

**RSPCA ESSEX MID & NORTH BRANCH
UNAUDITED FINANCIAL STATEMENTS
31 DECEMBER 2022**

Charity Number : 206799



Edmund Carr LLP
Chartered Accountants
146 New London Road
Chelmsford
Essex
CM2 0AW

RSPCA ESSEX MID & NORTH BRANCH
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

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RSPCA ESSEX MID & NORTH BRANCH
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2022

Reference and Administrative Details of the Charity, its Trustees and Advisors

Registered Charity Name: RSPCA Essex Mid & North Branch

Additional Working Charity Name: RSPCA North Essex Branch

Charity Number: 206799

Principal Address: 116 Harwich Road,
Colchester,
Essex,
CO4 3BZ

Trustees: Julia Byers, Chair 2021 Resigned January 2022
Ruth Jubb, Chair 2022
Joanna Hall Resigned May 2022
Fiona Lawes
Kris Lown
Susan North
Brigitte Swanton Appointed January 2022
Mel Childs Appointed May 2022
Dorothy Lee Resigned January 2022
Jack Simmonds Appointed May 2022
Resigned November 2022

Independent Examiner: S. A. Morrell FCCA,
Edmund Carr LLP,
146 New London Road,
Chelmsford,
CM2 0AW

RSPCA ESSEX MID & NORTH BRANCH

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and the financial statements of RSPCA Essex Mid & North Branch (hereafter referred to as “the Charity”/ “the Branch”) for the year ended 31st December 2022. The Trustees (hereafter referred to as “we”) confirm that the annual report and financial statements of the Charity comply with the current statutory requirements and the requirements of the Charity's governing document.

CHAIR'S REPORT

Effect of Current Economic Downturn and Cost of Living Crisis on the Charity

Many charities, including our branch, have been adversely impacted by the recent economic situation. 2022 saw increasing costs to run the charity throughout the year. This included the increasing cost of key areas such as consumables, utility bills and staffing. The cost-of-living crisis had a direct impact on our staffing costs in particular and this is continuing into 2023. In addition, there is greater demand for our services through the welfare clinics and more demand from members of public looking for support to rehome animals that they are no longer able to care for.

In the past 12 months we worked hard to reduce our cost base as much as possible to improve the profitability of our shops. Shop profit directly supports our rehoming and welfare activities.

Research shows that some members of the public are finding it harder to make charitable donations and they are seeking better bargains for their purchases in charity shops. All of this will gradually trickle through to impact our fundraising activities in the coming months.

Governance Update

a) Progress on Merger between Mid & North Essex

The two former North Essex and Mid Essex branches have been working operationally as one branch since January 2021. During 2022 we worked on the transfer of assets into the newly merged charity, leaving two bank accounts to update and one set of Property Title Deeds to transfer at Land Registry. These will be completed in 2023 as the final step of the merger prior to entry on the Register of Mergers.

b) Legal Name Change

The Charity was officially renamed at the charity commission on 15 February from RSPCA North Essex Branch to RSPCA Essex Mid & North Branch and this is now used on our letter headings, signage, website, social media etc.

c) Incorporation of the Board

We incorporated the Board of Trustees in June 2022. The key purpose of this was to facilitate the signing of documents and remove the need to update documents with each Trustee membership change. It is now possible to have 2 Trustees to sign a document instead of needing all Trustees to sign.

d) Health and Safety

The annual review of Health & Safety was carried out and included the update of information as the Covid restrictions have been relaxed.

e) Staffing

The Board started to implement performance reviews and appraisals for staff towards the end of the year, with work continuing into 2023. In addition, there has been further investment in training with compulsory online training for all staff on specific topics, and one staff member starting a Fundraising Apprenticeship with a view to improving fundraising capability within the branch.

RSPCA ESSEX MID & NORTH BRANCH
TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

f) Gift Aid

With the increasing size of the branch, a gift aid registration was set up and claims made for the previous two years, bringing a further £3,173 income. This will now be claimed annually after the end of the tax year.

CLINICS

The veterinary clinic in Colchester is now working at full capacity and started the planning phase for a new Imaging Suite in late 2022. This was made possible through a generous legacy from the late Jennifer Simpson. This will provide X-Rays and Ultrasound services and will enable our clients to benefit from diagnostics for their pets without needing to visit an external vet. The Chelmsford clinic had some issues with staff availability in 2022 resulting in working below capacity. This is being reviewed and we hope to return to full capacity in the near future.

Our two Clinics are part of welfare activity of the branch and as such are partly funded from the branch. At the end of 2021 the intention was that the branch would fund each clinic with approximately £20,000. Due to the challenges with opening hours and the rising costs of consumables and utilities, the deficit in the clinics for the year was just over £60,000. In December we took the decision to increase our consultation fees. We have kept the increase to a minimum and clients still benefit from greatly reduced costs in comparison to private veterinary clinics.

Retail

Our four charity shops had challenges in 2021 with the partial year of trading due to COVID restrictions. It was clear from quarter one this year that some shops would only make minimal profit in 2022. Therefore, we reviewed our cost base and operational model and implemented various changes throughout the year, including staffing levels. By quarter 4 the impact of rising utility bills was clear and measures have been taken to monitor and control electricity consumption where possible. The four shops made an overall profit of £35,000 for the year which is a great improvement on the previous year. All four shops have worked very hard to find new ways to generate income and we appreciate all their efforts and can see the difference in the profit made. This should improve again in 2023 as some changes were only implemented in Quarter 4 2022. Since the pandemic we have completed more online sales with approximately £2,000 income during the year. In addition to this we started to increase the use of volunteers in shops so that as much money as possible from the shops can be returned to animal welfare. The profit from the shops helps to cover the costs of rescue and rehoming within the branch.

Fundraising

In 2022 the branch started to diversify income streams. In addition to updating our legacy leaflet and selling more goods online, the branch began to consider more active fundraising projects. Several events were held / attended which, in addition to raising funds, raised our presence locally. The Retail Manager started a Fundraising Apprenticeship in Quarter 4 to improve our skillsets in this area. We are hoping that this investment in our staff will have a positive impact on both the individual and the branch income. We work with several charity partners to boost our income streams including Pets at Home in Ipswich, Big Yellow storage in Chelmsford and Pink and Blue Children's Clothing Store in Ipswich. For 2023 there is an initial target of £20,000 profit from fundraising which will help branch funds.

RSPCA ESSEX MID & NORTH BRANCH

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

Trustees

From November 2021, the Branch governance was updated and required a minimum of 5 trustees and not more than 14 trustees, elected at the AGM. If the Branch has vacancies for trustees, these are advertised on the Branch website and through other local sources. Applicants must meet eligibility criteria set out by the Charity Commission and are provided with training and support. Potential trustees are invited to the open section of a Branch meeting where they can see what is involved and ask questions. It also provides the existing trustees with an opportunity to meet new candidates and form an opinion of their suitability.

In selecting trustees, we look at individual specialist skills in order to build a diverse trustee committee with the skill required to govern a successful and efficient Branch. During 2022 we recruited one new trustee with accountancy skills who became our temporary treasurer. Trustee recruitment is continuing in 2023.

The Charity is organised so that the board of trustees vote in order for decisions to be made with a quorum of four trustees for valid decision making. Trustees meet at least six times per year, but continue to meet almost every month through Hybrid meetings. There are occasional face to face meetings of sub groups.

Several Trustees resigned at the last AGM due to changes in their personal lives and their availability. Our thanks go to Jo Hall, Julia Byers, Jack Simmonds and Dorothy Lee for their input whilst they remained as trustees. Dorothy Lee remains as a volunteer for animal welfare. Brigitte Swanton joined us in January 2022, and Mel Childs returned as a trustee at the AGM in May 2022. He has since been re-appointed as treasurer in 2023.

We have many volunteers in our clinics and shops and they make an invaluable contribution to keeping us running and generating income. Many were not able to help during the pandemic when shops were closed, but returned as the shops opened again.

And as a last point, thank you very much to all our dedicated staff and volunteers who have helped immensely during 2022. The Branch could not survive without them.

Ruth Jubb

Ruth Jubb

Chair

RSPCA ESSEX MID & NORTH BRANCH

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

Objectives, Purpose and Activities

The Charity's objectives follow those of the National RSPCA. The primary aim of the branches is to support the animal rescue work of our inspectorate. We additionally support our local communities through the rescue and rehoming of animals, the provision of welfare veterinary clinics and holding various neutering and microchipping events. Our Branch area reaches from Brentwood in the West through to Clacton and Harwich in the East. We support our RSPCA regional inspectors and animal rescue officers by taking in animal welfare cases across this Branch area. There is increasing pressure on our resources to take in and rehome animals such that we have to prioritise the cases, with priority often being given to animals brought in via the inspectorate.

All animals in Branch care receive any necessary emergency veterinary treatment, vaccination, neutering, micro-chipping, flea treatment, and wormer and are assessed for re-homing. The Branch funds this activity, with the boarding and rehoming in 2022 being undertaken through two centres: The Danaher Animal Home in Wethersfield and Nutkins Cattery.

We provide two Welfare Veterinary Clinics to help eligible pet owners care for their pets. Some support is required from other vet practices to perform procedures (such as X Rays) that cannot be performed in our own clinics. We are however investing in an Imaging suite with proceeds from a Legacy from Jennifer Simpson in 2021. The planning phase started in 2022 with the suite expected to be fully functional by mid-2023.

Public Benefit

The trustees monitor our achievements throughout the year to ensure they remain focused on our charitable aims and that we deliver on our benefits to the public.

The two Welfare Veterinary Clinics help qualifying people on lower incomes to care for their pets. In the latter part of 2022, we started to investigate the possibility of increasing the scope of people we are able to help. We also endorse the work and objectives of the National RSPCA by encouraging good care and welfare of animals and by re-homing abandoned or mistreated pets.

Our animal welfare work applies to our Branch area although we do co-operate with other Branches where we are able to. This applies both to the intake of rescue animals and to eligibility for welfare clinics. This is of benefit to the public by helping people care for their animals, so potentially reducing the number of animals that could become strays. Our charitable activities focus on promoting kindness and good welfare which supports several of the current National RSPCA campaigns, and are undertaken both for the animals themselves and for public benefit.

The Branch website went live in 2022 and this provides advice and guidance for the public.

As stated above, boarding and rehoming in 2022 was undertaken through two centres where animals receive the necessary initial veterinary treatment prior to rehoming. This work helps to control the incidence and spread of disease and suffering through vaccination and neutering. We take in lost animals and take steps to reunite them with their owners; this work benefits our local community including local authorities by preventing animals straying and posing a risk to themselves and to people through road traffic accidents. Our neutering schemes help to reduce the incidence of unwanted pets. We respond to enquiries both from the public locally and via the Society's national call centre.

The Branch also offers volunteering opportunities for those who wish to support our work, including Trusteeship, fostering, fundraising and assisting within our shops.

RSPCA ESSEX MID & NORTH BRANCH
TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

Achievements and Performance

The two clinics again saw and treated a similar number of pets as the previous year, with 2022 seen across both clinics. This included 395 neutering operations through the voucher scheme operated in conjunction with Cats Protection at Colchester and Chelmsford. This subsidised voucher scheme generated an income of £11,000 towards the cost of the service, whilst also ensuring the risk of unwanted pets was reduced.

The clinics have continued to benefit from voluntary operating time from Ambivet, for which we are very grateful. In addition, by the end of 2022 we started planning our Snip & Chip clinics again with the first one being held in January 2023. We are extremely grateful to the staff who donated their time on a voluntary basis and our veterinary suppliers who donated the supplies needed. Without their support we may not have been able to provide this service.

Costs have remained a challenge for the clinics and prices charged for Drugs and Veterinary supplies are reviewed regularly, including a small increase in the cost of consultations. The operation of the clinics required an input of £60,000 from the branch to support their welfare activities in 2022.

The four shops made a combined profit of approximately £35,000 in the year and this was used to cover the majority of the rescue and rehoming costs of the branch. Work has continued throughout 2022 to improve profitability as much as possible

During 2022 we started a Partnership with Pets at Home at Ipswich which has presented fundraising opportunities within their shop. Pets at Home also kindly donated several pallets of dog and cat food that helped feed rescue animals. Our partnerships with Big Yellow storage in Chelmsford and Pink and Blue Childrens Clothing in Ipswich are also of benefit to us.

Both Clinics now operate a “Charity Bazaar” where customers can obtain pet food or used pet supplies such as beds and harness for a small donation. This helps to raise funds but also helps those on lower income who have been struggling. By the end of 2022, the Colchester clinic had raised enough money for a Blood Pressure monitor for the clinic.

2022 saw the branch recommence some of its educational talks with presentations to the Cubs and Brownies. Overall, the message for these sessions remains unchanged “To prevent cruelty and promote kindness through awareness and education”.

Our Animal Welfare activities continued to promote responsible pet ownership with neutering and microchipping activities. We started the year with 28 cats and 11 dogs in our care – of which 5 were in long term foster. Throughout the year we rehomed 166 animals. This was a reduction in numbers rehomed compared with the previous year where we rehomed 274. We believe this was due to two factors. First, there were increasing numbers of people trying to give up animals rather than rehome as they were during lockdown, so making it harder to rehome animals. Second, animals were staying longer in our care so reducing the throughput. We also took in several cats from multi-cat households in the year.

We are very grateful for the income the Branch receives, which varies from year to year. These generous donations help support the Branch activities and services we provide. In 2022 we received £68,480 legacy income which was spent / planned to be spent improving the clinical services we are able to offer in the clinics. There were no grants received in 2022.

RSPCA ESSEX MID & NORTH BRANCH
TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

Financial Review 2022

Retail income improved significantly in 2022 with the four shops generating a total of £35,000 profit compared to the loss of £70,000 for the previous year. This has been due to several factors; reducing the cost base, being open all year after the COVID closures, and the tremendous efforts of all shop staff to sell goods both online and through the shops.

The net movement in unrestricted funds for the reporting period was a loss of £83,553 compared with the operating deficit of £180,432 in 2021 after removal of the transfer of assets from RSPCA Mid Essex of £212,546. 2022 saw a legacy of £59,000 from the late Jennifer Simpson which will be used to build an imaging suite in our Colchester clinic.

There were no government grants received during the year.

Work is continuing into 2023 to review costs within our clinics to enable them to continue to provide low-cost support for eligible local pet owners.

Please see the Statement of Financial Activities for more detail.

Reserves Policy 2022

Our reserves policy is to ensure that we retain sufficient funds to cover approximately three months of salaries plus outstanding shop leases and any associated costs at any one time (approximately £350,000). We have a designated contingency reserve of £150,000 so require free reserves (net current assets less restricted and designated funds) of £200,000 in order to meet our target. As at 31 December 2022 free reserves totalled £152,369, however a legacy received in Quarter 1 2023 has enabled us to meet our target reserves at the date of this report.

As trustees we are aware of our responsibilities to the Charity and consider these prior to making financial decisions that may or may not have an impact on the Charity's financial position. Our financial position and our reserves policy are regularly reviewed.

Structure, Governance and Management

RSPCA Essex Mid & North is an unincorporated charitable association and a separately registered Branch of the national RSPCA body (the Society). We are governed by the RSPCA Branch Rules (2012 edition) and this applies to all RSPCA Branches. The majority of assets have been transferred from the former mid Essex charity to the current charity, with remaining assets being transferred in early 2023.

The Branch receives support and advice from the National RSPCA and in many years an annual donation of "door to door" money. Apart from this, all other funds are self-generated, or via the Branch Legacy Scheme.

In 2022 the merged Branches received £69,544 door to door money and legacy income from the late Oswald Buckenham of £9,480 and the late Jennifer Simpson of £59,000. These monies are being spent on various items of veterinary equipment and a new Imaging Suite at the Colchester Clinic

This report was approved by the Trustees onand signed on their behalf by:

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Ruth Jubb, Chair

RSPCA ESSEX MID & NORTH BRANCH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

YEAR ENDED 31 DECEMBER 2022

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022 which are set out on pages 9 to 21.

Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 charity 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.

Sandra Morrell FCCA
146 New London Road
Chelmsford
CM2 0AW

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RSPCA ESSEX MID & NORTH BRANCH
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	2	109,854	59,000	168,854	110,252
Charitable activities	3	192,867	-	192,867	204,143
Other trading activities	4	449,344	-	449,344	272,281
Investments	5	5,165	-	5,165	5,415
Government grants		-	-	-	94,651
Transfer of assets on merger		-	-	-	212,546
TOTAL INCOME		<u>757,230</u>	<u>59,000</u>	<u>816,230</u>	<u>899,288</u>
EXPENDITURE ON:					
Raising funds	6	414,910	-	414,910	389,018
Charitable activities	7	425,873	-	425,873	478,156
TOTAL EXPENDITURE		<u>840,783</u>	<u>-</u>	<u>840,783</u>	<u>867,174</u>
Net income before investment movements		(83,553)	59,000	(24,553)	32,114
NET GAINS/(LOSSES) ON INVESTMENTS		(7,910)	-	(7,910)	20,097
NET INCOME / (EXPENDITURE)		<u>(91,463)</u>	<u>59,000</u>	<u>(32,463)</u>	<u>52,211</u>
NET MOVEMENT IN FUNDS					
Reconciliation of funds:					
Total Funds brought forward		734,015	-	734,015	681,804
Total Funds carried forward		<u>642,552</u>	<u>59,000</u>	<u>701,552</u>	<u>734,015</u>

All income and expenditure in the prior year was unrestricted

The charity has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 12 to 21 form part of these financial statements.

RSPCA ESSEX MID & NORTH BRANCH
BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022	2021
	Note	£	£
FIXED ASSETS			
Tangible assets	12	198,230	196,675
Investments	13	141,953	149,863
		<u>340,183</u>	<u>346,538</u>
CURRENT ASSETS			
Stocks		28,657	27,348
Debtors	14	114,409	149,667
Cash at bank and in hand		339,249	272,695
		<u>482,315</u>	<u>449,710</u>
CREDITORS: Amounts falling due within one year	15	<u>(120,946)</u>	<u>(62,233)</u>
NET CURRENT ASSETS		361,369	387,477
NET ASSETS		<u>701,552</u>	<u>734,015</u>
FUNDS OF THE CHARITY			
Restricted funds	16	59,000	-
Unrestricted funds			
Designated funds	17	150,000	150,000
General unrestricted funds	17	492,552	584,015
Total unrestricted funds		<u>642,552</u>	<u>734,015</u>
TOTAL CHARITY FUNDS		<u>701,552</u>	<u>734,015</u>

These financial statements were approved by the Trustees on and are signed on their behalf by:

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Ruth Jubb
Chair

The notes on pages 12 to 21 form part of these financial statements.

RSPCA ESSEX MID & NORTH BRANCH
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2022

	Notes	Total 2022	Total 2021
		£	£
Net movement in funds for the reporting period (as per the statement of financial activities)		(32,463)	52,211
Adjustments for:			
Depreciation charges	12	8,282	10,818
Dividends, interest and rent from investments	5	(5,165)	(5,415)
(Increase) / decrease in debtors	14	35,258	(108,134)
Increase / (decrease) in creditors	15	58,713	17,492
(Increase) / decrease in stock		(1,309)	(11,920)
(Gains)/losses on investments	13	7,910	(20,097)
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities		<u>71,227</u>	<u>(65,045)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments	5	5,165	5,415
Purchase of fixed assets	12	(9,978)	(12,818)
Fixed asset disposals		140	-
Net cash provided by / (used in) investing activities		<u>(4,673)</u>	<u>(7,403)</u>
Change in cash and cash equivalents in the reporting period		66,554	(72,448)
Cash and cash equivalents brought forward		272,695	345,143
Cash and cash equivalents carried forward		<u>339,249</u>	<u>272,695</u>

The notes on pages 12 to 21 form part of these financial statements.

RSPCA ESSEX MID & NORTH BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Basis of preparation

RSPCA North Essex Branch constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

RSPCA ESSEX MID & NORTH BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2022

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Tax status

RSPCA Essex Mid & North Branch is a registered charity and is not subject to corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Fixed assets, other than freehold property, are shown at cost or, if donated, at their value on the date of the gift, less accumulated depreciation. Depreciation is provided at rates calculated to write off their cost or value, less their estimated residual value over their estimated useful lives on the following basis.

Freehold property improvements	- 10 years straight line
Leasehold improvements	- 3 to 15 years straight line depending on lease requirements length of lease and useful economic life of improvements
Motor vehicles	- 4 years straight line
Equipment	- 5 years straight line

Freehold property is recorded in the accounts at cost. No depreciation is provided on freehold property as the charity has a policy and practice of regular maintenance and refurbishment which maintains the value.

Investments

Investments are stated at market value. Realised gains and losses on disposals and unrealised gains or losses when the investments are revalued at the year end are reflected in the Statement of Financial Activities.

Stock

Stock purchased for sale in the shops or use at the clinic is valued at cost.

RSPCA ESSEX MID & NORTH BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2022

Debtors

Trade and other debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash at Bank and in hand

Cash and cash equivalents comprise cash on hand and deposits.

Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Defined contribution pension plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted funds for specific future purposes or projects.

Restricted funds – these are funds that 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.

RSPCA ESSEX MID & NORTH BRANCH**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 DECEMBER 2022****2. DONATIONS AND LEGACIES**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and subscriptions	100,374	-	100,374	104,252
Legacies	9,480	59,000	68,480	6,000
	<u>109,854</u>	<u>59,000</u>	<u>168,854</u>	<u>110,252</u>

The estimated value of legacies notified but neither received nor accrued into income (as they do not meet the SORP recognition criteria) at 31 December 2022 is £325,000.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Fees and receipts at clinic	192,867	-	192,867	203,057
Rehoming fees	-	-	-	1,086
	<u>192,867</u>	<u>-</u>	<u>192,867</u>	<u>204,143</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Shop income	449,344	-	449,344	272,281
	<u>449,344</u>	<u>-</u>	<u>449,344</u>	<u>272,281</u>

5. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Bank interest	1,393	-	1,393	889
Income from UK listed investments	3,772	-	3,772	4,526
	<u>5,165</u>	<u>-</u>	<u>5,165</u>	<u>5,415</u>

RSPCA ESSEX MID & NORTH BRANCH**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 DECEMBER 2022**

6. COSTS OF RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Shop costs	<u>414,910</u>	<u>-</u>	<u>414,910</u>	<u>389,018</u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support & governance costs (Note 8) £	Total Funds 2022 £	Total Funds 2021 £
Branch and clinic expenditure	<u>363,672</u>	<u>62,201</u>	<u>425,873</u>	<u>478,156</u>
	<u>363,672</u>	<u>62,201</u>	<u>425,873</u>	<u>478,156</u>
<i>Total 2021</i>	<i>413,050</i>	<i>65,106</i>	<i>478,156</i>	

8. ANALYSIS OF SUPPORT COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Premises	19,764	-	19,764	22,035
Telephone, postage and stationery	5,163	-	5,163	5,160
Miscellaneous expenses	16,945	-	16,945	13,427
Depreciation	3,755	-	3,755	6,763
Governance costs (Note 9)	16,574	-	16,574	17,721
	<u>62,201</u>	<u>-</u>	<u>62,201</u>	<u>65,106</u>

RSPCA ESSEX MID & NORTH BRANCH**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 DECEMBER 2022**

9. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Independent examination	890	-	890	880
Accounts preparation	2,610	-	2,610	5,473
Fees payable to Independent Examiner	3,500	-	3,500	6,353
Bookkeeping and payroll fees	933	-	933	262
Legal fees	7,020	-	7,020	3,272
Consultancy	5,121	-	5,121	6,812
HR support and advice	-	-	-	1,022
Total governance costs	<u>16,574</u>	<u>-</u>	<u>16,574</u>	<u>17,721</u>

10. ANALYSIS OF STAFF COSTS

	2022 £	2021 £
Wages and salaries	454,932	450,702
Social security costs	30,514	29,001
Pension costs	11,152	12,198
	<u>496,598</u>	<u>491,901</u>

None of the employees' emoluments exceeded £60,000.

The average number of employees during the year, by head count was 29 (2021: 27)

The remuneration benefits of key management personnel in the year totalled £40,628 (2021 - £39,663).

11. TRUSTEE REMUNERATION

No trustee or any person connected with them received any remuneration for their services during the current or preceding year.

One trustee received expenses totalling £64 in the current year (2021 - £0)

RSPCA ESSEX MID & NORTH BRANCH**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 DECEMBER 2022**

12. TANGIBLE FIXED ASSETS

	Freehold property and improvements £	Leasehold improvements £	Equipment £	Total £
Cost				
At 1 January 2022	180,594	28,261	59,071	267,926
Additions	1,874	-	8,104	9,978
Disposals	-	-	(141)	(141)
At 31 December 2022	<u>182,468</u>	<u>28,261</u>	<u>67,034</u>	<u>277,763</u>
Depreciation				
At 1 January 2022	8,460	23,321	39,470	71,251
Charge for year	256	1,794	6,246	8,296
On disposals	-	-	(14)	(14)
At 31 December 2022	<u>8,716</u>	<u>25,115</u>	<u>45,702</u>	<u>79,533</u>
Net book value				
At 31 December 2022	<u>173,752</u>	<u>3,146</u>	<u>21,332</u>	<u>198,230</u>
At 31 December 2021	<u>172,134</u>	<u>4,940</u>	<u>19,601</u>	<u>196,675</u>

Freehold property is recorded in the accounts at cost. This includes the Harwich clinic with a value of £172,333. The most recent valuation of this property, carried out on 4 February 2020, was £200,000 on a market value basis.

13. INVESTMENTS

	2022 £	2021 £
Listed investments:		
Market value at 1 January	149,863	129,766
Net gains/(losses) on revaluation	(7,910)	20,097
Market value at 31 December	<u>141,953</u>	<u>149,863</u>
Historical cost	97,041	97,041

RSPCA ESSEX MID & NORTH BRANCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

14. DEBTORS	2022	2021
	£	£
Prepayments and accrued income	104,173	136,374
Other debtors	10,236	13,293
	<u>114,409</u>	<u>149,667</u>

15. CREDITORS: Amounts falling due within one year	2022	2021
	£	£
Trade creditors	11,702	40,834
Accruals	3,000	4,080
Taxation and social security	3,721	8,289
Other creditors	102,523	9,030
	<u>120,946</u>	<u>62,233</u>

16. RESTRICTED FUNDS

	Movement in funds			
	Balance at 01/01/2022	Income	Expenditure	Balance at 31/12/2022
	£	£	£	£
a) Restricted legacy	-	59,000	-	59,000
	<u>-</u>	<u>59,000</u>	<u>-</u>	<u>59,000</u>

a) A legacy of £59,000 to help fund the cost of a new X-ray imaging suite.

Prior year restricted funds movement:

	Movement in funds			
	Balance at 01/01/2021	Income	Expenditure	Balance at 31/12/2021
	£	£	£	£
Restricted legacies	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

RSPCA ESSEX MID & NORTH BRANCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

17. UNRESTRICTED FUNDS

	Movement in funds			
	Balance at 01/01/2022 £	Income £	Expenditure £	Gains, losses & transfers £
Designated funds				
Contingency reserve	150,000	-	-	-
	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
General funds				
General fund	584,015	757,230	(840,783)	(7,910)
	<u>584,015</u>	<u>757,230</u>	<u>(840,783)</u>	<u>(7,910)</u>
	<u>734,015</u>	<u>757,230</u>	<u>(840,783)</u>	<u>(7,910)</u>

The trustees have designated funds to cover running costs, salaries and potential redundancies.

Prior year unrestricted funds movement:

	Movement in funds			
	Balance at 01/01/2021 £	Income £	Expenditure £	Gains, losses & transfers £
Designated funds				
Contingency reserve	150,000	-	-	-
	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
General funds				
General Fund	531,804	899,288	(867,174)	20,097
	<u>531,804</u>	<u>899,288</u>	<u>(867,174)</u>	<u>20,097</u>
	<u>681,804</u>	<u>899,288</u>	<u>(867,174)</u>	<u>20,097</u>

RSPCA ESSEX MID & NORTH BRANCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

18. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

Current year:

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	198,230	-	-	198,230
Investments	141,953	-	-	141,953
Net current assets	152,369	150,000	59,000	361,369
	<u>492,552</u>	<u>150,000</u>	<u>59,000</u>	<u>701,552</u>

Prior year:

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	196,675	-	-	196,675
Investments	149,863	-	-	149,863
Net current assets	237,477	150,000	-	387,477
	<u>584,015</u>	<u>150,000</u>	<u>-</u>	<u>734,015</u>

19. RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

20. OPERATING LEASES

Total rental payments due under operating leases in respect of land and buildings are as follows:

	2022 £	2021 £
Within 1 year	-	2,475
Within 2 to 5 years	-	-
	<u>-</u>	<u>2,475</u>

RSPCA ESSEX MID & NORTH BRANCH
MANAGEMENT ACCOUNTS
YEAR ENDED 31 DECEMBER 2022

The following pages do not form part of the statutory financial statements

RSPCA ESSEX MID & NORTH BRANCH
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2022

	2022 £	2022 £	2021 £	2021 £
INCOME				
Subscriptions, donations and grants	100,374		104,252	
Legacies	68,480		6,000	
Government grant income	-		94,651	
Interest and investment income	5,165		5,415	
Clinics	192,867		203,057	
Shops	449,344		272,281	
Rehoming fees	-		1,086	
Transfer of assets from RSPCA Mid Essex	-		212,546	
Total income		816,230		899,288
EXPENDITURE				
Charitable activities - Branch and clinic				
Animal boarding and welfare	48,487		71,968	
Veterinary costs	5,165		21,391	
Other clinic costs	56,552		67,777	
Salaries and payroll expenses	247,965		245,617	
Motor and travel expenses	5,503		6,297	
		363,672		413,050
Support costs				
Maintenance, rent, rates, insurance, refuse and cleaning	15,214		19,888	
Telephone, computer, postage and stationery	5,163		5,160	
Electricity	4,550		2,147	
Staff training	145		1,846	
Bank and credit card charges	3,874		4,651	
Miscellaneous expenses	6,168		95	
Professional and accountancy	16,574		17,721	
Subscriptions	6,679		6,441	
Recruitment	79		394	
Depreciation	3,755		6,763	
		62,201		65,106
Total branch and clinic costs		425,873		478,156
Raising Funds				
Goods purchased for resale	33,042		27,520	
Shop staff salaries and payroll costs	248,633		246,284	
Shop rent	66,325		62,296	
Other shop costs	66,910		52,918	
		414,910		389,018
Total expenditure		840,783		867,174
NET INCOME/(EXPENDITURE)		(24,553)		32,114
Gains/(losses) on investment assets		(7,910)		20,097
Total Funds brought forward		734,015		681,804
Total Funds carried forward		701,552		734,015

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Signature 1

Signed by Ruth Jubb using authentication code TEkpLj5haFxFxcnBE at IP address 92.18.28.41, on 2023/06/12 21:36:01 Z.

Ruth Jubb's e-mail address is: ruth.jubb@rspca-northessex.org.uk.

Ruth Jubb added the following comments:

"Approved at AGM June 2023"