



National Animal Welfare Trust

Charity No 1090499

Company Registered No 4251503
Charity Registration No 1090499

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Financial statements for
the year ended 31 March 2016

NATIONAL ANIMAL WELFARE TRUST

A charitable company limited by
guarantee and not having a share
capital

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COMPANIES HOUSE

Charity Information

Directors/Trustees

Ms Laura Magee – Chairman
Mr James Moore – Honorary Treasurer
Ms Diana Brown – Deputy Chairman
Ms Susan Francombe
Ms Claire James
Mr Harvey Carruthers
Mrs Debbie Matthews
Mr Simon Burrows
Mrs Lynley Griffiths

Officers

Clare Williams - Chief Executive Officer

Secretary

Dawn Webster - Director of Administration

Director of Finance

Jacquie Cottrell

Company number

4251503

Charity number

1090499

Independent Auditors

H W Fisher & Company
Acre House
11-15 William Road
London NW1 3ER

Bankers

National Westminster Bank
80 Shenley Road
Borehamwood
Hertfordshire WD6 1DZ

Solicitors

Withers LLP
16 Old Bailey
London EC4M 7EG

Gardner Leader
White Hart House
Market Place
Newbury
Berkshire RG14 5BA

Investment Managers

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London EC4V 4ET

Business Address

Tylers Way
Watford-by-pass
Watford
Hertfordshire WD25 8WT

Registered Office

Tylers Way
Watford-by-pass
Watford
Hertfordshire WD25 8WT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

Chairman's Statement

The current annual accounts, 2015-16, reflect a stable position for the National Animal Welfare Trust (NAWT).

Activities throughout the year have continued to focus on raising and developing the profile of NAWT at a national and regional level.

The key activity for NAWT during the year has been the roll out of 'Open Paw' across all its centres. 'Open Paw' originated in the USA and is an operational template developed for animal shelters. It reviews the entire process of how animals are treated within rescue organisations and provides tools to change the operational environment. This provides enrichment, stimulation and training for the animals; which improves their quality of life and home-ability. NAWT is the first in the UK to successfully trial the new method and has received publicity from a range of interested parties. NAWT has presented at a number of conferences on the topic regarding its positive impact on animal welfare, plus shared its activities and experiences with other animal welfare organisations. It has currently been rolled out for dogs and it is now proposed to develop and tailor the operations to be applied to cats, perhaps a greater challenge!

We have also built upon progress made on raising the profile in the previous year; an example of this are the media and promotional activities following the successful publication of a video clip on the changes to the Dangerous Dogs Act and the consequences for dog owners.

Physical improvements have been made across our centres with the construction of new intake kennels at Clacton and an extension to the cattery, plus kennel improvements at Somerset, with further work planned across the centres.

NAWT will continue to focus on consolidating existing funding streams and developing additional avenues of income to support our operations: additional resource has been employed throughout the year to assist with activities.

We will continue to promote our vision and mission of responsible pet ownership with the aim for NAWT to be recognised as one of the thought leaders within the field.

I extend a huge thanks to our management team, centre staff, volunteers and supporters for their hard work and dedication throughout the year.

Laura Magee
Chair - NAWT

Introduction

The Trustees of the National Animal Welfare Trust present their report and the audited financial statements for the year ended 31 March 2016, which have been prepared in accordance with the current statutory requirements and with the charity's governing document. This report and accounts follow the reporting requirements set out in the Charities SORP (FRS 102).

Objectives and Activities

The National Animal Welfare Trust's principal objectives are:

- the provision of care and shelter for stray, neglected and unwanted animals of all kinds, and finding suitable homes for any such animals;
- the protection of animals of all kinds from ill-treatment, cruelty and suffering.

These activities are achieved through the work of our five animal rescue centres: Little Clacton in Essex; the Watford Centre in Hertfordshire; the Berkshire Centre based at Trindledown Farm near Newbury; the Somerset Centre based at Heaven's Gate Farm, near Langport; the Cornish Centre, based at Hayle; and our voluntary branch centre which operates from a rented boarding kennels and cattery near Thurrock.

In addition to our rescue and rehoming centres the Trust has four retail outlets located in Clacton-on-Sea supporting the Clacton Centre, Watford supporting the Hertfordshire Centre, and in Hayle and in Falmouth both supporting the Cornwall Centre. These outlets sell mainly donated goods to provide additional funding for the work of the centres, as well as building links with the local communities.

Moreover, NAWT is supported by a network of volunteer fundraisers.

NAWT's Vision, Mission and Values are as follows:

Vision

Every pet should have a responsible owner

The vision is the future we are working towards. It encapsulates what we want to achieve through our rescue and re-homing work, as well as through education and advice. It positions NAWT as more than just a rescue and rehoming charity because we want to take responsibility for the nation's pets by making sure they have responsible owners. This also starts to bring meaning to the 'national' part of our name.

Mission

To promote responsible pet ownership

The mission is what we are doing to work towards our vision. NAWT promotes responsible pet ownership in many ways: from responsible owners bringing their pets to a rescue when circumstances change in their lives, through our rehoming process and 'after care support' to our latest role of raising awareness of topics affecting all pet owners.

Values

We never stop caring

NAWT's principle value is that 'we never stop caring' which is demonstrated through:

- Commitment to improving the lives of the UK's pets
- Accountability to all our stakeholders, especially that we will spend all our donations wisely
- Respect for people and animals
- Integrity by working in an open and honest manner
- Never putting a healthy animal to sleep
- Going that extra mile to make a difference in everything we do

Delivering for the Public Benefit

The Trustees have had a due regard to the Charity Commission guidance on public benefit.

Structure, Governance and Management

The National Animal Welfare Trust (NAWT) is a charitable company which operates under its Memorandum and Articles. The Company was incorporated on 12 July 2001 under the Companies Acts 1985 to 1989 as a Company Limited by Guarantee and not having a share capital. The Company Registered Number is 4251503 and Charity Registration Number is 1090499.

The Trust acquired Trust Corporation Status in 2007.

The Memorandum and Articles were amended in November 2008 to reflect changes introduced by the Companies Act 2006, and to provide a new specific power to borrow money; these changes were approved by the Charity Commission.

The Charity is governed by its Board of Trustees as listed on the Charity Information page and meets regularly throughout the year. The Trustees are responsible for agreeing and reviewing the overall strategy of the Trust, reviewing and approving policies, agreeing the budget and approving the annual accounts, ensuring that there are effective governance arrangements, establishing delegated authorities and management frameworks, and monitoring overall operational performance.

The Board of Trustees comprises a minimum of 3 elected members and the quorum for the transaction of the business of the trustees shall not be less than one third of their number or three trustees, whichever is the greater. The elected members are subject to fixed term appointments and election or re-election according to procedures set out in the Governing Document. Each member has one vote, whether present at meetings or by proxy, and decisions are taken on a majority vote and in the case of an equality of votes, the Chairman shall have a second or casting vote.

Based on recommendations from the Senior Management Team, the Trustees approve any cost of living increases awarded to staff. They also decide if these should apply to the charity's key management. No formal benchmarking for particular roles is used, but salaries for comparative roles are researched informally through job adverts.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, Director of Finance and Director of Administration. The total employee benefits of the key management personnel of the Trust were £189,259 (2015: £181,838).

The Trustees follow a rigorous and formal process for the recruitment and appointment of Trustees. This process follows Charity Commission guidance on good practice, and includes:

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

- a skills audit to identify those areas where the Trust could benefit from additional expertise on its governing body;
- advertising for new Trustees in relevant publications (including local press and national charity publications) and through the Association of Dogs and Cats Homes;
- a selection process involving Trustees, supported by the Chief Executive; and
- the development of a Trustee induction plan and a Trustee handbook.

The Trustees keep under review their own training needs, and the Trust provides opportunities for them to participate in external events. The Chief Executive is responsible for ensuring that Trustees are kept up to date with external matters affecting the organisation, such as relevant legislation or good practice developments.

Organisational Structure

Staff and Volunteers

Responsibility for achieving the strategic objectives and for the day-to-day management of the Trust is delegated to the Chief Executive, supported by a Senior Management Team consisting of the Director of Finance and the Director of Administration.

A framework of delegated authorities is in place, and is kept under regular review. Within each of our five main rescue and rehoming centres the Centre Manager is supported by a team of staff, including animal care supervisors and workers, reception, administrative and maintenance staff.

The Trust now employs 93 full time and 31 part time staff, 94% of who are employed at the five rehoming centres and charity shops. Sickness absence levels remains relatively low, although staff turnover has increased slightly as our workforce is mainly younger people, many of whom eventually look for a higher paid job outside the sector.

In addition to our paid workforce we have nearly 500 supporters who volunteer their time to help the Trust. These voluntary efforts are a very valuable additional resource, and cover a range of activities including: fundraising; home checking; dog walking; dog grooming and cat cuddling. Using the minimum wage as our yardstick, we conservatively estimate that the time donated by our volunteers has a value in excess of £395,000.

Long term Cornwall Volunteer Jane Virot was selected as one of three finalists in the CEVA Animal Welfare Awards for 2015, in recognition of the years of support she has given to NAWT.

NAWT was also involved in the Rescue Dog Agility Display team at Discover Dogs & Crufts.

The Trustees would like to take this opportunity to thank the staff and volunteers of the Trust for their continued hard work and support both in making a difference to the lives of the animals that come through our doors and in contributing to cost management and fundraising initiatives.

As previously reported the Trust acquired Trust Corporation Status to assist in the administration of legacies, particularly those where NAWT is Executor. During the year we continued to act as Trustee of a Trust established on behalf of the charitable beneficiaries.

Wider Networks

The Trust is a Full Member of the Association of Dogs and Cats Homes (ADCH), which brings together over 100 animal rescue and re-homing charities, and provides opportunities for the exchange of information and experience, joint training events, cost-sharing and representation to government. In 2015 NAWT's Chief Executive was elected to the Management Committee of the ADCH.

The Trust is also a member of the Institute of Legacy Management, Health Assured (Employee Assistance Programme), Associate Parliamentary Group for Animal Welfare and the Charity Retail Association. Each of our centres and charity shops also have links with their local volunteer bureaux.

Related Parties and Subsidiaries

Mrs Diana Brown, a Trustee of NAWT, Mrs Jacquie Cottrell and Mrs Dawn Webster, Senior Managers of NAWT, all served as Directors of the wholly owned trading subsidiary, AWT Trading Ltd.

Lynley Griffiths, a Trustee of NAWT, also acted as Health & Safety Consultant in a professional capacity for NAWT. Webster Landscaping, son of Mrs Dawn Webster, Senior Manager of NAWT, provided ground maintenance services at the Watford centre and JLE Landscape, son of Mrs Jacquie Cottrell, Senior Manager of NAWT, provided building works to the Watford shop and centre.

STRATEGIC REPORT

Achievements and Performance

Animal Rescue and Rehoming

The demand for our services remains high as we continue to receive animals due to their owners' change of circumstances; be it a relationship split, working longer hours to pay ever increasing bills, or a forced move to rented accommodation where pets are not allowed. We rehomed 1,156 animals this year, a decrease of 9% or 110 animals on the previous year. The reduction includes 29 birds, a 6% decrease in cat rehoming and a 6% drop in dog rehoming.

There are a number of reasons for this reduction. Firstly, the trend continues for people to rehome their animals, particularly dogs, privately through internet sites such as Gumtree and Preloved or even Facebook with rescues becoming the 'last resort'. This has resulted in the 'easier' animals being rehomed this way and more of the animals with medical or behavioural issues being offered to rescue.

Somerset's cat rehoming were down by 26% on the previous year. Unfortunately, we had several bouts of infection in the cattery which results in a period of time when, on veterinary advice, we could not rehome, however the situation has now improved and homings are picking up.

Watford's dog rehoming were down 21% which was mainly due to the centre being the 'guinea pig' for the trial and implementation of the Open Paw programme described in the next section. Throughput to the rehoming kennels was affected both because the initial 'trial dogs' stayed in the intake kennels for longer, and then, as the trial was so successful at reducing kennel stress, we decided to move a number of our long term dogs back into intake so they could start the Open Paw process in a new, calmer environment. This proved successful as a number of those dogs quickly found homes, but it did block up our intake capacity for a period of time.

The Charity continues to provide the highest level of care to the animals entrusted to us, and our animal care and veterinary teams pride themselves on the fact that every animal receives the necessary veterinary treatment and behavioural training before they are re-homed. We also provide continued support once an animal is homed.

Despite the high standards of veterinary care, there are situations where we can do no more for some animals. This year 54 animals were put to sleep for medical reasons, which is an increase of 5 over last year.

Whilst our training programmes are successful with the majority of dogs with problem behaviours, our responsibility towards safe rehoming and the overall welfare of the dogs in our care meant that we were sadly required to put to sleep 3 dogs for behavioural reasons in 2015/16 compared to 9 dog the previous year.

In an environment where we are now competing not only with other animal welfare organisations, but also with internet rehoming or pet sales sites, where the homing criteria is less strict than ours, we will continue to pursue alternative approaches to our rehoming to ensure we can help as many animals as possible. Our veterinary standards will remain high.

Open Paw

In 2015 NAWT became the first organisation in the UK to implement 'Open Paw'.

As an organisation we wanted to address the high levels of stress many of our dogs were experiencing in the kennel environment. In July 2015 NAWT began a pilot of the 'Open Paw' programme at the Watford Centre. Open Paw is a programme developed for dogs and cats in rescue centres by Kelly Gorman Dunbar, a respected behaviourist in the United States. The aim of the programme is to provide our animals with the enrichment, training and social skills they will need to reduce kennel stress, to make them more rehomeable and to enable them to successfully settle into life in their new homes. On top of this it also provides practical hands on training for staff and volunteers and for prospective and existing pet owners, all of which fits perfectly with NAWT's mission to promote responsible pet ownership.

Quite understandably rescue organisations - including NAWT - had a tendency to view the animals cared for almost as if they are unlucky 'inmates' and so we focused our efforts on making their stay as comfortable as possible. However, Open Paw focuses on continuing the good social skills the dogs have learnt in their previous homes such as toilet training as well as teaching them the new social skills they will need to appeal to a new owner. So instead of 'inmates' they become the lucky 'students' at NAWT's 'university of life skills'.

Open Paw also sets Minimum Mental Health Requirements for each animal in our care to ensure they are receiving sufficient enrichment to help keep them calm but mentally stimulated and in the right frame of mind for learning and training.

The trial delivered immediate and remarkable results in terms of the well-being of the dogs and the programme was rolled out to all five rehoming centres by March 2016. The key benefits have been:

- Plenty of evidence of calmer dogs in kennels and reduced noise levels
- Delivery of the dog training is consistent amongst staff and volunteers and between centres
- 15% y.o.y increase in dog homings Jan – March 2016
- Centres are all experiencing increased visitor numbers as visitors are encouraged to feed the dogs as part of the programme
- Volunteer numbers have increased and retention is high as Open Paw provides a more meaningful and rewarding experience for volunteers. Here are some quotes from volunteers:

"You truly will feel you are actually doing something worthwhile to help give the dogs a better chance of not only being adopted, but being happier whilst in the rescue centre."

"It's fantastic, as a volunteer, to receive such detailed training. Open Paw makes a huge difference in what I spend my time doing when I am volunteering."

As pioneers of the Open Paw programme in the UK, NAWT has raised its profile through stories in the consumer dog press, the Telegraph and radio interviews, including Radio 4's You and Yours Programme. NAWT has also hosted visits from a number of fellow rescues who are interested in Open Paw.

NAWT will continue to refine, develop and promote the Open Paw programme for dogs alongside developing Open Paw for cats. Current plans are to begin a trial at the Watford centre in late 2016.

Raising NAWT's Profile

Recognising that the NAWT needs to be better known in order to attract new supporters, donors and testators to ensure our long term financial security, the Trust has continued to actively pursue profile raising activity in 2015/16.

As mentioned above NAWT being the first organisation to introduce Open Paw in the UK attracted a good amount of coverage in the press and on the radio both at a national level and locally to each centre.

Following the successful campaign in 2014 to raise awareness of changes to the Dangerous Dogs Act NAWT remains a contact of choice for the public and the media for information on the Dangerous Dogs Act and Dangerous Dogs in general. The Chief Executive has presented at a number of seminars on the subject, including chairing a Public Policy Exchange symposium and was interviewed live on Channel 5 news following one high profile case.

NAWT has increased its media profile and supporter engagement through press articles, blogs, social media and website activity. Seasonal pet advice sheets have proved popular and dovetail with the mission to promote responsible pet ownership.

Also in line with that mission, NAWT ran a webinar in September 2015 to raise awareness of the compulsory microchipping for dogs' legislation due in April 2016. NAWT also hosted a webinar on the same subject for the Association of Dogs and Cats Homes in December 2015.

NAWT was fortunate to be selected to receive support from two Google apprentices who helped us review our search engine optimisation and develop NAWT's You Tube channel.

Animate, NAWT's biannual supporter magazine has a circulation of 27,500 and continues to be an important and well received part of our communications mix.

Fundraising

NAWT has recognised its heavy dependence on legacy income and the need to develop sustainable income streams to ensure the financial security of the Trust in the short to medium term, as well as to help fund any building projects. In April 2015 NAWT appointed a Fundraising Consultant who focused on grant applications and the Trust recruited a new Supporter Relationship Manager in October 2015 who is supported by a Fundraising Assistant. NAWT believes this investment in Fundraising resource is vital in order to maximise the opportunities for new sources of income. The groundwork done in 2015 is starting to pay off in 2016.

Centre Facilities

Work was completed on the new cat pens and intake kennels at the Clacton centre. This has had an impact on reducing overcrowding in the cattery and has enabled the centre to help more dogs.

Thanks to a £50,000 grant from Support Adoption for Pets, work has been completed on the new kennel block at the Somerset centre. This block is a 'quiet block' to make kennel life easier for dog reactive dogs.

Plans are nearing completion to replace the buildings at the Watford Centre which are reaching the end of their useful life. A fundraising plan will be developed to support this.

Shops

The web based electronic point of sale system has been installed in all shops, enabling gift aid to be captured on donations and also aiding better management of the shops.

This is the first full year that all four shops have been trading and we have gained considerable knowledge of each shop's individual performance. A decision was taken in 2015 not to open any more shops until we conduct a full review of the current retail outlets. This is planned for October 2016.

Financial Review

NAWT produced an operating surplus of £600,499. This compares to a surplus of £680,062 in 2014/15 when the Trust benefitted from the income from two significant legacies. This is the second year the Trust has been in surplus after two years of significant deficit.

The Trust is keeping in place a number of additional controls to ensure that the Trustees and Senior Management Team can exercise effective and timely scrutiny, and judgement, in managing the financial affairs of the charity.

Income and Expenditure

During the year the Trust received legacy income of £2.910 million compared with £3.028 million in the previous year which represents 72.5% (2014/15:78%) of our total income for the year. The legacy forecast for the year was £2.005 million. Legacy Income was boosted by the second payment of £750,000 in August 2015 from the sale of land with planning permission in Buckinghamshire.

Whilst legacies are a crucially important income stream and we are extremely grateful to those who remembered us in this way, NAWT has appointed a Fundraising team in 2015, whose work will be vital to reduce the reliance on legacy income

Total incoming resources for the year were £4.016 million compared with £3.881 million in the previous year. This included a 57% year on year increase in donations, which include a £50,000 grant from Support Adoption for Pets, £182,000 legacy donation from Feral Cat Plan and an 11% increase in Charity Shop receipts. Without the legacy element, income increased by 23% year on year.

Our voluntary income (excluding legacies, events, grants and other) increased slightly from £379,988 to £391,505 and the Centres were very active in their fundraising activities despite some poor summer weather. The Trustees would like to thank our numerous donors, friends and supporters as well as our volunteer fundraisers who do so much to help fund our work every year.

Total expenditure increased slightly from £3.261 million to £3.387 million although costs remain well managed throughout the organisation. Total expenditure costs of generating funds remained level on last year and no money is paid to third party fundraising organisations.

As required, the Trustees have reviewed the Trust as a 'going concern' for the next 12 months, and have concluded that this is the case. This review looked at a number of factors including: the legacy pipeline of notifications and anticipated income; the fact that senior management review income and expenditure and cash-flow forecasts on a regular basis; and that the Trust has sufficient free reserves to cover a short-term decrease in income.

Reserves Policy

The Trust's Reserves Policy has three objectives:

- A target of 12 months running costs held in free reserves with a minimum of three months running costs, to guard against fluctuations in income and cash-flow requirements;
- To build up the Trust's investment portfolio to provide long-term security for the work of the charity;
- To build up sufficient funds to support the significant capital investment still needed in the Trust's centres (currently estimated at £7 million) in *the Asset Replacement Fund*, which currently is at nil.

On an annual basis the Trustees will review the resources available to the charity to invest in reserves, so as to achieve the best balance between these objectives.

The Board has again agreed a deficit budget for 2016/17 and the Trustees are aware that they might need to realise further funds from reserves to meet any deficit that may occur.

The surplus for 2015/16 of £600,499 means that as at the 31 March 2016, the Trust held total funds of £6,940,594 (£6,340,095 as at 31 March 2015).

Restricted and Designated Funds

As at 31st March 2016, Restricted Funds totalled £404,884. This is made up of £141,204 restricted for NAWT's Thurrock branch and £263,680 which is a transfer of assets from the Feral Cat Plan which NAWT took over in 2015. A further £117,445 of restricted funds were received during the year and these were expended during the year at the different Centres to which they were restricted.

The Moody Fund, remains at £14,159, representing the Trust's share of some long-term assets that were bequeathed to the charity from the Estate of Ethne Pauline Moody, and which are currently being held in a "Bare Trust" whilst they are realised and disposed of. This process will continue for a number of years.

As at 31 March 2016 unrestricted general funds totalled £2,381,078, which provides 7.6 months of running costs based on the 2016/17 approved budget.

Future Legacy Income

Legacy income is recognised in these financial statements in accordance with the accounting policy set out in note 1.

As at 31 March 2016 the Trust had been notified of 64 estates where the anticipated income of £1.542 million had not been accrued due to the uncertainty of the amounts receivable and timing.

As at 31 March 2016 the Trust also held a life interest in 14 estates, but no income accrued due to the uncertainty of the amounts receivable and timing.

In the period since the 31 March 2016 to the date of signing the Trust has received legacy income of £772,094 and the legacy pipeline has changed and now consists of 62 estates where the anticipated income is in excess of £2.4 million.

Investment Performance and Policy

During the year the value of our main investment fund achieved an unrealised loss of £28,380 (2014/15: £60,402) due to fluctuation in the markets.

The Investment Policy of the Trust is to create general reserves by holding a range of quoted investments on a long term basis to generate a mix of income and capital growth, by adopting a moderate level of risk.

The Trustees have considered the issue of ethical considerations within our investment policy, and have an agreed policy, which is that no direct investment will be knowingly permitted in companies whose business operations conflict or detract from our charitable objects.

Fixed Assets

The value of our Fixed Assets is £4,125,099 compared to £4,162,709 in 2014/15.

AWT Trading Ltd

The charity has a 100% owned trading subsidiary, AWT Trading Ltd, which conducts various trading activities to support the charity.

Overall AWT Trading Ltd made a loss of £5,904 on sales of £46,171 and donations to the value of £6,600 were transferred to the charity.

Plans for the Future

NAWT's strategic objectives are:

- To develop sustainable income streams to ensure the financial security of the Trust in the short to medium term and to build cash reserves in the long term.
- To expand and improve our activities and services to help more dogs and cats

An Organisational Strategy and a detailed Fundraising plan to support the achievement of these objectives have been approved by the Trustees.

Significant events since the year-end

- The April 2016 legislation to implement the Living Wage at £7.20 an hour and to increase it to £9.00 by 2020 will have a significant impact on the Trust's salary expenditure from the financial year 2017/18 onwards.
- NAWT has been selected as the Burns Pet Nutrition Charity of the Year for 2017. As part of this partnership, Burns will be supplying every NAWT centre with their dog and cat food for the year, and working very closely with NAWT to promote responsible pet ownership throughout the UK. Burns will also be promoting NAWT as their Charity of the Year via shows they attend and via their social media networks. NAWT will also have a dedicated page on the burnspet.co.uk website; offering further promotion to a wider audience of pet lovers in the UK.

Risk Assessment and Management

The Trustees have considered the financial and non-financial risks faced by the charitable company and have carried out a number of reviews of internal controls.

A risk register for the Charity is reviewed annually by the Board and kept under regular review by the Senior Management Team.

The key risks are:

1. An animal may injure a person both on site and when an animal is homed (see animal rescue and rehoming).
2. Legacy income may cease or significantly reduce (see financial review).
3. Overall income reduces leading to an erosion of reserves (see financial review).

Day to day management of Health and Safety is good and progress continues on updating H&S policies and procedures.

Auditors

H.W. Fisher and Company have indicated their willingness to continue in office.

Statement as to Disclosure of Information to Auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Statement of Trustees' responsibilities

The Trustees, who are also the Directors of National Animal Welfare Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charities SORP;
 - make judgements and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
 - prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.
- the trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The Trustees approved this Report and the Strategic Report in their capacity as Directors on 25th October 2016 and signed on their behalf by:



**Ms Laura Magee
Trustee**



**Mr James Moore
Trustee**



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES ON THE AUDITED ACCOUNTS OF NATIONAL ANIMAL WELFARE TRUST

We have audited the accounts of National Animal Welfare Trust for the year ended 31 March 2016 set out on pages 14 to 29. 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) including Financial Reporting Standards 102.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 11, the Trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Sailesh Mehta (Senior Statutory Auditor)
for and on behalf of HW Fisher & Company

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER

Dated: 31 October 2016

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Income from:					
Legacies		2,717,452	193,045	2,910,497	3,028,212
Donations	2a	444,574	202,157	646,731	411,015
Sub-total income legacies and donations		3,162,026	395,202	3,557,228	3,439,227
Other trading activities					
Rent receivable		16,811	-	16,811	17,763
Charity shop receipts		211,354	5,439	216,793	194,683
Sale of donated goods		23,133		23,133	17,944
Sub-total income from other trading activities		251,298	5,439	256,737	230,390
Investment income					
AWT Trading Limited		6,600	-	6,600	5,220
Dividends and interest received		29,787	-	29,787	28,642
Sub-total investment income		36,387	-	36,387	33,862
Charitable activities – animal rescue and rehoming					
Commissions and royalties		42,300	2,175	44,475	42,119
Sales from animal related goods		27,678	-	27,678	30,299
Homing		90,291	4,025	94,316	105,632
Sub-total income from charitable activities		160,269	6,200	166,469	178,050
Total income		3,609,980	406,841	4,016,821	3,881,529
Expenditure on:					
Raising funds					
Fundraising, publicity and other		446,165	-	446,165	447,068
Charitable activities					
Animal rescue and rehoming		2,796,947	144,830	2,941,777	2,814,801
Total expenditure	2b	3,243,112	144,830	3,387,942	3,261,869
Unrealised loss/gains on investment assets		(28,380)	-	(28,380)	60,402
Net income/(expenditure)		338,488	262,011	600,499	619,660
Transfers between funds		(703)	703	-	-
Net movement in funds		337,785	262,714	600,499	680,062
Reconciliation of Funds:					
Total funds brought forward		6,197,925	142,170	6,340,095	5,660,033
Total funds carried forward		6,535,710	404,884	6,940,594	6,340,095

BALANCE SHEET AS AT 31 MARCH 2016

Company Number: 4251503

Charity Number: 1090499

	Notes	2016 £	2015 £
Fixed assets:			
Tangible fixed assets	4	4,125,099	4,162,709
Investments:			
Listed	5	660,643	689,023
Unlisted	5	31,702	31,702
		<u>692,345</u>	<u>720,725</u>
		4,817,444	4,883,434
Current assets:			
Stock		15,929	14,755
Debtors	7	506,993	64,759
Cash at bank and in hand		1,803,876	2,428,330
		<u>2,326,798</u>	<u>2,507,844</u>
Liabilities:			
Creditors: amounts falling due within one year	8	(203,648)	(1,051,183)
Net current assets or liabilities		<u>2,123,150</u>	<u>1,456,661</u>
Total net assets or liabilities	9	<u><u>6,940,594</u></u>	<u><u>6,340,095</u></u>
The funds of the charity:			
Restricted funds	10	404,884	142,170
Unrestricted funds:			
Fixed asset fund	11	4,125,099	4,162,709
Other designated funds	11	29,533	27,697
General funds	12	<u>2,381,078</u>	<u>2,007,519</u>
Total charity funds		<u><u>6,940,594</u></u>	<u><u>6,340,095</u></u>

Approved by the Trustees and authorised for issue on 25th October 2016
and signed on their behalf by:



Ms Laura Magee
Trustee



Mr James Moore
Trustee

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
Net cash outflow/(inflow) from operating activities	18	(490,524)	1,833,732
Returns on investments and serving of finance:			
Dividends and interest received		36,387	28,642
Capital expenditure and financial investment:			
Payments to acquire tangible fixed assets		(170,317)	(235,915)
Receipts from sale of tangible fixed assets			
Payments to acquire investments		-	-
Receipts from sale of investments		-	-
Net cash (outflow)/inflow for capital expenditure and financial investments		(170,317)	(235,915)
Financing:			
Repayment of capital element of lease rental payments		-	(12,020)
Increase/(decrease) in cash and cash equivalents in the year	19	(624,454)	1,614,439

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.1 Basis of preparation

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost basis with the exception of listed investments which are included at market value, and in accordance with applicable United Kingdom accounting standards. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2016 are the first accounts of National Animal Welfare Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going Concern

At the time of approving the accounts, the trustees have a reasonable expectation that the company 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 accounts.

1.3 Incoming resources

Donations, subscriptions, sponsorship, fundraising and appeals, and sales of donated goods are recognised upon receipt. Investment income, including gift aid received from AWT Trading Limited and rental income are recognised on an accruals basis.

Income generated from charitable activities is also recognised upon receipt.

Legacy income

As the Trust relies so heavily upon legacy income the Trustees have agreed a specific accounting policy in relation to the recognition and treatment of legacies. Pecuniary or specific bequests are recognised upon the receipt of the entitlement. Residuary estates are recognised either a) as and when interim payments are received, or b) when estates accounts have been agreed and the final payment is outstanding.

Volunteers and donated goods and services

The value of services provided by volunteers is not incorporated into these financial statements as it is considered to be immaterial. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

The Trust benefits significantly from donated goods to support our animal care work, in particular donations of food and toys for the animals' benefit. Currently no record of the value to the charity is maintained and consequently the value of these items is not yet included in these statements. The Trustees have identified this as an area for attention and management are currently developing a system to facilitate the recording and valuing of these items.

1.4 Resources expended

Expenditure is recognised when a liability is incurred. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Contractual arrangements are recognised as goods or services are supplied.

- Costs of generating funds are those costs incurred in attracting voluntary income, including the costs of ensuring that we receive our full entitlement to any legacy income.
- Charitable activities include expenditure associated with its animal rescue and re-homing work and includes both the direct costs and support costs relating to those activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources; this is done on the basis of staff time attributed to each activity cost category.

1.5 Fund structure

The Trust has a number of restricted funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The Trustees have made a number of designations to better reflect the funds structure of the charity. Unrestricted funds raised by our local voluntary support groups are designated to show the extent of their individual contributions to our work. Legacy income dedicated (but not restricted) to a particular animal centre is designated towards the costs incurred at those centres. The Trustees have established an Assets replacement fund towards the costs of significant capital improvements required across the organisation.

1.6 Group financial statements

The Trustees are of the opinion that the results of the subsidiary, AWT Trading Limited is not material to the charity and consolidated accounts have therefore not been prepared in accordance with paragraph 383 of the SORP. Any Gift Aid transfer from AWT Trading Limited is included as incoming resources. The investment in the subsidiaries is shown as a fixed asset investment.

1.7 Branches & Supporter Groups

The financial returns from branches, which have in some cases been audited independently, are incorporated into the accounts of the main charity. Our Thurrock branch carries out a significant amount of animal welfare. This work is carried out by volunteers and therefore the income & expenditure is treated as restricted.

1.8 Pension costs

Defined contribution pension costs are charged to the Statement of Financial Activities in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals in the balance sheet.

1.9 Fixed asset investments

Listed investments are stated at mid-market value, at the balance sheet date. Unlisted investments are valued by the Trustees at fair value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.10 Tangible fixed assets

Tangible fixed assets, other than freehold land are stated at cost less depreciation (IT equipment over £1,500 and all other equipment item over £3,000 only are capitalised). Depreciation is calculated so as to write off the cost, less estimated residual value, of each asset over its estimated useful life, on a straight line basis, as follows:

Freehold improvements	: 4 to 30 years
Equipment	: 4 years
Motor vehicles	: 4 years

Freehold land has not been depreciated as, in the opinion of the Trustees, any charge would be immaterial since residual value exceeds cost. Annual impairment reviews are conducted in accordance with Financial Reporting Standard 11.

1.11 Stock

Stock is included at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less additional costs expected to be incurred to completion and disposal. Provisions are made for obsolete and slow moving items.

1.12 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.

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 trade and other 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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables 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 company's contractual obligations expire or are discharged or cancelled.

1.13 Leases

Tangible fixed assets acquired under finance lease and hire purchase contracts are capitalised at estimated fair value at the date of inception of each lease or contract. The total finance lease charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.14 Cash and cash equivalents

Cash and cash equivalents include cash at hand, deposits held on call with banks, other short term liquid investments with original maturities of 3 months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.15 Prepayments

Prepayments are valued at the amount prepaid net of any trade discounts due.

2a Income from Donations

	Total 2016 £	Total 2015 £
Dog training	1,191	476
Donations individuals – unrestricted	225,897	237,230
Donations individuals – restricted (Feral Cat Plan)	188,080	-
Donations trust – unrestricted	17,803	14,286
Subscriptions	4,076	4,493
Entrance	2,882	4,004
Sponsorship – unrestricted	6,942	6,749
Sponsorship – restricted	1,170	1,108
Fundraising Appeals – unrestricted	123,551	111,642
Fundraising Appeals – restricted	1,913	-
Agility	-	740
Grants	50,000	3,200
Dog Warden	3,681	3,753
Sundry Income	19,545	23,334
	646,731	411,015

2b Expenditure

	Direct staff costs £	Other direct costs £	Support & Governance costs £	Total 2016 £	Total 2015 £
Raising funds					
Fundraising, publicity & other	163,651	197,976	84,538	446,165	441,466
Charitable activities					
Animal rescue and re-homing	1,669,661	409,617	862,499	2,941,777	2,760,876
	1,833,312	607,593	947,037	3,387,942	3,261,869

Restricted expenditure of £144,830 (2015: £609,777). This is in respect of Thurrock costs and expended legacy income.

Support and Governance costs

Support costs have been allocated on the basis of staff time

	Charitable activities	Raising funds	Total 2015	Total 2014
	£	£	£	£
Staff costs	167,776	22,479	190,255	166,850
Premises costs	262,446	25,724	288,170	286,306
Motor expenses	21,511	2,108	23,619	25,942
Office costs	89,446	8,767	98,213	97,826
Advertising and publicity	3,994	391	4,385	4,459
IT costs	27,925	2,737	30,662	22,353
Audit fee	5,664	555	6,219	8,218
Professional fees	21,901	2,147	24,048	4,060
Bank charges	10,726	1,051	11,777	10,201
Sundry expenses	179	18	197	2,629
Depreciation	189,366	18,561	207,927	206,481
Governance	61,565	-	61,565	59,527
	<hr/>	<hr/>	<hr/>	<hr/>
	862,499	84,538	947,037	894,582
	<hr/>	<hr/>	<hr/>	<hr/>

Governance costs comprise:

	£
Support costs	19,711
Direct staff costs	40,758
Direct other costs	<u>1,096</u>
	61,565

3 Staff costs

	2016 £	2015 £
Administration	294,188	253,920
Social security costs – admin	32,343	27,261
Animal care	1,469,985	1,409,246
Social security costs - animal care	83,796	89,299
Shops	87,242	69,309
Social security costs – shops	4,701	2,221
Pensions	47,811	53,617
Other Staff Costs	44,259	53,373
	<u>2,064,325</u>	<u>1,958,246</u>

Direct staff costs £1,833,312, support costs £190,255, governance costs £40,758.

3a Staff numbers

	2016 No.	2015 No.
Administration	9	7
Animal care	113	109
Shops	8	8
	<u>130</u>	<u>124</u>

The number of employees whose annual emoluments were £60,000 or more were:

	2016	2015
£70,000 - £80,000	1	1
Pension contributions were	£3,508	£3,440

Key personnel are detailed in the Trustee Report, see page 3.

4 Tangible fixed assets

	Freehold land & building improvements	Equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2015	5,894,387	214,078	100,660	6,209,125
Additions	137,112	33,205	-	170,317
Disposals	-	(9,551)	-	(9,551)
Transfer	-	-	-	-
At 31 March 2016	6,031,499	237,732	100,660	6,369,891
Depreciation				
At 1 April 2015	1,820,670	147,830	77,916	2,046,416
Charge for the year	153,676	31,507	22,744	207,927
Disposals	-	(9,551)	-	(9,551)
Transfer	-	-	-	-
At 31 March 2016	1,974,346	169,786	100,660	2,244,792
Net book value				
At 31 March 2016	4,057,153	67,946	-	4,125,099
At 31 March 2015	4,073,717	66,248	22,744	4,162,709

5 Investments

	2016 £	2015 £
Listed		
Market value of assets at 1 April	689,023	628,621
Additions at cost	-	-
Disposals at opening book value	-	-
(Decrease) in cash held by stockbrokers	-	-
Unrealised net gains on revaluation at 31 March	(28,380)	60,402
	<hr/>	<hr/>
Market value of assets at 31 March	660,643	689,023
	<hr/>	<hr/>
The market value of assets is made up of:		
Investments listed on UK Stock Exchange	660,643	689,023
Cash held as part of the investment portfolio	-	-
	<hr/>	<hr/>
	660,643	689,023
	<hr/>	<hr/>
Unlisted		
AWT Trading Limited		
10 Ordinary £1 shares at cost	10	10
Clacton Animal Aid	1	1
Property Investment	31,691	31,691
	<hr/>	<hr/>
	31,702	31,702
	<hr/>	<hr/>

AWT Trading Limited, a company incorporated in England, is a fully owned subsidiary of the National Animal Welfare Trust and conducts various trading activities to support the charity. It is valued by the Trustees at what is considered a fair value of the interest. It surrenders some of the taxable profits to the parent charity. For the year ended 31 March 2016 AWT Trading Limited surrendered Nil to National Animal Welfare Trust (2015: Nil). This resulted in a decrease on ordinary activities of £5,904 for the year ended 31 March 2016 (2015: £3,701) and at this date its aggregate capital and reserves totalled £66,571 (2015: £72,476).

6 Financial Instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	417,407	21,652
Equity instruments measured at fair value through income and expenditure	660,643	689,023
Equity instruments measured at cost less impairment	11	11
	<hr/>	<hr/>
Carrying amount of financial liabilities measured at amortised cost	174,270	133,684
	<hr/>	<hr/>

7 Debtors

	2016 £	2015 £
Amounts owed from subsidiaries	7,440	5,327
Other tax and social security	40,906	-
Income tax recoverable	6,494	4,500
Other debtors	18,250	16,325
Prepayments & accrued income	40,912	38,607
Accrued legacy income	392,991	-
	506,993	64,759

8 Creditors

	2016 £	2015 £
Trade creditors	134,756	91,488
Other creditors	12,588	9,053
Accruals	26,926	33,143
Other taxes and social security	29,378	917,499
	203,648	1,051,183

9 Net assets held by funds

	Investments £	Tangible fixed assets £	Bank and cash £	Other net Assets £	Total 2016 £
Restricted funds:					
Thurrock	-	-	141,204	-	141,204
Feral Cat Plan	-	-	-	188,080	188,080
Unrestricted funds:					
<u>Designated funds</u>					
Moody Fund	-	-	-	14,159	14,159
Thurrock	-	-	13,427	-	13,427
Cornwall	-	-	1,946	-	1,946
Fixed Asset Fund	-	4,125,099	-	-	4,125,099
Clacton assets	1	-	-	-	1
<u>General unrestricted funds:</u>					
General funds	692,344	-	1,647,299	117,035	2,456,678
	692,345	4,125,099	1,803,876	319,274	6,940,594

10 Restricted Funds

	Balance 01 Apr 15 £	Incoming resources £	Resources expended £	Transfers £	Balance 31 Mar 16 £
Thurrock	142,170	25,716	(27,385)	703	141,204
Cornwall	-	49,601	(49,601)	-	-
Trindledown	-	200	(200)	-	-
Heaven's Gate	-	50,000	(50,000)	-	-
Clacton	-	17,644	(17,644)	-	-
Feral Cat Plan	-	263,680	-	-	263,680
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	142,170	406,841	(144,830)	703	404,884
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Thurrock

The balance represents legacy income received in the past specifically to fund the work of the Thurrock branch less expenditure incurred at Thurrock in the year. Incoming resources included fundraising activities to generate funds needed locally. Resources expended related to the costs associated with running the local animal rescue activity. A transfer has been made between from unrestricted to restricted funds to reflect bank interest due to Thurrock.

Other funds relate to specific restricted legacies that were received and applied to particular centres.

Feral Cat Plan

In September 2015 the Trustees of the National Animal Welfare Trust agreed to take over the work of Feral Cat Plan and monies totalling £188,080 were donated in January 2016 to allow continued care of feral cats in the Hertfordshire and Essex area whilst also supporting people in the local community.

11 Designated funds

	Balance 01 Apr 2015 £	Incoming resources £	Resources expended/ transfers £	Balance 31 Mar 2016 £
Branches and Supporter Groups:				
Bridgwater	1,709	-	(1,709)	-
Thurrock	10,427	3,000		13,427
Cornwall	1,401	545		1,946
Moody Fund	14,159	-		14,159
Clacton	1	-	-	1
Fixed Asset fund	4,162,709	-	(37,610)	4,125,099
	4,190,406	3,545	(39,319)	4,154,632

Moody Fund – this represents the Trust's share of some long-term assets that were bequeathed to the charity from the Estate of Ethne Pauline Moody, and which are currently being held in a "Bare Trust" whilst they are realised and disposed of.

Branches and Supporter Groups – the incoming resources arose as a result of local fundraising activities by our voluntary supporter groups and the resources expended related to sums spent on the animal welfare and rescue work of the charity.

Fixed Asset Fund – this fund represents the net book value fixed assets at 31 March 2016.

Clacton – this fund represents the investment in Clacton Animal Aid.

Included in the above table is a transfer to unrestricted from designated funds of £37,610 in respect of fixed assets.

12 Movement on general funds

	Balance 01 Apr 2015 £	Incoming resources £	Resources expended/ transfers £	Balance 31 Mar 2016 £
General unrestricted fund	2,007,519	3,606,435	(3,232,876)	2,381,078

13 Pension costs

During the period defined contribution pension costs amounting to £47,811 (2015: £53,617) were paid over to independently administered pension schemes. As at 31 March 2016 there were outstanding contributions of £Nil (2015: £Nil).

14 Trustees' expenses and remuneration

Trustees received no remuneration (2015: £Nil). 2 Trustees (2015: 1 Trustee) were reimbursed for their travelling expenses which amounted to £112 (2015 £620).

15 Company information

The company is limited by guarantee and has no issued share capital. The liability of the members is limited to £1.

16 Contingent liabilities and financial commitments

As at 31 March 2016, there was Nil commitment by way of contractual liabilities (2015: Nil).

As at 31 March 2016 the company was committed to making the following payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Within 1 year	52,500	52,500	20,197	19,758
2-5 years	90,154	142,154	72,901	76,665
Over 5 years	-	-	12,960	26,418
	<hr/>	<hr/>	<hr/>	<hr/>
	142,654	194,154	106,058	122,841

17 Related party transactions

The following related party transactions were undertaken in the year. These were conducted on a normal commercial basis:

Ms Diana Brown, a Trustee of NAWT, Mrs Jacquie Cottrell and Mrs Dawn Webster, Senior Managers of NAWT, all served as Directors of the wholly owned trading subsidiary, AWT Trading Ltd.

During the year the transactions between NAWT & AWT Trading were inter-company recharges and expenses paid by NAWT, which related to salaries of £4,914 and rent of £567. As at 31 March 16 AWT owed NAWT £6,759 (2015: AWT owed NAWT £5,327) and is included within debtors.

Lynley Griffiths, a Trustee of NAWT, also acted as Health & Safety Consultant in a professional capacity for NAWT, receiving £3,291 in 2015/16 with £961 owing as at the 31 March 2016.

Webster Landscaping, son of Mrs Dawn Webster, Senior Manager of NAWT, provided ground maintenance services at the Watford centre, receiving £8,257.75 in 2015/16 with £400 owing as at the 31 March 2016.

JLE Landscape, son of Mrs Jacquie Cottrell, Senior Manager of NAWT, provided building works to the Watford shop and centre, receiving £170 with Nil owing as at the 31 March 2016.

18 Reconciliation of net (outgoing)/incoming resources to net (outflow)/inflow from operating activities

	2016 £	2015 £
Net (outgoing)/incoming resources	600,499	619,660
Depreciation	207,927	206,481
Increase in stock	(1,174)	(1,394)
Increase in debtors	(442,234)	157,835
Decrease in creditors	(847,535)	879,792
Less: investment income	(36,387)	(28,642)
Losses on investment	28,380	-
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(490,524)	1,833,732
	<hr/>	<hr/>

19 Reconciliation of net cash (outflow)/inflow to movement in net funds

	2016 £	2015 £
(Decrease)/increase in cash and cash equivalents during the year	(624,454)	1,614,439
Increase/(decrease) in cash flow from finance leases	-	12,020
Change in net funds resulting from cash flows	(624,454)	1,626,459
Movement in net funds	(624,454)	1,626,459
Net funds as at 31 March 2015	2,428,330	801,871
Net funds as at 31 March 2016	1,803,876	2,428,330