/surplus for the year	(45,386)	25,140
Increase in unrealised gain on investments	34,117	28,143
<u>TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR</u>	£ <u>(11,269)</u>	£ <u>53,283</u>

The notes on pages 8 to 12 form part of these financial statements.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Page 7

BALANCE SHEET AT 31 DECEMBER 2011

	Note	<u>2011</u>	<u>2010</u>
FIXED ASSETS			
Tangible assets	5	1,030,941	1,049,058
Investments	6	573,072	538,895
		<u>1,604,013</u>	<u>1,587,953</u>
CURRENT ASSETS			
Debtors	7	4,502	6,236
Cash at bank and in hand		<u>1,013,832</u>	<u>1,024,868</u>
		1,018,334	1,031,104
CREDITORS			
Amounts falling due within one year	8	(53,367)	(38,808)
		<u>964,967</u>	<u>992,296</u>
NET CURRENT ASSETS			
		<u>964,967</u>	<u>992,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ <u>2,568,980</u>	£ <u>2,580,249</u>
FUNDS			
Capital account	9	2,401,893	2,447,279
Investment revaluation reserve	10	167,087	132,970
Total society's funds	11	£ <u>2,568,980</u>	£ <u>2,580,249</u>

These financial statements were approved by the undersigned on



 President



 Treasurer

The notes on pages 8 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**1. PRINCIPAL ACCOUNTING POLICIES****(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments.

(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 and other operating income

Voluntary income and other operating income is included on a receipts basis.

(d) 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.

(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%

(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) Investment income

Dividends are included on a receipts basis and bank deposit interest on an accruals basis.

THE GUERNSEY SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Page 9

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

<u>2. VOLUNTARY INCOME</u>	<u>2011</u>	<u>2010</u>
Legacies (see below)	184,786	165,123
Donations	32,084	21,081
Subscriptions	4,865	4,545
Collecting boxes and sundry income	5,667	4,238
In lieu of wreaths	4,026	1,817
	<u>£ 231,428</u>	<u>£ 196,804</u>
 <u>Legacies</u>		
S Roper	-	375
E A Robilliard	3,168	17,500
D Tostevin	-	15,524
M L Frampton	-	1,000
C J Rolfe	-	1,000
R Blower	-	1,000
M Deveau	-	31,824
The Black Forest Trust	-	95,900
Victoria Trust	-	1,000
O Robin	12,850	-
S Riley	3,514	-
J Ozanne	1,000	-
J Holliday	115,559	-
J Frise	957	-
M Blondel	39,938	-
L Mahy	7,800	-
	<u>£ 184,786</u>	<u>£ 165,123</u>
 <u>3. OPERATING INCOME</u>		
	<u>2011</u>	<u>2010</u>
Boarding receipts	215,108	252,915
Rent and service charge on bungalow	-	2,200
Animal transportation	1,975	20,844
Cremation fees	54,631	44,816
Shop income, book sales and other income	24,534	28,788
	<u>£ 296,248</u>	<u>£ 349,563</u>
 <u>4. INVESTMENT INCOME</u>		
	<u>2011</u>	<u>2010</u>
Dividends received - gross	60	54
Bank interest receivable	2,280	476
	<u>£ 2,340</u>	<u>£ 530</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

5. TANGIBLE FIXED ASSETS

	Freehold land	Freehold buildings	Motor vehicles	Equipment	Plant	Fixtures and fittings	Computers	Total
Cost								
1st January 2011	124,286	1,035,923	51,122	23,110	64,622	19,104	2,645	1,320,812
Additions	-	-	12,000	8,963	-	-	925	21,888
Disposals	-	-	(19,995)	-	-	-	-	(19,995)
31st December 2011	124,286	1,035,923	43,127	32,073	64,622	19,104	3,570	1,322,705
Depreciation								
1st January 2011	-	140,733	41,125	22,089	47,245	18,095	2,467	271,754
Charge for year	-	20,718	3,000	2,260	3,331	379	320	30,008
Disposals	-	-	(9,998)	-	-	-	-	(9,998)
31st December 2011	-	161,451	34,127	24,349	50,576	18,474	2,787	291,764
Net book value								
31st December 2011	124,286	874,472	9,000	7,724	14,046	630	783	1,030,941
31st December 2010	124,286	895,190	9,997	1,021	17,377	1,009	178	1,049,058

6. INVESTMENTS

	At cost /valuation	Unrealised Gain	Market value 31.12.11	2011 income
Listed investments				
UK Select Trust Limited (prev. The Investment Trust of Guernsey Limited) 1,552 Ordinary 10p shares	526	1,336	1,862	60
National Savings & Investments	405,459	165,751	571,210	-
	£ 405,985	£ 167,087	£ 573,072	£ 60
Listed investments				
UK Select Trust Limited (prev. The Investment Trust of Guernsey Limited) 1,552 Ordinary 10p shares	466	1,600	2,066	54
National Savings & Investments	405,459	131,370	536,829	-
	£ 405,925	£ 132,970	£ 538,895	£ 54

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

7. <u>DEBTORS</u>	<u>2011</u>	<u>2010</u>
Prepayments and accrued income	£ <u>4,502</u>	£ <u>6,236</u>
8. <u>CREDITORS</u>	<u>2011</u>	<u>2010</u>
Amounts falling due within one year:		
Other creditors	£ <u>53,367</u>	£ <u>38,808</u>
9. <u>CAPITAL ACCOUNT</u>	<u>2011</u>	<u>2010</u>
At 1st January	2,447,279	2,422,139
(Deficit)/surplus for the year	(45,386)	25,140
At 31st December	£ <u>2,401,893</u>	£ <u>2,447,279</u>
10. <u>INVESTMENT REVALUATION RESERVE</u>	<u>2011</u>	<u>2010</u>
At 1st January	132,970	104,827
Increase in unrealised gain on investments	34,117	28,143
At 31st December	£ <u>167,087</u>	£ <u>132,970</u>
11. <u>RECONCILIATION OF MOVEMENTS IN THE SOCIETY'S FUNDS</u>	<u>2011</u>	<u>2010</u>
(Deficit)/surplus for the year	(45,386)	25,140
Increase in unrealised gain on investments	34,117	28,143
Net (deduction from)/addition to Society's funds	<u>(11,269)</u>	<u>53,283</u>
Society's opening funds	2,580,249	2,526,966
Society's closing funds	£ <u>2,568,980</u>	<u>2,580,249</u>
12. <u>COUNTRY OF INCORPORATION</u>		

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

Page 12

13. RELATED PARTY DISCLOSURES

The treasurer is of the opinion that the GSPCA has no immediate or ultimate controlling party.

During the year, the following business relationships existed between the Society and the related parties of the Society:

Veterinary and medicines expenses

The Society used the services of The Vetcare Centres of which John Knight, the former President of the Society and current Committee member, is a partner. In the year fees totalling £21,785 (2010: £17,933) were paid to the practice. The total fees due at the year end were £NIL (2010: £1,481).

14. NON-AUDIT SERVICES

In common with many entities of our size and nature we use our auditors to assist with the bookkeeping and preparation of the financial statements.