

Charity Registration No. 224337

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
LLYS NINI BRANCH - CARDIFF TO SWANSEA**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

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ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The RSPCA Llys Nini Branch is an unincorporated charitable association and a separately registered branch of the Royal Society for the Prevention of Cruelty to Animals (the Society), carrying out its direct animal welfare work in the unitary authorities of Swansea, Neath Port Talbot, Bridgend, some areas within Rhondda Cynon Taf Powys and Cardiff. However, when able, it takes in animals from the whole of South and West Wales.

The objects of the Branch are to promote the work and objects of the Society - to promote kindness and to prevent or suppress cruelty to animals by all lawful means - with particular reference to the area of the Branch, in accordance with the policies of the Society.

The aim of the branch is to provide a committed welfare service to both domestic and wildlife animals in the South Wales area – to rescue, rehabilitate and rehome as many animals that need our assistance following neglect, mistreatment or who are unwanted in the home. We endeavour to promote responsibility for animals and environment through the education of children via school visits.

In order to meet its aims and objectives, the branch operates from a 78-acre farmland on the outskirts of Swansea, with facilities to provide the care for animals brought into the centre. The capacity of the centre is 57 dogs and 102 cats, 100 miscellaneous plus pups and kittens at any one time. The facilities allow the animals to be provided with the peace and tranquillity they often require as they go through rehabilitation. The branch works closely with the local RSPCA inspectorate providing the support and space for them to provide their services. The branch also works closely with St James Veterinary Group to provide its veterinary services for the branch animals and also works with a number of volunteers to help with the animals at the Centre, in the shops and out on the site, providing much needed hands-on experience and assistance.

Meeting the public benefit reporting requirement of the Charities Act

The trustees have reviewed the outcomes and achievements of the objectives and activities for the year, to ensure they remain focused on the charitable aims, and continue to deliver benefits to the public. In deciding what activities the Branch should undertake, the trustees have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act 2006 indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole. Whilst this public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment.

The Branch's animal welfare work, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. All the charitable activities, as described in more detail in the following pages of this report, focus on promoting kindness and preventing or suppressing cruelty to animals and are undertaken to further these purposes for the public benefit.

The opportunity for free use of the Llys Nini site to the local and wider community, and our partnership working with other agencies in the delivery of educational opportunities and volunteering and training for people at risk of social exclusion, in addition to our environmental work, demonstrates our commitment to being a holistic charity.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

As an active RSPCA Branch, we support our local Inspectors by taking in mistreated or abandoned animals, including pets whose owners suffer ill health or financial difficulties or pass away.

The Branch provides subsidised veterinary treatment for animals which are sick or injured and who belong to branch area people on low incomes through a voucher scheme. Subsidised neutering and micro-chipping of cats is also provided for those in the Branch area on low incomes working in collaboration with the Cats' Protection. This work helps to control cat populations through neutering and benefits those on means tested benefits by giving them financial help to neuter and microchip cats, thereby promoting responsible pet ownership.

Animals in our care receive veterinary treatment, vaccination, neutering, micro-chipping and are assessed for re-homing. This work helps to control the spread of disease and suffering.

The Branch re-homes animals in need to people willing and able to have a companion animal. Whilst we recognise that companion animals provide measurable benefits to people's physical and mental health, we consider the provision of pets as subsidiary to the main charitable aim of this service, which is to reduce animal suffering. Our policy to charge a reasonable adoption fee for animals aims to highlight the on-going personal and financial commitment of pet ownership. It would not be in the best interests of animals, and therefore would fall outside our objects, to re-home to those who could not afford them.

The Branch also provides, free of charge, advertising of lost and found animals and, through our Facebook and Twitter accounts, takes steps to reunite them with 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.

The Branch responds to enquiries from the public about animals locally.

The public benefits from knowing that we can intervene to assist animals in need; offer free animal care advice on the phone, and on our website; promotion of responsible pet ownership.

We provide volunteering and training opportunities for those who wish to support our work, which benefits local people and companies by providing the possibility of doing work which is compassionate and rewarding in addition to learning new skills.

We recycle and reuse hundreds of kilos of unwanted textiles and other materials that would otherwise go to landfill. We provide good quality low cost clothing and household items to the public through our shops and also provide, free of charge, essential clothes and when available other items to rough sleepers and homeless people through the appropriate agencies.

Achievements and performance

2020 was a challenging year indeed. The Welsh Government-imposed restrictions meant that our shops were closed for over 5 months, the Animal Centre was closed to the public and volunteers for over 6 months and all fundraising events were cancelled. Despite this, Llys Nini remained operational throughout the year, but on a much reduced capacity due to the inability to rehome for a number of months, and the limited number of animals actually coming into the Centre due to the Inspectorate work levels also falling as they were unable to make visits to the public. For much of 2020, Llys Nini operated a "virtual rehoming system" – potential adopters could view animals online only, vetting of potential new owners was done virtually, and animals were delivered to new owners for part of the year by our staff.

Whilst the shops were closed, all shop staff and shop related staff were put onto the furlough scheme. Because of this scheme, we were able to keep our valued staff members on until such time the shops were allowed to open. Sadly, due to the reduced numbers of animals in our care we had to make some of our workers redundant – in the main, our casual workers. A small number of centre staff were also placed on furlough.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

When the shops reopened, risk assessments were prepared and guidance from the Charity Retail Association and the Welsh Government were followed. The staff were also consulted as to what it was that they felt was important in keeping themselves safe at work. A similar process was also taken with the Animal Centre in conjunction with the RSPCA guidelines and Animal Centre Staff.

Llys Nini accepted 337 animals, most of whom had been rescued by RSPCA inspectors and were in poor health. By December, the dedicated staff nursed the majority of them back to health and had re-homed 381 of them. Llys Nini continues to provide welfare assistance throughout the branch area via a voucher scheme. Llys Nini has helped 367 animals by means of welfare assistance and a further 189 animals via the chipping and neutering schemes in place.

It is the branch's policy that no healthy and re-homeable animal is euthanised.

The branch has continued to work with the Cats Protection and have neutered a large number of cats within the Branch area. The scheme offers neutering and micro-chipping to cats belonging to people on low incomes. There has also been a high-profile advertising campaign via social media to promote this scheme. The Cat neutering programme this year saw 1,030 cats neutered and microchipped within the branch area.

The St James Veterinary Clinic on our site continues to be a huge help to the branch, cutting down on costs and has been much better for the animals needing the Vet treatments or check-ups.

In 2015 the branch was awarded grants from The Big Lottery and Natural Resources Wales. This work on site ended in 2018 with the branch working closely with the Swansea Council Conservation Team to develop otter and amphibian ponds, bird and insect areas and a reptile sanctuary and nature has taken its course. We now regularly have evidence of otters, kingfishers, heron, bats and owls visiting our site.

The funding allowed us to develop and conserve habitats on the Llys Nini site as well as the construction of paths and boardwalks so that people can come and enjoy the green spaces. The Safeguarding Officer has also continued working with people with disabilities when allowed this year, helping them to contribute to the development of the site and the wildlife. The site has also been awarded a Community Green Flag Award for a fifth year. Our wildlife hide sponsored by Tesco's "Bags of help" is a good place to view the wildlife on the pond.

During the year, new environmental legislation required Llys Nini to upgrade its Effluent Plant at a significant cost. The old reed bed was coming to the end of its life and if we wanted to continue with the re-homing facilities then we just had to replace. Significant grant funding was obtained from Moondance Foundation and the Lottery Awards for All to cover part of the costs, for which we are most grateful.

A new visitors toilet block was also erected in early March 2020 to increase the facilities for our increasing visitors to the site.

This year, the number of volunteers has been drastically affected with only a limited number of volunteers being allowed to work on site due to the Covid restrictions – cat socialising, dog walking, fundraising preparation.

The majority of our fundraising events were also cancelled this year. However, our fundraising team have worked tirelessly in innovative ways to raise the much needed funds – virtual dog walks, virtual cat and dog shows, virtual pumpkin carvings, promoting our Safe Haven Scheme and social media fundraising, to name but a few.

Another good thing that has come out of the Covid restrictions is that our marquee has been used as a charity shop stock holding centre. Instead of the expensive trawling process, the supportive public have been delivering their donations to the Animal Centre for onward distribution to the shops for resale. It has been at times too successful, where donation levels have been full to bursting but we are again very grateful for the support.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees of RSPCA Llys Nini would like to record their gratitude to all branch staff, volunteers, supporters and partner organisations. The Branch is a voluntary organisation and without this level of mutual support would not be able to function for the benefit of people and animals.

Financial review

The Branch's results for the year are set out on the Statement of Financial Activities on page 15.

The Branch has resulted a surplus of £659,282 (2019: surplus £122,648) recorded for the year. The surplus is largely due to an increase in legacy income.

Income

Donations and gift aid income has increased from the previous year from £144,519 to £167,530.

Legacy income has increased on the previous year from £102,057 to £510,817. Legacy income is an unpredictable source of income, but from which the branch has benefited greatly over the past few years.

The Trustees have continued to obtain various grants to support the work they are undertaking at Llys Nini, such as, promoting the site for educational, environmental and heritage purposes and to subsidise staff costs and capital expenditure on certain projects. Retail Support Grants and the Coronavirus Job Retention Scheme grants were offered by the Welsh Government particularly when the shops were forced to close and has helped significantly.

Income from the charity shops has decreased significantly due to the shops being closed for a significant amount of the year due to Welsh Government imposed Covid-19 restrictions.

Money market income has increased due to the levels of investments held but the poor market conditions have resulted in poor interest rates return on the deposits held and low dividends received.

The movement in unrealised gain (where market value is higher than actual cost) amounted to £27,356 (2019: £96,846). Realised gains (where investments were sold) amounted to £53,962 (2019: £34,397).

During the year, the charity did not dispose of any assets and therefore made no profit on disposals (2019: £1,500).

Income generated from other activities included rent from the Veterinary Clinic, Groomers, Beekeepers and Wildflower sites together with the rent for the solar field.

Many virtual events were held during the year for fundraising – Mutts Struts, Dog shows, Pumpkin carving and other virtual events together with promoting the Safe Haven scheme and social media, all which have helped to raise income totalling £192,314 (2019: £113,817).

Expenditure

Salaries continue to be the main category of charitable expenditure; £425,161 (2019: £389,459) for the direct caring of animals and the environment; £384,280 (2019: £411,193) for the shop workers and administration of shops and £39,205 (2019: £41,280) for fundraising team. Salaries of the Branch Executive and Finance manager are allocated per proportion of their time covering the areas of the branch activities.

Support costs include charges by HQ to cover the legal & administrative costs relating to the legacy income.

The charity generated an unrestricted surplus (excluding gain on investments) of £597,566 for the year ended 31 December 2020 (2019: deficit of £28,008).

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Investment policy

The policy of investing in equities and fixed interest securities remains unchanged with the investment managers – Watermark Financial Planning managing the main fund with Old Mutual Wealth. Barclays Portfolio Investment managers manage the Barclays portfolio. Trustees are forwarded regular reports of how well the investments are performing in order to make informed decisions on the investments held.

The trustees review the investment policy annually with a view to diversifying and obtaining the best possible return at manageable risk with restrictions placed upon the funds being invested in anything detrimental to the environmental & animal welfare.

The investments analysis, valuation and costs are shown in note 15.

Deposit accounts are also held with Barclays Wealth, Swansea Building Society and Monmouthshire Building Society on shorter term deposit terms.

Principal funding sources

One of the main sources of funding is through adoptions and re-homing income. The branch also raises funds from the operation of 12 charity shops within the branch area in order to support its charitable activities. In addition, it raises rental income from various properties it owns and all funds are returned to the branch to support its activities.

Various fundraising activities throughout the year help raise the profile and raise funds for the branch.

Reserves policy

The Trustees regularly review the reserves held of the charity. They have reviewed both the income and expenditure of a fixed and variable nature. Their findings are that to allow the branch to operate efficiently and to enable adequate resources to meet their commitments they consider free reserves of at least £500,000 should be maintained. This is equivalent to approximately three months of unrestricted expenditure. The branch has met with this policy at year end with free reserves totalling £2,118,847 (2019: £1,432,570).

Contribution made by volunteers

The Charity is both dependent upon and much appreciative of the work that the many volunteers do on behalf of the branch. Usually a large number of the volunteers give freely of their time to support many of the day to day duties of the branch such as dog walking, dog and cat socialising, working on the reception assisting in the facilitating re-homing of the animals in care, administrative duties, volunteering in the charity shops, volunteering to work on environmental projects, and of course raising the profile of the branch through fundraising. This has been restrictive this year but will hopefully not be the case for much of 2021. The trustees appreciate the continued support of all volunteers.

Trustees of the branch are required to be members of the Branch.

Plans for future periods

The trustees are committed to provide animal welfare services at Llys Nini and to operate welfare assistance schemes throughout the extended branch area.

In order to maximise income generation, the charity plans to continue to manage its land for biodiversity and to develop a "green" visitors' attraction. These plans will use none of the charity's funds but will rely on money from other sources, including various grants.

The Trustees are committed to the Environmental work on the site and are working with a number of organisations such as Forest Schools to encourage the young people to enjoy the wildlife. The Swansea Bee Society also continues to work on site. Celtic Wildflowers is using the Centre as a location in which to grow native wildflower plants and trees, which in itself will be a benefit to the wildlife at the Centre. We continue to look at other organisations to work with to use the land for the benefit of the environment.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees also seek to increase revenue generated from its shops operation by making its existing shops more profitable and efficient and potentially looking for further shops to invest in.

Work building up awareness in the Cardiff area is slow in developing. There is still an interest in setting up a rehoming centre in Cardiff but this is being hindered by the lack of suitable and affordable property.

In 2020 the branch area increased further to include SA9 part of the Brecknock & District branch.

When the Covid restrictions are lifted, we anticipate that life can come back to some sort of "Normality" – real life events can take place, public back on site for the trails. There are of course aspects of a virtual life that have proved to be successful – holding virtual Trustee meetings has shown that more Trustees meet on a regular basis and have been very successful and effective meetings.

Structure, governance and management

Governing Document

The organisation is an unincorporated charity, registered with the Charity Commission on 21 August 1963, and operates as an autonomous branch of the RSPCA, subject to its rules for branches (as updated in 2012).

In August 2016 the Trustees obtained an order from the Charity Commission to incorporate the charity trustees as a body incorporate under the power given in section 251 of the Charities Act 2011. This means that all property of the charity is transferred to the incorporated body. Its governing document encompasses the rules adopted on 18 February 2009 as amended on 8 April 2017.

Recruitment and Appointment of Management Committee

The charity is governed by a minimum of 7 to a maximum of 14 Trustees, appointed annually by way of a members' ballot, which is held at the Annual General Meeting. All trustees are briefed on their responsibilities as Trustees by the Chair of Trustees and have access to the online Trustee Handbook and RSPCA guidelines together with the appropriate Charity Commission publications. There is no requirement for trustees to retire by rotation.

All trustees are deemed to be "fit and proper persons" and eligible to be trustees of RSPCA Llys Nini.

Organisational Structure

The trustees hold monthly meetings at which decisions on policy and practice are made. The day-to-day running of the Animal Centre is delegated to the Animal Centre Manager, and the day-to-day running of the shops is delegated to the Area Shop Manager and to the individual shops' managers. The Branch Executive and the Finance Manager are the lead professionals, line managing the middle management team and, with the Chair, managing the running of the branch as a whole.

A register of Trustee interests is maintained at the branch and is available to the public for review.

Pay policy for Key Management Personnel

The trustees consider that the senior management team, comprised of the key management personnel of the charity, are in charge of directing and controlling, running and operating the branch on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustee expenses, key management personnel and related party transactions are disclosed in note 11 and 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees' benchmark against pay levels in other charities of a similar size and operating in the same sector. The remuneration is benchmarked using market data which is readily available.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Related Parties

The branch is affiliated to the RSPCA. It also co-operates and liaises with a number of other organisations to achieve its objectives on a broader level, such as Cats Protection, Dogs' Trust, WCVA , Swansea Council Conservation Team. It also works closely with St James Veterinary Practice.

Risk Management

Trustees actively review the risks that the charity faces on a regular basis, including operational and financial reviews and have established systems to mitigate the significant risks, which they have identified as:

- an inability to operate the Animal Centre and other Animal Welfare Services through lack of funds;
- an inability to operate the Animal Centre due to fire or other destruction;
- an inability to operate the shops due to fire or other destruction;
- a loss of reputation through error or fraud;
- an inability to operate as a branch due to a future potential lack of trustees;
- reliance upon a limited number of individuals to undertake duties.
- reliance on donations/donated goods for main source of income.
- Shutdown on all fundraising opportunities.

Trustee and Management regularly review the major risks to which the charity is exposed bringing attention to newly identified exposures. Procedures are in place to ensure compliance Health & Safety requirements relating to staff, trustees, volunteers and visitors to the premises. A safeguarding officer has also been appointed.

The Llys Nini Branch is an independently registered charity affiliated to the RSPCA. The Branch is responsible for the Llys Nini Animal Centre and raises all the running costs for the Centre itself.

Fundraising

RSPCA Llys Nini do not engage with professional fundraisers to act on our behalf to actively fundraise. They do however partner up with the RSPCA who undertake a door to door committed giving scheme on behalf of both charities. The RSPCA takes full responsibility and manages this operation. They are members of the Association of Fundraisers and abide by their code of practice.

There has not been any instance of failure by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed.

RSPCA Llys Nini has utilised the digital advertising via social media and has employed an agent to facilitate this process.

There are occasions when individuals will use social media platforms to fundraise on behalf of RSPCA Llys Nini. The administrators of our social media platforms regularly monitor activities on the social media to validate their activity. If not appropriate then they will be removed.

In order to protect vulnerable people and other members of the public, RSPCA Llys Nini does not undertake cold calling or chugging, and therefore do not make first contact with anyone to donate to the charity. All subscribers' details are kept in compliance with GDPR.

Limited bucket collections are performed but with the necessary licences required from the local councils. All donations are made freely and no pressure applied for donations. All collectors work in pairs to protect each other and the public.

There have been no complaints received by the charity or by a person acting on its behalf for the purpose of fundraising or about fundraising activity.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reference and administrative details

Registered charity name	Royal Society for the Prevention of Cruelty to Animals, Llys Nini Branch - Cardiff to Swansea
Known as	RSPCA, Llys Nini Branch - Cardiff to Swansea
Charity number	224337
Principal office	Llys Nini Animal Centre Penllergaer Swansea SA4 9WB
President	Martin Trainer
Vice Presidents	Joe and Lacey Allen Kevin Johns
Trustees	Sally Hyman (Chair) Jill Fordham (Vice Chair) Claire Chappell (Secretary) Nathan Morris (Treasurer) Catherine Thomas Jean Rawlings Rev Stephen Jenkyns Rev Elaine Jenkyns Rebecca Miles Patricia Flint - Resigned 29/09/2020 Deirdre Magoris Robert Davies
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers and portfolio managers	Barclays Bank Plc 70 The Kingsway Swansea SA1 5JB
Investment advisors	Watermark Financial Planning 1st Floor 98 Walter Road Swansea SA1 5QJ
Legal advisors	JCP Solicitors

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Swansea Enterprise Park
Venture Court
Waterside Business Park
Valley Way
Swansea
SA6 8AH

Key management personnel

Mr David Stokes - Branch Executive
Mrs Claire Phillips - Finance Manager
Mr Gary Weeks - Animal Centre Manager
Mrs Kim Williams - Area Shop Manager

The trustees report was approved by the Board of Trustees.



S Hyman

Chair

Dated: 22/5/21.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements 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 of the charity for that year.

In preparing these financial statements, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

Opinion

We have audited the financial statements of Royal Society for the Prevention of Cruelty to Animals, Llys Nini Branch - Cardiff to Swansea (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
LLYS NINI BRANCH - CARDIFF TO SWANSEA**

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**TO THE TRUSTEES OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO
ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Azets Audit Services

03-06-2021

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>							
Donations and legacies	3	678,347	-	678,347	246,576	-	246,576
Charitable activities	4	383,189	196,135	579,324	147,381	81,908	229,289
Other trading activities	5	689,683	-	689,683	1,055,505	-	1,055,505
Investments	6	7,711	-	7,711	6,761	-	6,761
Other income	7	22,505	-	22,505	1,500	-	1,500
Total income		1,781,435	196,135	1,977,570	1,457,723	81,908	1,539,631
<u>Expenditure on:</u>							
Raising funds	8	707,816	-	707,816	836,626	-	836,626
Charitable activities	9	476,053	215,737	691,790	649,105	62,494	711,599
Total resources expended		1,183,869	215,737	1,399,606	1,485,731	62,494	1,548,225
Net gains/(losses) on investments	13	81,318	-	81,318	131,242	-	131,242
Net movement in funds		678,884	(19,602)	659,282	103,234	19,414	122,648
Fund balances at 1 January 2020		3,168,189	508,095	3,676,284	3,064,955	488,681	3,553,636
Fund balances at 31 December 2020		3,847,073	488,493	4,335,566	3,168,189	508,095	3,676,284

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

All income and expenditure derive from continuing activities.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14	1,508,105		1,456,365	
Investments	15	1,514,878		1,431,419	
		<u>3,022,983</u>		<u>2,887,784</u>	
Current assets					
Stocks	17	14,362		22,822	
Debtors	18	257,200		285,870	
Cash at bank and in hand		1,198,698		632,004	
		<u>1,470,260</u>		<u>940,696</u>	
Creditors: amounts falling due within one year	19	(157,677)		(152,196)	
Net current assets			1,312,583		788,500
Total assets less current liabilities			<u>4,335,566</u>		<u>3,676,284</u>
Income funds					
Restricted funds	22	488,493		508,095	
<u>Unrestricted funds</u>					
Designated funds	23	1,728,226		1,735,619	
General unrestricted funds		2,118,847		1,432,570	
		<u>3,847,073</u>		<u>3,168,189</u>	
		<u>4,335,566</u>		<u>3,676,284</u>	

The financial statements were approved by the Trustees on18th May 2021.


J Fordham
Trustee


S Hyman
Chair

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	27		700,356		90,910
Investing activities					
Purchase of tangible fixed assets		(139,232)		(116,566)	
Proceeds on disposal of tangible fixed assets		-		1,500	
Purchase of investments		(349,990)		(180,475)	
Proceeds on disposal of investments		347,849		182,668	
Investment income received		7,711		6,761	
Net cash used in investing activities			(133,662)		(106,112)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			566,694		(15,202)
Cash and cash equivalents at beginning of year			632,004		647,206
Cash and cash equivalents at end of year			1,198,698		632,004

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Royal Society for the Prevention of Cruelty to Animals, Llys Nini Branch - Cardiff to Swansea is an unincorporated charity whose principal office is Llys Nini Animal Centre, Penllergaer, Swansea, SA4 9WB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

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

The trustees have considered the likely impact of Covid 19 upon the charity's finances and concluded that this will not alter this expectation.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Incoming resources

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

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

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts. Donated goods are recognised at their value when the sale takes place.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against grant income, in a restricted fund.

Income from charitable trading activities represents fees charged in respect of the adoption and treatment of animals, the provision of boarding facilities and claim fees for recovered pets, these income streams are credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Charity shop and other miscellaneous income is recognised in the period when the sale takes place.

Rental and solar farm income is recognised in the period to which the service is provided.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

All costs are allocated between the expenditure categories in the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly while others are apportioned on an appropriate basis, as set out in the support costs note.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Nil
Buildings	2% per annum straight line
Building improvements	10% per annum straight line
Fixtures and fittings	10-33% per annum straight line
Clinic equipment	10% per annum reducing balance
Motor vehicles	20% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Individual fixed assets costing £250 or more are capitalised at cost.

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

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

1.9 Stocks

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

Donated goods for sale are not valued.

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

1.10 Cash and cash equivalents

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

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.13 Retirement benefits

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

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.14 Leases

Rentals payable under operating leases are charged to expenditure on a straight line basis over the term of the relevant lease.

Rentals due under operating leases are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

The charity does not have any key or significant accounting estimates.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	167,530	144,519
Legacies receivable	510,817	102,057
	<u>678,347</u>	<u>246,576</u>

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020 £	2019 £
Adoptions, claiming and housing	74,866	107,486
Clinic and miscellaneous receipts	19,323	25,862
Regional grant - neutering program	2,048	4,858
Grants received	483,087	91,083
	<u>579,324</u>	<u>229,289</u>
Analysis by fund		
Unrestricted funds	383,189	147,381
Restricted funds	196,135	81,908
	<u>579,324</u>	<u>229,289</u>
Grants		
Coronavirus Job Retention Scheme	179,154	-
Retail Support grants	289,000	-
Dwr Cymru	500	-
Petplan	4,250	-
Pets at Home	10,183	3,365
Moondance Foundation	-	50,000
Austin Bailey Foundation	-	500
HSBC	-	12,436
Swansea CVS	-	3,000
Spears	-	500
The Millenium Stadium Charitable Trust		4,614
Big Lottery Fund		16,667
	<u>483,087</u>	<u>91,083</u>

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
LLYS NINI BRANCH - CARDIFF TO SWANSEA**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Charity shops	433,612	880,228
Special events	192,314	113,817
Rent income	56,218	54,999
Miscellaneous	7,539	6,461
Other trading activities	689,683	1,055,505

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Money market interest	5,150	3,784
Interest receivable	2,561	2,977
	7,711	6,761

7 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	-	1,500
RSPCA Brecknock and District Branch	22,505	-
	22,505	1,500

The charity received circa 20% of the net assets of RSPCA Brecknock & District Branch during the year (charity number 224780). The charity has taken over an element of the services provided by the branch during 2019/20.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rent, rates, light and heat	206,078	255,449
Insurance	6,248	5,832
Maintenance and repairs	12,109	15,206
Waste disposal and cleaning	9,761	5,829
Advertising	-	2,589
Other fundraising costs	20,388	15,547
Staff costs	407,354	452,878
Support costs	13,838	30,241
Shop goods for resale	16,285	37,885
Postage, stationery and telephone	2,689	526
Governance support costs	3,210	4,347
Investment management	9,856	10,297
	<u>707,816</u>	<u>836,626</u>

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
LLYS NINI BRANCH - CARDIFF TO SWANSEA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Charitable activities

	2020 £	2019 £
Staff costs	425,161	389,459
Rent, rates, light and heat	21,352	23,079
Insurance	2,436	2,400
Maintenance and repairs	13,367	23,379
Waste disposal and cleaning	13,227	16,933
Telephone	3,033	2,801
Travel and subsistence	1,621	3,194
Shop goods for resale	14,555	28,013
Vet fees, medicine and welfare costs	64,052	98,078
Food and pet supplies	17,815	25,363
Postage, stationery, computer costs and advertising	12,043	4,709
Staff training	300	733
Staff uniforms	51	1,655
Miscellaneous costs	1,731	1,840
	<u>590,744</u>	<u>621,636</u>
Share of support costs (see note 10)	97,836	85,616
Share of governance costs (see note 10)	3,210	4,347
	<u>691,790</u>	<u>711,599</u>
Analysis by fund		
Unrestricted funds	476,053	
Restricted funds	215,737	
	<u>691,790</u>	

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Depreciation	87,492	-	87,492	90,135	-	90,135
Bank and credit card charges	3,861	-	3,861	13,018	-	13,018
Professional charges	19,666	-	19,666	11,094	-	11,094
Contribution to HQ and region	551	-	551	1,610	-	1,610
Bad debts written off	104	-	104	-	-	-
Audit fees	-	4,150	4,150	-	5,200	5,200
Trustees expenses	-	-	-	-	1,204	1,204
Accountancy fees	-	2,270	2,270	-	2,290	2,290
	<u>111,674</u>	<u>6,420</u>	<u>118,094</u>	<u>115,857</u>	<u>8,694</u>	<u>124,551</u>
Analysed between						
Fundraising	13,838	3,210	17,048	30,241	4,347	34,588
Charitable activities	97,836	3,210	101,046	85,616	4,347	89,963
	<u>111,674</u>	<u>6,420</u>	<u>118,094</u>	<u>115,857</u>	<u>8,694</u>	<u>124,551</u>

11 Trustees

Expenses of £nil (2019: £1,204) were reimbursed to trustees during the year. The above reimbursement was in relation to nil (2019: 1) trustee, for travel and subsistence.

No trustee received remuneration during the current or prior year.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Employees

Number of employees

The average monthly number of employees during the year was: 55 (2019: 63).

The average monthly number of full time equivalent employees during the year was:

	2020 Number	2019 Number
Management and administration	4	4
Animal care	22	25
Shops	18	18
	<u>44</u>	<u>47</u>

Employment costs

	2020 £	2019 £
Wages and salaries	760,732	772,562
Social security costs	43,955	42,412
Other pension costs	27,828	27,363
	<u>832,515</u>	<u>842,337</u>

Key management personnel

The key management personnel of the charity in 2020 and in 2019 are the Branch Executive, the Finance Manager, the Centre Manager, the Area Shop Manager and the trustees. The total benefits of the key management personnel of the branch were £135,457 (2019: £127,560).

Redundancy payments

The charity made redundancy payments of £10,062 (2019: £7,600) during the year. No balances were outstanding at the year end (2019: £nil).

Employees earning > £60k

There were no employees whose annual remuneration was £60,000 or more.

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Revaluation of investments	<u>81,318</u>	<u>131,242</u>

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Clinic equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	2,116,116	834,330	4,125	26,985	2,981,556
Additions	-	139,232	-	-	139,232
Disposals	-	(41,344)	-	-	(41,344)
At 31 December 2020	2,116,116	932,218	4,125	26,985	3,079,444
Depreciation and impairment					
At 1 January 2020	850,962	650,680	4,125	19,424	1,525,191
Depreciation charged in the year	37,028	47,332	-	3,132	87,492
Eliminated in respect of disposals	-	(41,344)	-	-	(41,344)
At 31 December 2020	887,990	656,668	4,125	22,556	1,571,339
Carrying amount					
At 31 December 2020	1,228,126	275,550	-	4,429	1,508,105
At 31 December 2019	1,265,154	183,650	-	7,561	1,456,365

15 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 January 2020	1,429,220	2,199	1,431,419
Additions	349,990	-	349,990
Valuation changes	81,318	-	81,318
Cash movement	-	2,144	2,144
Disposals	(349,993)	-	(349,993)
At 31 December 2020	1,510,535	4,343	1,514,878
Carrying amount			
At 31 December 2020	1,510,535	4,343	1,514,878
At 31 December 2019	1,429,220	2,199	1,431,419

16 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,510,535	1,429,220

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
LLYS NINI BRANCH - CARDIFF TO SWANSEA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17	Stocks		2020	2019
			£	£
	Stock		14,362	22,822
			<u> </u>	<u> </u>
18	Debtors		2020	2019
			£	£
	Amounts falling due within one year:			
	Trade debtors		2,494	19,807
	Other debtors		119,550	159,935
	Prepayments and accrued income		135,156	106,128
			<u> </u>	<u> </u>
			257,200	285,870
			<u> </u>	<u> </u>
19	Creditors: amounts falling due within one year		2020	2019
		Notes	£	£
	Other taxation and social security		21,875	20,081
	Deferred income	20	18,000	-
	Trade creditors		29,633	36,308
	Other creditors		61,703	69,237
	Accruals		26,466	26,570
			<u> </u>	<u> </u>
			157,677	152,196
			<u> </u>	<u> </u>

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

20 Deferred income

	2020 £	2019 £
Arising from grants	18,000	-

Deferred income is included in the financial statements as follows:

	2020 £	2019 £
Balance brought forward	-	6,667
Income received	307,000	-
Income released	(289,000)	(6,667)
Balance carried forward	18,000	-

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £27,828 (2019 - £27,363).

Amounts outstanding at the year end totalled £7,186 (2019: £11,524).

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020	Incoming resources	Resources expended
	£	£	£	£	£	£	£	£	£
Capital grant	436,646	-	(15,900)	420,746	-	(15,581)	405,165	-	(15,581)
Pets at Home	-	-	-	-	10,184	(10,184)	-	-	(10,184)
Ferret house build	3,000	-	(2,000)	1,000	-	(1,000)	-	-	(1,000)
Wren - playground	18,781	-	(18,781)	-	-	-	-	-	-
Dwr Cymru	-	-	-	-	500	(20)	480	-	-
Department for Work and Pensions	706	-	(250)	456	-	(250)	206	-	(250)
Petplan	-	-	-	-	4,250	(170)	4,080	-	(170)
Big Lottery Fund - People and Places	12,446	-	(12,446)	-	-	-	-	-	-
National Lottery Awards for All	3,479	-	(760)	2,719	-	(760)	1,959	-	(760)
Nationwide Building Society grant	1,759	-	(1,759)	-	-	-	-	-	-
Coronavirus Job Retention Scheme	-	-	-	-	179,153	(179,153)	-	-	-
People's Postcode Lottery	6,294	-	(1,683)	4,611	-	(1,683)	2,928	-	(1,683)
RSPCA Cardiff & District Branch	4,000	-	-	4,000	-	-	4,000	-	-
Neutering grant	-	4,858	(4,858)	-	2,048	(2,048)	-	-	(2,048)
Tesco Groundwork	1,570	-	(1,570)	-	-	-	-	-	-
HSBC	-	12,436	(2,487)	9,949	-	(2,488)	7,461	-	(2,488)
Moondance Foundation	-	50,000	-	50,000	-	(2,000)	48,000	-	(2,000)
Millenium Stadium Charitable Trust	-	4,614	-	4,614	-	-	4,614	-	-
National Lottery - Awards for All	-	10,000	-	10,000	-	(400)	9,600	-	(400)
	488,681	(81,908)	(62,494)	508,095	196,135	(215,737)	488,493		

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22 Restricted funds

(Continued)

Capital grant

A project to build a new animal centre at Llys Nini Farm, the Swansea Shop, upgrade to Centre and Centre Vet clinic. The grant is being released to unrestricted funds in line with the depreciation policy.

Pets at Home

This funding relates to vouchers provided by Pets At Home to purchase goods for the animals at the centre.

Ferret house build

Grants received to cover costs of the new build of the ferret house.

Wren playground

Assist the building of the Castell Einon playground. Grant is being released to unrestricted reserves in line with the depreciation policy.

Dwr Cymru

This was a community grant received for the purpose to use towards the cost of the effluent plant.

Department for Work and Pensions

For the purchase of specialist office equipment to meet certain staff needs. Income released to unrestricted reserves in line with depreciation policy.

Petplan

This grant was received to contribute to the cost of the effluent plant.

Big Lottery Fund- People and Places

Capital and Revenue grant for environmental project to further develop the site. Income released to unrestricted reserves when expended or if capitalised, in line with depreciation policy.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22	Restricted funds	(Continued)
	National Lottery Awards for All Grant received to assist the purchase of a coffee pod. Income released to unrestricted reserves when expended or if capitalised, in line with depreciation policy. Additional income was received this year to provide funding towards the safeguarding post.	
	Nationwide Building Society grant Grant received to assist the purchase of boardwalk for the environment project. Income released to unrestricted reserves when expended or if capitalised, in line with depreciation policy.	
	Coronavirus Job Retention Scheme This funding was to support wages costs during the Covid-19 pandemic.	
	People's Postcode Lottery Grant received to assist the purchase of stock fencing. Income released to unrestricted reserves when expended or if capitalised, in line with depreciation policy.	
	RSPCA Cardiff & District Branch Reserve transferred from RSPCA Cardiff and District branch to purchase animal welfare equipment for the Cardiff district.	

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

22 Restricted funds	(Continued)
Neutering grant Grant received to fund neutering program.	
Tesco Groundwork Tesco bags of help funding to assist with the purchase and construction of the Birdhide on site. Income released to unrestricted reserves when expended or capitalised in line with depreciation policy.	
HSBC Grant received to assist the purchase of the Marquee. Grant release to unrestricted reserves in line with depreciation policy.	
Moondance Foundation Grant received to assist the purchase of the effluent plant. Grant is to be released to unrestricted reserves in line with depreciation policy. The project has not yet started.	
Millennium Stadium Charitable Trust This grant was received to assist with the costs of the "Environmental Work - Bird Boxes" project.	
National Lottery - Awards for All Grant received to assist the purchase of the effluent plant. Grant is to be released to unrestricted reserves in line with depreciation policy. The project has not yet started.	

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Transfers	Balance at 1 January 2020	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Shop rent	200,000	-	200,000	-	200,000
Cardiff rehoming facility	500,000	-	500,000	-	500,000
Fixed asset fund	-	1,035,619	1,035,619	(7,393)	1,028,226
	<u>700,000</u>	<u>1,035,619</u>	<u>1,735,619</u>	<u>(7,393)</u>	<u>1,728,226</u>

Shop rent

Commitments on rental payments for the various charity shops leased by the charity. Funds will be released when required by the charity.

Cardiff rehoming facility

The Trustees have designated funds to invest in a re-homing Centre in Cardiff to increase the profile within that area.

Fixed asset fund

Relates to the net book value of the charity's unrestricted fixed assets. Movement relates to additions, disposals and depreciation in the year.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of net assets between funds	Unrestricted		Designated		Restricted		Total		Unrestricted		Designated		Restricted		Total	
	2020	£	2020	£	2020	£	2020	£	2019	£	2019	£	2019	£	2019	£
Fund balances at 31 December 2020 are represented by:																
Tangible assets																
Investments	1,514,878		-		479,879		1,508,105		1,035,619		-		420,746		1,456,365	
Current assets/(liabilities)	603,969		700,000		8,614		1,312,583		1,431,419		700,000		87,349		1,431,419	
	2,118,847		1,728,226		488,493		4,335,566		2,468,189		700,000		508,095		3,676,284	

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	123,475	148,072
Between two and five years	193,279	333,263
	<u>316,754</u>	<u>481,335</u>

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2020 £	2019 £
Within one year	76,000	76,000
Between two and five years	178,583	221,583
In over five years	440,000	473,000
	<u>694,583</u>	<u>770,583</u>

26 Related party transactions

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

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

27 Cash generated from operations	2020	2019
	£	£
Surplus for the year	659,282	122,648
Adjustments for:		
Investment income recognised in statement of financial activities	(7,711)	(6,761)
Gain on disposal of tangible fixed assets	-	(1,500)
Fair value gains and losses on investments	(81,318)	(131,242)
Depreciation and impairment of tangible fixed assets	87,492	90,135
Movements in working capital:		
Decrease/(increase) in stocks	8,460	(5,135)
Decrease/(increase) in debtors	28,670	(1,976)
(Decrease)/increase in creditors	(12,519)	31,408
Increase/(decrease) in deferred income	18,000	(6,667)
Cash generated from operations	700,356	90,910

28 Analysis of changes in net funds

The charity had no debt during the year.

