

Charity Registration No. SC031991 (Scotland)

Company Registration No. SC244816 (Scotland)

**DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2020**

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Fiona Chisholm Diane Craven John Hay Kirstie Hepburn George King Diana Lord Angela Sinyard Dora Sweetman Michael Trant	(Appointed 10 September 2019) (Appointed 10 September 2019) (Appointed 10 September 2019) (Appointed 10 September 2019)
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**Charity number (Scotland)** SC031991

**Company number** SC244816

**Registered office**  
Dovecotewells  
Glencaple  
Dumfries  
Dumfries & Galloway  
DG1 4RH

**Independent examiner**  
Jennifer McDairmant, ACA  
26 High Street  
Annan  
Dumfries & Galloway  
DG12 6AJ

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# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

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# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## TRUSTEES' REPORT

***FOR THE YEAR ENDED 29 FEBRUARY 2020***

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The trustees present their report and financial statements for the year ended 29 February 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The principle aim of the charity is to provide care and protection for stray, abandoned and unwanted dogs and to alleviate cruelty as well as providing veterinary care as appropriate. Dogs will be suitably rehomed as soon as possible and the charity strictly adheres to its agreed policy that no dog will ever be subjected to euthanasia for the want of a suitable home.

As well as rehoming dogs, the Charity also offers advice and support to dog owners as well as promoting responsible dog ownership throughout the community. The Charity has identified that there is an increasing need for welfare support for the pet dogs of local people who find themselves in temporary distress such as homelessness, domestic abuse, physical and mental illness. This usually involves referral from organisations such as Social Services, the Police and Women's Aid. This need is illustrated by 8 dogs being given temporary care over the Christmas period alone.

The trustees have paid due regard to guidance issued by the Scottish Charity Regulator in deciding what activities the charity should undertake.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 29 FEBRUARY 2020**

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### **Achievements and performance**

1. In common with other rescue centres across the UK, the number of dogs admitted to the Centre has declined over the years and this trend continued in 2019-2020 as only 221 dogs were admitted. There has also been a trend for the dogs having more behavioural and/or veterinary problems. 162 dogs were rehomed over the year compared to 220 in 2018-2019.

2. The Charity Shops continued to perform well securing our financial position with takings of £223,834 compared to £175,159 in the previous year. In May 2019, the charity rented premises in King Street in Castle Douglas in order to open a sixth shop. The Dumfries shop was forced to close for 4 weeks to allow remedial work to be carried out to resolve a long-standing problem of flooding and water ingress which caused damage to property and major inconvenience for shop volunteers. This work was satisfactorily completed at a cost of £23,693.

3. Total income for the year was £486,592 compared to £317,317 the previous year and total expenditure was £355,322 compared to £349,729 in 2018-2019. Legacy income in 2019-2020 was £142,919 (£41,345 in 2018-2019). Bequests are, of course, very much appreciated by the charity. However, they are a volatile source of income and it is important that undue reliance is not placed on this source. The trustees set a balanced budget for 2019 - 2020 using a conservative assumption of £30,000 legacy income based on several years past experience. At year end, there was a small surplus of £18,351 over the budgeted break-even situation compared with a deficit of £43,757 in 2018-2019.

4. As a result of consultation which had been carried out with interested parties and stakeholders the previous year, the Trustees had committed to establishing better service and facilities for the west of the Region. Advice was provided by the Western Advisory Group which had been established and met regularly and the preferred way to meet this need was identified as the provision of a second Centre in Wigtownshire. Relevant organisations were given copies of our specifications and a number of apparently suitable premises were viewed. However, the cost of property and the estimated cost of carrying out conversion work combined with a shortage of premises which meet our criteria has resulted in the Charity not being able to proceed to date.

5. A process of restructuring the staffing of the charity, begun in 2018, continued, involving staff and trustees with expertise in this area. The objectives of this restructuring exercise were to unite all income generation functions, simplify the management structure, improve communication and accountability and facilitate a supportive team-based approach to the Centre's work. Changes in personnel took place during 2019 (most notable the resignation of the manager Fiona Clarkson after 16 years in post) In January 2020, the post of assistant manager was established with a responsibility for external relations and this post was filled by an internal appointment. The restructuring exercise has now been completed and will be subject to review during 2020.

6. The role of volunteers in assisting the running of the Charity cannot be underestimated. During the early part of 2019, a promotional drive to recruit Board Members was carried out which resulted in additional appointments at the AGM bringing the total to the full complement of 9. However, it is becoming more difficult to recruit Board Members with time to also participate in operational activities hence the appointment of an Assistant Manager to assume some of those tasks. The shops rely entirely on volunteers and the shortage is an ongoing cause for concern. The number of Kennel volunteers rose slightly during the year with the average length of stay also increasing.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 29 FEBRUARY 2020*

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### Financial review

The company is currently in a strong financial position, largely as a result of the legacies being received. This financial position ensures the sustainability of the enterprise which is the prime concern of the trustees. The total assets of the charity stand at £1,771,157 at 29th February 2020 compared with £1,656,408 at February 2019. However, this is a statement of assets which includes the improvements made to the Centre at Glencaple. This property is owned by Caerlaverock Estates so the asset value of improvements made is not realisable by the charity. The total realisable assets are £1,163,818 (£1,017,960).

The company changed its provider of accounting and independent examination services and as a result also changed from using a Sage system to using Xero which is a more responsive system allowing financial information to be readily accessed at any time.

### Reserves policy

Reserves are divided into 4 categories:

1. a contingency fund equivalent to 50% of annual expenditure
2. a fund for the replacement of large capital items which have a finite life expectancy
3. a project fund to extend the scope of the Charity
4. a premises fund for development of a new centre in the west of the region.

The Trustees have agreed an investment policy to manage its reserves and have appointed an investment agent in a bid to ensure that the value of a large part of the reserves is protected from inflation and yields a modest annual income. Cash reserves have been diversified between institutions to ensure that they are covered by the Financial Services Compensation Scheme.

### Principle sources of funding

The main funding income comes from the six shops, donations, fundraising activities and events, membership fees and legacies. While the income from fund raising events (£16,101) fell short of the target set, this was still an increase on the previous year of £3,564. The Fun Day Dog Show (the flagship fund raiser at Glencaple) was all but wiped out by poor weather. In addition, can collections had significantly reduced return as less cash is carried. The fall in income from the traditional events was mitigated by an increase in income from new events held in Galloway at Stanraer, Wigtown and Newton Stewart. Following suggestions from supporters, the centre has begun to raise income by hiring facilities, such as the exercise paddock, to the public – this raised £2,385 in the first year. Fund raising events and promotion of the rescue centre in the community are inextricably linked but use of the mobile unit for information and promotion purposes was less successful than anticipated.

### Risk factors

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 29 FEBRUARY 2020**

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Plans for future periods

The Board is committed to:

1. Continuing to develop the Rescue Centre so that it is an example of best practice in animal welfare. After months of discussion and negotiation, the Board signed a new lease with Caerlaverock Estates which guarantees that the Charity will have forty years of occupancy of Dovecotewells. This may well influence future investment projects that the Board may wish to implement.
2. Ensuring that the policies and procedures of the Charity are relevant and robust enough to ensure continued viability.
3. Engaging with communities across Dumfries and Galloway and beyond by raising our profile, increasing the use of social media and improving communication.
4. Continuing to build working relationships with similar charities in neighbouring regions in order to share expertise and, where possible, resources especially in the area of staff development.
5. Moving the Board to a more strategic role by encouraging staff to take greater responsibility for operational affairs.

As the year drew to a close, the Covid19 outbreak was beginning to cause concern on a worldwide basis but it did not impinge on any of our activities during 2019 – 2020. However, in the light of how the pandemic has developed since, it must be borne in mind that our future plans may need to be amended or cancelled to take into account the effects of this unprecedented situation.

### **Structure, governance and management**

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Fiona Chisholm	
Diane Craven	
John Hay	(Appointed 10 September 2019)
Kirstie Hepburn	(Appointed 10 September 2019)
George King	(Appointed 10 September 2019)
Diana Lord	
Sheena Pate	(Resigned 31 August 2019)
Angela Sinyard	
Dora Sweetman	
Michael Trant	(Appointed 10 September 2019)
Scott Wells	(Resigned 1 September 2019)

Trustee/director appointments are made in accordance with the provisions of the Companies Act as reflected in its Articles of Association.

New trustees are provided with an induction to the work of the Centre and the responsibilities of charity trustees. They are given the opportunity to participate in training events organised for staff and events organised for trustees by external providers.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## TRUSTEES' REPORT

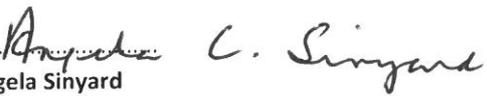
**FOR THE YEAR ENDED 29 FEBRUARY 2020**

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The kennels are under the supervision of the manager supported by a team of eight staff. A large number of volunteers make a significant contribution to the running of the charity.

A Financial Memorandum has been approved by the Board and, amongst other things, sets out rules governing delegation of spending authority and requirements for appointing external contractors.

The trustees' report was approved by the Board of Trustees.

.....  
Angela Sinyard

Trustee

Dated: .....28 August 2020

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

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I report on the financial statements of the charity for the year ended 29 February 2020, which are set out on pages 7 to 21.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of Dumfries and Galloway Canine Rescue Centre for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Jennifer McDairmant, ACA

26 High Street  
Annan  
Dumfries & Galloway  
DG12 6AJ

Dated: .....

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 29 FEBRUARY 2020

Current financial year ended 29 February 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b>Income from:</b>						
Donations and legacies	3	119,720	-	83,434	203,154	93,385
Other trading activities	4	276,492	-	-	276,492	223,037
Investments	5	6,946	-	-	6,946	895
<b>Total income</b>		<b>403,158</b>	<b>-</b>	<b>83,434</b>	<b>486,592</b>	<b>317,317</b>
<b>Expenditure on:</b>						
Raising funds	6	-	-	-	-	973
<u>Charitable activities</u>						
General activities	7	348,055	1,835	5,000	354,890	348,324
Barn improvement	7	-	-	432	432	432
<b>Total charitable expenditure</b>		<b>348,055</b>	<b>1,835</b>	<b>5,432</b>	<b>355,322</b>	<b>348,756</b>
<b>Total resources expended</b>		<b>348,055</b>	<b>1,835</b>	<b>5,432</b>	<b>355,322</b>	<b>349,729</b>
Net gains/(losses) on investments	11	(16,521)	-	-	(16,521)	-
<b>Net incoming/(outgoing) resources before transfers</b>		<b>38,582</b>	<b>(1,835)</b>	<b>78,002</b>	<b>114,749</b>	<b>(32,412)</b>
Gross transfers between funds		(691,094)	691,094	-	-	-
<b>Net movement in funds</b>		<b>(652,512)</b>	<b>689,259</b>	<b>78,002</b>	<b>114,749</b>	<b>(32,412)</b>
Fund balances at 1 March 2019		1,555,147	93,906	7,355	1,656,408	1,688,820
<b>Fund balances at 29 February 2020</b>		<b>902,635</b>	<b>783,165</b>	<b>85,357</b>	<b>1,771,157</b>	<b>1,656,408</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 29 FEBRUARY 2020*

Prior financial year ended 28 February 2019					
	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	93,385	-	-	93,385
Other trading activities	4	223,037	-	-	223,037
Investments	5	895	-	-	895
<b>Total income</b>		317,317	-	-	317,317
<b><u>Expenditure on:</u></b>					
Raising funds	6	973	-	-	973
<u>Charitable activities</u>					
General activities	7	348,324	-	-	348,324
Barn improvement	7	-	-	432	432
<b>Total charitable expenditure</b>		348,324	-	432	348,756
<b>Total resources expended</b>		349,297	-	432	349,729
Net gains/(losses) on investments	11	-	-	-	-
<b>Net incoming/(outgoing) resources before transfers</b>		(31,980)	-	(432)	(32,412)
Gross transfers between funds		74,068	(74,068)	-	-
<b>Net movement in funds</b>		42,088	(74,068)	(432)	(32,412)
Fund balances at 1 March 2018		1,513,059	167,974	7,787	1,688,820
<b>Fund balances at 28 February 2019</b>		1,555,147	93,906	7,355	1,656,408

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## BALANCE SHEET

AS AT 29 FEBRUARY 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		785,286		799,054
Investments	13		469,264		469
			<u>1,254,550</u>		<u>799,523</u>
<b>Current assets</b>					
Stocks	14	545		1,601	
Debtors	15	21,520		21,714	
Cash at bank and in hand		508,574		853,121	
			<u>530,639</u>	<u>876,436</u>	
<b>Creditors: amounts falling due within one year</b>	16	(14,032)		(19,551)	
Net current assets			<u>516,607</u>		<u>856,885</u>
<b>Total assets less current liabilities</b>			<u>1,771,157</u>		<u>1,656,408</u>
<b>Income funds</b>					
Restricted funds			85,357		7,355
Unrestricted funds - designated	17		783,165		93,906
Unrestricted funds - general			902,635		1,555,147
			<u>1,771,157</u>		<u>1,656,408</u>

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## BALANCE SHEET (CONTINUED)

AS AT 29 FEBRUARY 2020

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Notes	2020		2019	
	£	£	£	£

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 29 February 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on .....28 August 2020

.....*Angela C. Sinyard*

Angela Sinyard

Trustee

Company Registration No. SC244816

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 1 Accounting policies

#### Charity information

Dumfries and Galloway Canine Rescue Centre is a private company limited by guarantee incorporated in Scotland. The registered office is Dovecotewells, Glencaple, Dumfries, Dumfries & Galloway, DG1 4RH.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 1 Accounting policies

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### 1.6 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:

Freehold land and buildings	Not depreciated
Property improvements	4% on cost
Equipment	25% on reducing balance
Office equipment	25% on reducing balance
Motor vehicles	25% on reducing balance

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 recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

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### 1 Accounting policies

#### 1.11 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.12 Employee benefits

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

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £
Donations and gifts	55,235	-	55,235	52,040
Legacies receivable	64,485	78,434	142,919	41,345
Grants receivable	-	5,000	5,000	-
	<u>119,720</u>	<u>83,434</u>	<u>203,154</u>	<u>93,385</u>
<b>Donations and gifts</b>				
Donations	50,235	-	50,235	47,193
Gift Aid reclaimed	5,000	-	5,000	4,847
	<u>55,235</u>	<u>-</u>	<u>55,235</u>	<u>52,040</u>

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

### 4 Other trading activities

	<b>Unrestricted funds general 2020 £</b>	Unrestricted funds general 2019 £
Fundraising events	16,101	12,537
Shop income	223,834	175,159
Memberships and fees	27,107	28,194
Merchandise income	4,509	3,402
Other income	4,941	3,745
	<hr/>	<hr/>
Other trading activities	276,492	223,037
	<hr/> <hr/>	<hr/> <hr/>

### 5 Investments

	<b>Unrestricted funds general 2020 £</b>	Unrestricted funds general 2019 £
Income from listed investments	1,424	-
Interest receivable	5,522	895
	<hr/>	<hr/>
	6,946	895
	<hr/> <hr/>	<hr/> <hr/>

### 6 Raising funds

	<b>Total 2020 £</b>	Unrestricted funds general 2019 £
<u>Fundraising and publicity</u>		
Other fundraising costs	-	973
	<hr/>	<hr/>
	-	973
	<hr/> <hr/>	<hr/> <hr/>

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

### 7 Charitable activities

	General activities 2020 £	Barn improvement 2020 £	Total 2020 £	General activities 2019 £	Barn improvement 2019 £	Total 2019 £
Staff costs	152,530	-	152,530	158,683	-	158,683
Depreciation and impairment	44,832	432	45,264	45,323	432	45,755
Premises expenses	70,494	-	70,494	65,766	-	65,766
Repairs and renewals	11,694	-	11,694	7,936	-	7,936
Staff training	1,592	-	1,592	1,913	-	1,913
Staff expenses	844	-	844	3,775	-	3,775
Merchandise and fundraising	12,103	-	12,103	7,525	-	7,525
Veterinary, medicine and food	31,769	-	31,769	36,037	-	36,037
Hire of equipment	4,065	-	4,065	976	-	976
	<u>329,923</u>	<u>432</u>	<u>330,355</u>	<u>327,934</u>	<u>432</u>	<u>328,366</u>
Share of support costs (see note 8)	15,940	-	15,940	12,527	-	12,527
Share of governance costs (see note 8)	9,027	-	9,027	7,863	-	7,863
	<u>354,890</u>	<u>432</u>	<u>355,322</u>	<u>348,324</u>	<u>432</u>	<u>348,756</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	348,055	-	348,055	348,324	-	348,324
Unrestricted funds - designated	1,835	-	1,835	-	-	-
Restricted funds	5,000	432	5,432	-	432	432
	<u>354,890</u>	<u>432</u>	<u>355,322</u>	<u>348,324</u>	<u>432</u>	<u>348,756</u>

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

8	Support costs	Support costs	Governance costs	2020	Support costs	Governance costs	2019
		£	£	£	£	£	£
	Office costs	7,805	-	7,805	5,350	-	5,350
	Motor expenses	4,655	-	4,655	4,719	-	4,719
	Bank charges	3,360	-	3,360	2,458	-	2,458
	Bad and doubtful debts	120	-	120	-	-	-
	Accountancy	-	4,000	4,000	-	900	900
	Legal and professional	-	4,996	4,996	-	6,200	6,200
	Trustees' training	-	31	31	-	763	763
		<u>15,940</u>	<u>9,027</u>	<u>24,967</u>	<u>12,527</u>	<u>7,863</u>	<u>20,390</u>
	Analysed between						
	Charitable activities	<u>15,940</u>	<u>9,027</u>	<u>24,967</u>	<u>12,527</u>	<u>7,863</u>	<u>20,390</u>

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# DUMFRIES AND GALLOWAY CANINE RESCUE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

### 18 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 29 February 2020 are represented by:				
Tangible assets	778,363	-	6,923	785,286
Investments	469	468,795	-	469,264
Current assets/(liabilities)	123,803	314,370	78,434	516,607
	<u>902,635</u>	<u>783,165</u>	<u>85,357</u>	<u>1,771,157</u>

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 28 February 2019 are represented by:				
Tangible assets	791,699	-	7,355	799,054
Investments	469	-	-	469
Current assets/(liabilities)	762,979	93,906	-	856,885
	<u>1,555,147</u>	<u>93,906</u>	<u>7,355</u>	<u>1,656,408</u>

### 19 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).