

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
THE HEATONS ANIMAL RESCUE GROUP

Moss & Williamson Limited
Chartered Accountants
3 Mellor Road
Cheadle Hulme
Cheadle
Cheshire
SK8 5AT

THE HEATONS ANIMAL RESCUE GROUP

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for the Year Ended 31 March 2023

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THE HEATONS ANIMAL RESCUE GROUP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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

Objectives and aims

We are an independent charity based in Manchester Road in Stockport. Our mission statement is to receive stray, abandoned and unwanted domestic animals, to provide food, shelter and veterinary care for these animals where required, and to rehome where possible to responsible owners. As long as the quality of life is acceptable, we will endeavour to look after the animal regardless of age or cost of treatment for the charity. We have a charity shop, and our income is from the shop, direct donations, fundraising and from rehoming fees from our cats.

As stated in our Constitution, we are committed to rescuing domestic animals (cats), and take in stray or unwanted cats, ensuring they receive the best possible care in terms of food and shelter, and thorough vet checks and treatment. We ensure that each cat is fully vaccinated, has flea and worm treatment and is neutered if old enough. We have a carefully crafted rehoming policy, which involves a face to face interview with the potential adopter, ID checks and a homecheck. We also undertake post adoption checks by phone to ensure the cat is well settled. We offer a full Rescue back up following adoption, and we are committed to maintaining this high level of care in the future through staff training, and maintenance and repair of our cat rooms and pens.

We would never put a healthy cat to sleep, and euthanasia is a very last resort if the cat has no chance of recovery, and strictly on the advice of our vet.

In order to deliver this, our focus is very much on the financial picture, and how we can close the current gap between income and expenditure.

Significant activities

As stated in our Constitution, we are committed to rescuing domestic animals (cats), and take in stray or unwanted cats, ensuring they receive the best possible care in terms of food and shelter, and thorough vet checks and treatment. We ensure that each cat is fully vaccinated, has flea and worm treatment and is neutered if old enough. We have a carefully crafted rehoming policy, which involves a face to face interview with the potential adopter, ID checks and a homecheck. We also undertake post adoption checks by phone to ensure the cat is well settled. We offer a full Rescue back up following adoption, and we are committed to maintaining this high level of care in the future through staff training, and maintenance and repair of our cat rooms and pens.

We would never put a healthy cat to sleep, and euthanasia is a very last resort if the cat has no chance of recovery, and strictly on the advice of our vet.

In order to deliver this, our focus is very much on the financial picture, and how we can close the current gap between income and expenditure.

THE HEATONS ANIMAL RESCUE GROUP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2023**

ACHIEVEMENT AND PERFORMANCE

The challenges of 2022/23

Although we did not have any Covid related enforced closures of our shop, the effects of Covid continued to have an impact on our business. Sales through the shop were erratic, with traditionally busy Saturdays becoming noticeably more quiet. The focus from the majority of shoppers was securing a bargain, and anything in the slightly higher price range simply did not sell.

In line with all Rescues, there has been a marked increase in demand for rehoming. There are many more strays, and a significant increase in requests for rehoming of family cats citing the cost of living as the main factor. There has been an increase in the number of unsprayed and unneutered cats, and those who are abandoned. Aside from elderly people being admitted into nursing care, the most frequent reason given is that people are moving and the new landlord will not accept pets.

Clearly, we have a finite number of pens, and regrettably have to turn away people desperate to rehome their pets.

We recognise the need for further education on the necessity of neutering cats at a young age: we encounter multiple examples of families with an unneutered mixed pair where the female has already produced one litter, and is pregnant again.

Achievement and Performance

Financial Performance

Income for 22/23 was £71, 835 (excluding legacies, £71,535). 21/22 was £59,878 excluding legacies and grants.

Our vet bill was significantly higher year on year, as a result both of increased costs and a higher number of cats needing specialist treatment or tests.

We did not have any refurbishment in this reporting year, but had bills for new air conditioners and electrical work relating to their installation. The cost of medication, cat food and litter has increased enormously. We used to pay £5.99 for a 30 litre bag of litter, and it is now almost £12. We use almost 400 bags of litter each year, so the cost increase in litter alone is £2400. Equally, some cat food has doubled in price, and our utility bill cost shows a big increase.

The higher salary figure is largely down to one member of staff on Mat leave, the increase in the national wage, and more staff hours to cater for the increased number of cats and kittens needing more attention through the day and evening.

FUTURE FINANCIAL PLANS AND STRATEGIES

From previous legacies, we planned to refurbish the large downstairs cat area which houses our Mother cats and their kittens. To undertake this, we need to have the cubicles unoccupied, and this has not been possible this year so far as demand for space has been so high.

We have actively tried to help families who cannot afford to neuter their cat or even feed it, by supplying food and a neuter and return to owner scheme, which is still very much in its infancy.

We are constantly exploring new opportunities to expand our sales from just the shop with car boot sales, jumble sales, one off sales outside our shop and using both Ebay and Vinted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Charity constitution

The Heatons Animal Rescue Group was founded in June 1998, and registered with the Charity Commission as an unincorporated charity. There are currently six trustees: our constitution sets out that there are a minimum of five and a maximum of eight.

Decision making

All our trustees are fully aware of their duties and obligations in the role of trustee. Upon appointment, they are trustees until they submit an official resignation, and we constantly re-evaluate the skill set of existing board members so, if the opportunity arises, we can recruit to fill in any gaps in areas of expertise.

We meet as a board at least once a quarter, and are all updated on financial status and key issues relating to the running of the charity shop or Sanctuary. All decisions are made jointly following a consultation with all trustees.

THE HEATONS ANIMAL RESCUE GROUP

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

We have the following policies, which are updated annually. The Covid policy is updated in line with Government policy changes:

- Safeguarding
- Health and Safety
- Equality and Diversity
- Volunteer obligations and conduct
- MAT leave
- Rehoming and adoption policy

Risk assessments are done regularly where necessary. We organise several fundraising events each year, and a formal risk assessment is carried out at the time of booking each event.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1072091

Principal address

406A Manchester Road
Stockport
Cheshire
SK4 5BY

Trustees

A Bold
Y Wilkes
A Wright
S Blundell
A Churchley
A Rumble

Independent Examiner

Moss & Williamson Limited
Chartered Accountants
3 Mellor Road
Cheadle Hulme
Cheadle
Cheshire
SK8 5AT

Approved by order of the board of trustees on 25 January 2024 and signed on its behalf by:

A Wright - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HEATONS ANIMAL RESCUE GROUP

Independent examiner's report to the trustees of The Heatons Animal Rescue Group

I report to the charity trustees on my examination of the accounts of The Heatons Animal Rescue Group (the Trust) for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Andrew E Booth FCA

Moss & Williamson Limited
Chartered Accountants
3 Mellor Road
Cheadle Hulme
Cheadle
Cheshire
SK8 5AT

25 January 2024

THE HEATONS ANIMAL RESCUE GROUP

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	2,256	596,797
Other trading activities	3	69,016	56,368
Investment income	4	<u>2,276</u>	<u>31</u>
Total		<u>73,548</u>	<u>653,196</u>
 EXPENDITURE ON			
Charitable activities	5		
Animal rescue and re-homing		<u>154,162</u>	<u>118,269</u>
 NET INCOME/(EXPENDITURE)		 (80,614)	534,927
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>581,061</u>	<u>46,134</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>500,447</u></u>	<u><u>581,061</u></u>

The notes form part of these financial statements

THE HEATONS ANIMAL RESCUE GROUP

BALANCE SHEET
31 March 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
CURRENT ASSETS			
Cash at bank		500,447	581,061
		<hr/>	<hr/>
NET CURRENT ASSETS		<u>500,447</u>	<u>581,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		500,447	581,061
		<hr/>	<hr/>
NET ASSETS		<u>500,447</u>	<u>581,061</u>
FUNDS	9		
Unrestricted funds		500,447	581,061
		<hr/>	<hr/>
TOTAL FUNDS		<u>500,447</u>	<u>581,061</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 January 2024 and were signed on its behalf by:

A Wright - Trustee

THE HEATONS ANIMAL RESCUE GROUP

CASH FLOW STATEMENT
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(82,890)</u>	<u>534,896</u>
Net cash (used in)/provided by operating activities		<u>(82,890)</u>	<u>534,896</u>
Cash flows from investing activities			
Interest received		<u>2,276</u>	<u>31</u>
Net cash provided by investing activities		<u>2,276</u>	<u>31</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(80,614)	534,927
Cash and cash equivalents at the beginning of the reporting period		<u>581,061</u>	<u>46,134</u>
Cash and cash equivalents at the end of the reporting period		<u><u>500,447</u></u>	<u><u>581,061</u></u>

The notes form part of these financial statements

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(80,614)	534,927
Adjustments for:		
Interest received	<u>(2,276)</u>	<u>(31)</u>
Net cash (used in)/provided by operations	<u>(82,890)</u>	<u>534,896</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank	<u>581,061</u>	<u>(80,614)</u>	<u>500,447</u>
	<u>581,061</u>	<u>(80,614)</u>	<u>500,447</u>
Total	<u>581,061</u>	<u>(80,614)</u>	<u>500,447</u>

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	1,956	2,378
Gift aid	-	1,101
Legacies	300	587,530
Grants	-	5,788
	<u>2,256</u>	<u>596,797</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Other grants	-	<u>5,788</u>

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	50	2,557
Shop, direct donations etc	<u>68,966</u>	<u>53,811</u>
	<u>69,016</u>	<u>56,368</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>2,276</u>	<u>31</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Animal rescue and re-homing	<u>154,162</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

	2023	2022
	£	£
Trustees' salaries	39,406	31,354
Trustees' social security	1,341	1,753
Trustees' pensions paid	<u>1,058</u>	<u>857</u>
	<u>41,805</u>	<u>33,964</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

7. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	75,264	56,719
Social security costs	<u>1,341</u>	<u>1,753</u>
	<u>76,605</u>	<u>58,472</u>

The average monthly number of employees during the year was as follows:

<u>2023</u>	<u>2022</u>
6	5

No employees received emoluments in excess of £60,000.

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	596,797
Other trading activities	56,368
Investment income	<u>31</u>
Total	<u>653,196</u>
 EXPENDITURE ON	
Charitable activities	
Animal rescue and re-homing	<u>118,269</u>
 NET INCOME	 534,927
 RECONCILIATION OF FUNDS	
Total funds brought forward	 46,134
 TOTAL FUNDS CARRIED FORWARD	 <u><u>581,061</u></u>

9. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	<u>581,061</u>	<u>(80,614)</u>	<u>500,447</u>
 TOTAL FUNDS	 <u><u>581,061</u></u>	 <u><u>(80,614)</u></u>	 <u><u>500,447</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>73,548</u>	<u>(154,162)</u>	<u>(80,614)</u>
 TOTAL FUNDS	 <u><u>73,548</u></u>	 <u><u>(154,162)</u></u>	 <u><u>(80,614)</u></u>

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

9. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	46,134	534,927	581,061
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>46,134</u>	<u>534,927</u>	<u>581,061</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	653,196	(118,269)	534,927
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>653,196</u>	<u>(118,269)</u>	<u>534,927</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	46,134	454,313	500,447
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>46,134</u>	<u>454,313</u>	<u>500,447</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	726,744	(272,431)	454,313
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>726,744</u>	<u>(272,431)</u>	<u>454,313</u>

THE HEATONS ANIMAL RESCUE GROUP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

THE HEATONS ANIMAL RESCUE GROUP

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,956	2,378
Gift aid	-	1,101
Legacies	300	587,530
Grants	<u>-</u>	<u>5,788</u>
	2,256	596,797
Other trading activities		
Fundraising events	50	2,557
Shop, direct donations etc	<u>68,966</u>	<u>53,811</u>
	69,016	56,368
Investment income		
Deposit account interest	<u>2,276</u>	<u>31</u>
Total incoming resources	73,548	653,196
EXPENDITURE		
Charitable activities		
Trustees' salaries	39,406	31,354
Trustees' social security	1,341	1,753
Trustees' pensions paid	1,058	857
Wages	35,858	25,365
Vet fees	42,173	28,194
Cat food, meds & cleaning	26,653	13,435
Sundries	-	1,336
No description	<u>7,673</u>	<u>15,975</u>
	<u>154,162</u>	<u>118,269</u>
Total resources expended	<u>154,162</u>	<u>118,269</u>
Net (expenditure)/income	<u>(80,614)</u>	<u>534,927</u>

This page does not form part of the statutory financial statements