

**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 2022**

# 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 2022***

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

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 tranquility 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. We recognise that animals can also have a positive effect on people's wellbeing and offer the socialisation of humans with the animals.

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

## TRUSTEES REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 DECEMBER 2022*

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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, Instagram 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; and 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**

2022 continued to be another challenging year in all sorts of way. Our charity shops have risen to the challenge of the high street and fared reasonably well. There was still some much welcomed grant assistance provided by the Welsh Government at the start of the year as the effects of COVID still lingered on. The number of volunteers at both the shops and at the Centre were, and still are, much lower than in pre COVID times. In conjunction with the WCVA, we joined the Kickstart scheme to help 18 – 24 year old young adults gain valuable work experience and training in order to pave their way into future employment. We supported 17 workers in the 9 month period, and at the end of the scheme we employed 5 of them. Although the scheme has now ended, we are still working with the Job Centre and other organisations to provide work experience and placements for those who wish to gain experience and the confidence to work.

The Animal Centre continued to be busy – the intake of animals increased and we worked closely with the Inspectorate and Trading Standards, boarding a number of case animals for some months. At the start of the year we held 72 animals and by the year end, we had 120 animals in our care.

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

## **TRUSTEES REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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In 2022, Llys Nini accepted 384 (2021: 344) animals into the centre, most of whom had been rescued by RSPCA inspectors and were in poor health. Our dedicated staff nursed the majority of them back to health and had rehomed 284 of them (2021: 273). Llys Nini continues to provide welfare assistance throughout the branch area via a voucher scheme. In 2022, in addition to the branch animals taken in, Llys Nini helped 414 animals by means of welfare assistance, 1,491 animals were neutered, 1,162 were microchipped.

It is the branch's policy that no healthy and re-homeable animal should be 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 1,491 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.

The Conservation area continues to thrive with regular sightings of ducks, kingfishers, heron, bats, foxes and owls visiting our site.

The paths and boardwalks are continually being maintained so that people can come and enjoy the green spaces. The Safeguarding Officer has also continued working with people with disabilities, 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 seventh year. Our bird hide is a good place to view the wildlife on the pond.

During 2022, there has been much building work undertaken and will be completed by June 2023. There were some delays due to planning issues, but once all the formalities were completed, the buildings sprung up. The first building is a much needed covered all weather dog run for our most vulnerable dogs to exercise in the poor weather. This build has been funded by grants from The Pets at Home Foundation and Petplan Charitable Trust, but the majority of the build and fittings has been paid from a very generous legacy of the late Meirion Evans who was a life-long dog lover, and whom we will be naming the building after. This project was managed in house by one of our Team Mr Tony Ellis and our thanks go to him for all the hard work he has put into this project. The second build is the Ysgubor project which has been covered by Grants from the Welsh Government, National Lottery, Moondance and Bailey Thomas Charitable Fund, and our thanks go out to our Chair, Sally Hyman for the enormous amount of work she has put in to secure these grants. The purpose of this build is that of a Community hub – hosting a café, an activity area for a variety of events, a classroom, a donation processing area, all of which will help us increase the revenue streams, develop our animal welfare activities, all whilst helping the community and helping protect the environment.

Volunteers have slowly come back on site again following the Covid restrictions – cat socialising, dog walking, shop staff and fundraising preparation.

Our fundraising team continue to work tirelessly to raise the much needed funds and the events held during the year were well supported, in particular the Easter Egg Trails and hunt, DOTY, Gnoll Park show, Halloween week, and Mutt Strutts. They go out shaking the collection boxes and they update and maintain the Facebook, Instagram and twitter pages to ensure that we have a large number of followers to champion the good work we do. We thank them for that they do.

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.

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

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Financial review

The Branch's results for the year are set out on the Statement of Financial Activities on page 16.

The Branch has resulted a surplus of £820,013 (2021: surplus £331,173) recorded for the year. The surplus in both 2022 and 2021 are due to the large value of grants and legacy income received and recognised in the year.

#### Income

Donations and gift aid income has decreased from the previous year from £180,659 to £118,153. There were a number of large one-off donations made in 2021 and a number of appeals made for donations.

Legacy income has increased on the previous year from £247,849 to £540,863. Legacy income is an unpredictable source of income, but from which the branch has continued to benefit greatly from over the past few years. None of the income is restricted other than to support the work we do with animals within our branch area.

The charity shops have now returned to "normal" trading and are an important part of our fundraising team. Sadly, we closed our Wellfield Road, Cardiff shop in May, but there are always plans to seek alternative premises when they are in the right place and at the right time. During the year, as previously mentioned, the shops were able to benefit from the retail grants available to help the high street retailers recover from the effects of COVID. Staffing of the shops has been a real challenge this year, along with the reduction in volunteers. However the support from the public to provide clothes and bric a brac donations has once again been magnificent.

Money market income has decreased due to the poor market conditions, resulting in poor returns on the investments held and low dividends received.

The movement in unrealised gains/losses (where market value is higher/lower than actual cost of investments) amounted to £103,803 loss (2021: £53,675 gain). The investment market at the year end was quite volatile due to the energy crisis and cost of living crisis, and general economic events

During the year, the charity had not disposed of any assets. The profit on disposals in 2021 amounted to £3,578.

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

#### Expenditure

Salaries continue to be the main category of charitable expenditure; £480,878 (2021: £375,834) for the direct caring of animals and the environment; £528,862 (2021: £404,857) for the shop workers and administration of shops and £42,957 (2021: £41,771) 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 £452,439 for the year ended 31 December 2022 (2021: £270,687).

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 Beekeepers 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 2022

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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 a keen interest in setting up a rehoming centre/shop in Cardiff but this has been hindered by the lack of suitable and affordable property in the area.

“Yr Ysgubor” community build project should be up and running mid way through 2023. This will increase our opportunity to fundraise and increase awareness of what we do. The café facility should bring in more visitors. The promotion of the Welsh language is also important within the facility so we will be encouraging staff and visitors to speak more Welsh.

The Covered Dog Run should also be operational in 2023, so that our canine residents (and responsible carers) can exercise in the dry and less muddy conditions. The cost of the build has been met through grants and a legacy donation. We have also have designated £100,000 from our funds to upgrade some of the animal accommodation facilities.

#### 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 5 to a maximum of 14 elected 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 generally 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 2022**

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### 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  
Peter Black

**Trustees** Sally Hyman (Chair)  
Jill Fordham (Vice Chair) - Resigned 07/06/22  
Claire Chappell (Secretary)  
Iwan Rees - Co-opted 26/07/22  
Alison Spence  
Howard Spence  
Steve Wilson - Resigned 07/06/22  
Robert Davies  
Deirdre Magoris - Resigned 07/06/22  
Rebecca Miles  
Rev Elaine Jenkyns - Resigned 07/06/22  
Rev Stephen Jenkyns - Resigned 07/06/22  
Jean Rawlings  
Darren Lovering - Co-opted 26/07/22  
Amanda Simisker - Co-opted 23/08/22

**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

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

## TRUSTEES REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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Brewin Dolphin  
5 Callaghan Square  
Cardiff  
CF10 5BT

### **Legal advisors**

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

### **Key management personnel**

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

The trustees report was approved by the Board of Trustees.

  
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S Hyman  
Chair  
Dated: 5/6/23

# **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 2022***

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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

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#### 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 2022 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 2022 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**

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#### **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

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#### **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

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#### 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*

**Azets Audit Services**

24 October 2023

**Chartered Accountants  
Statutory Auditor**

Ty Derw, Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
United Kingdom  
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 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 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	659,016	-	659,016	408,508	20,000	428,508
Charitable activities	4	273,118	602,656	875,774	220,698	108,397	329,095
Other trading activities	5	1,140,202	-	1,140,202	881,117	-	881,117
Investments	6	5,319	-	5,319	4,119	-	4,119
Other income	7	-	-	-	3,578	-	3,578
<b>Total income</b>		<b>2,077,655</b>	<b>602,656</b>	<b>2,680,311</b>	<b>1,518,020</b>	<b>128,397</b>	<b>1,646,417</b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	905,242	82,632	987,874	632,072	89,123	721,195
Charitable activities	9	719,974	48,647	768,621	615,261	32,463	647,724
<b>Total expenditure</b>		<b>1,625,216</b>	<b>131,279</b>	<b>1,756,495</b>	<b>1,247,333</b>	<b>121,586</b>	<b>1,368,919</b>
Net gains/(losses) on investments	13	(103,803)	-	(103,803)	53,675	-	53,675
<b>Net movement in funds</b>		<b>348,636</b>	<b>471,377</b>	<b>820,013</b>	<b>324,362</b>	<b>6,811</b>	<b>331,173</b>
Fund balances at 1 January 2022		4,171,435	495,304	4,666,739	3,847,073	488,493	4,335,566
<b>Fund balances at 31 December 2022</b>		<b>4,520,071</b>	<b>966,681</b>	<b>5,486,752</b>	<b>4,171,435</b>	<b>495,304</b>	<b>4,666,739</b>

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

All income and expenditure derive from continuing activities.

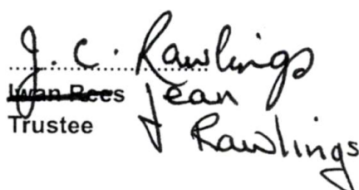
# ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, LLYS NINI BRANCH - CARDIFF TO SWANSEA


## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	14	1,924,219		1,446,158	
Investments	15	1,865,157		1,570,205	
		<u>3,789,376</u>		<u>3,016,363</u>	
<b>Current assets</b>					
Stocks	17	16,648		13,652	
Debtors	18	980,746		372,255	
Cash at bank and in hand		889,163		1,427,846	
		<u>1,886,557</u>		<u>1,813,753</u>	
<b>Creditors: amounts falling due within one year</b>	19	(189,181)		(163,377)	
Net current assets		<u>1,697,376</u>		<u>1,650,376</u>	
<b>Total assets less current liabilities</b>		<u>5,486,752</u>		<u>4,666,739</u>	
<b>Income funds</b>					
Restricted funds	22	966,681		495,304	
<u>Unrestricted funds</u>					
Designated funds	23	2,331,884		1,879,466	
General unrestricted funds		<u>2,188,187</u>		<u>2,291,969</u>	
		<u>4,520,071</u>		<u>4,171,435</u>	
		<u>5,486,752</u>		<u>4,666,739</u>	

The financial statements were approved by the Trustees on 30.5.23

J. C. Rawlings  
  
 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 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		407,315		253,348
<b>Investing activities</b>					
Purchase of tangible fixed assets		(552,562)		(33,393)	
Proceeds on disposal of tangible fixed assets		-		6,726	
Purchase of investments		(1,039,588)		-	
Proceeds on disposal of investments		640,833		(1,652)	
Investment income received		5,319		4,119	
<b>Net cash used in investing activities</b>			(945,998)		(24,200)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(538,683)		229,148
Cash and cash equivalents at beginning of year			1,427,846		1,198,698
<b>Cash and cash equivalents at end of year</b>			889,163		1,427,846

# 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 2022*

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### **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.

#### **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.

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.

# 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 2022

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#### 1 Accounting policies

(Continued)

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 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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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 2022

#### 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	Nil
Buildings	2% per annum straight line
Building improvements	10% per annum straight line
Fixtures and fittings	4-33% 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 the statement of financial activities.

Buildings under construction are accounted for at cost, based on direct costs incurred to 31 March. They are not depreciated until the accounting period in which they are brought into use.

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 2022**

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### **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 costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 2022**

### 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

	<b>Unrestricted funds</b>	Unrestricted funds	Restricted funds	Total
	<b>2022</b>	2021	2021	2021
	<b>£</b>	£	£	£
Donations and gifts	118,153	160,659	20,000	180,659
Legacies receivable	540,863	247,849	-	247,849
	<u>659,016</u>	<u>408,508</u>	<u>20,000</u>	<u>428,508</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 2022

#### 4 Charitable activities

	2022 £	2021 £
Adoptions, claiming and housing	212,752	64,370
Clinic and miscellaneous receipts	21,069	6,839
Grants received	641,953	257,886
	<u>875,774</u>	<u>329,095</u>
Analysis by fund		
Unrestricted funds	273,118	220,698
Restricted funds	602,656	108,397
	<u>875,774</u>	<u>329,095</u>
<b>Grants</b>		
Coronavirus Job Retention Scheme	-	78,388
Retail Support grants	36,000	145,000
Welsh Government	250,000	-
National Lottery	217,021	-
Pets at Home - Vouchers	3,296	2,489
Adoption for Pets Support	-	2,000
PET	-	800
Myndydd y Gwair	-	13,276
Kickstart	102,397	15,933
Bailey Thomas Charitable Fund	20,000	-
Pets at Home	10,000	-
Pathways	3,238	-
	<u>641,953</u>	<u>257,886</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 2022**

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Charity shops	941,057	673,591
Special events	112,899	134,988
Rent income	62,613	58,223
Miscellaneous	23,633	14,315
Other trading activities	1,140,202	881,117

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Money market interest	1,150	2,669
Interest receivable	4,169	1,450
	5,319	4,119

### 7 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Net gain on disposal of tangible fixed assets	-	3,578

# 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 2022**

### 8 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Rent, rates, light and heat	226,096	-	226,096	180,440	-	180,440
Insurance	5,506	-	5,506	7,975	-	7,975
Maintenance and repairs	28,334	-	28,334	6,240	-	6,240
Waste disposal and cleaning	14,565	-	14,565	9,811	-	9,811
Advertising	69	-	69	-	-	-
Other fundraising costs	9,185	-	9,185	16,631	-	16,631
Staff costs	489,187	82,632	571,819	350,088	89,123	439,211
Support costs	90,730	-	90,730	30,723	-	30,723
Shop goods for resale	32,752	-	32,752	22,253	-	22,253
Postage, stationery and telephone	2,951	-	2,951	2,942	-	2,942
Governance support costs	3,986	-	3,986	4,568	-	4,568
Investment management	1,881	-	1,881	401	-	401
	<u>905,242</u>	<u>82,632</u>	<u>987,874</u>	<u>632,072</u>	<u>89,123</u>	<u>721,195</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 2022**

### 9 Charitable activities

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs	480,878	375,834
Rent, rates, light and heat	50,920	25,091
Insurance	2,566	2,848
Maintenance and repairs	19,461	17,040
Waste disposal and cleaning	21,202	16,307
Telephone	2,628	2,701
Travel and subsistence	684	430
Shop goods for resale	15,361	13,824
Vet fees, medicine and welfare costs	100,424	73,789
Food and pet supplies	18,646	9,418
Postage, stationery, computer costs and advertising	8,208	8,702
Staff training	749	391
Staff uniforms	2,302	2,121
Miscellaneous costs	1,305	413
	<u>725,334</u>	<u>548,909</u>
Share of support costs (see note 10)	38,360	94,247
Share of governance costs (see note 10)	4,927	4,568
	<u>768,621</u>	<u>647,724</u>
<b>Analysis by fund</b>		
Unrestricted funds	719,974	
Restricted funds	48,647	
	<u>768,621</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 2022**

### 10 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Depreciation	74,500	-	74,500	-	92,190
Bank and credit card charges	15,932	-	15,932	-	12,887
Professional charges	23,836	-	23,836	-	12,755
Contribution to HQ and region	968	-	968	-	7,138
Irrecoverable VAT	13,854	-	13,854	-	-
Audit fees	-	5,150	5,150	-	4,875
Outreach work	-	2,822	2,822	-	1,991
Accountancy fees	-	941	941	-	2,270
	129,090	8,913	138,003	9,136	134,106
Analysed between					
Fundraising	90,730	3,986	94,716	4,568	35,291
Charitable activities	38,360	4,927	43,287	4,568	98,815
	129,090	8,913	138,003	9,136	134,106

### 11 Trustees

Expenses of £nil (2021: £206) were reimbursed to trustees during the year. The prior year reimbursement was in relation to 1 trustee, for reimbursement of charitable expenditure.

No trustee received remuneration during the current or prior year.

During the year donations from trustees totalling £160 (2021: £nil) were received without conditions attached.

# 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 2022

#### 12 Employees

##### Number of employees

The average monthly number of employees during the year was: 61 (2021: 55).

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

	2022 Number	2021 Number
Management and administration	7	7
Animal care	26	21
Shops	23	21
	<u>56</u>	<u>49</u>

##### Employment costs

	2022 £	2021 £
Wages and salaries	968,347	754,114
Social security costs	59,072	43,130
Other pension costs	25,278	17,801
	<u>1,052,697</u>	<u>815,045</u>

##### Key management personnel

The key management personnel of the charity in 2022 and in 2021 are the Branch Executive, the Branch Finance Manager, the Centre Manager, the Area Shop Manager and the trustees. The total benefits of the key management personnel of the branch were £162,112 (2021: £142,693).

##### Redundancy and other payments

The charity made redundancy payments of £10,062 during the year (2021: £3,030) during the year. No balances were outstanding at the year end (2021: £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
	2022 £	2021 £
Revaluation of investments	<u>(103,803)</u>	<u>53,675</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 2022

14 Tangible fixed assets	Freehold land £	Assets under construction £	Fixtures and fittings £	Clinic Motor vehicles equipment £	Total £
<b>Cost</b>					
At 1 January 2022	2,116,116	-	952,791	4,125	3,098,846
Additions	-	522,145	30,417	-	552,562
At 31 December 2022	2,116,116	522,145	983,208	4,125	3,651,408
<b>Depreciation and impairment</b>					
At 1 January 2022	921,952	-	712,975	4,125	1,652,689
Depreciation charged in the year	33,961	-	37,975	-	74,500
At 31 December 2022	955,913	-	750,950	4,125	1,727,189
<b>Carrying amount</b>					
At 31 December 2022	1,160,203	522,145	232,258	-	1,924,219
At 31 December 2021	1,194,165	-	239,816	-	1,446,158

# 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 2022

### 15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 January 2022	1,564,210	5,995	1,570,205
Additions	1,039,588	-	1,039,588
Valuation changes	(103,803)	-	(103,803)
Cash movement	-	13,203	13,203
Disposals	(654,036)	-	(654,036)
At 31 December 2022	1,845,959	19,198	1,865,157
<b>Carrying amount</b>			
At 31 December 2022	1,845,959	19,198	1,865,157
At 31 December 2021	1,564,210	5,995	1,570,205

### 16 Financial instruments

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	1,849,225	1,514,878

### 17 Stocks

	2022 £	2021 £
Stock	16,648	13,652

### 18 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	36,877	6,894
Other debtors	268,296	36,085
Prepayments and accrued income	675,573	329,276
	980,746	372,255

# 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 2022

#### 19 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		29,321	19,791
Deferred income	20	-	9,000
Trade creditors		46,548	35,862
Other creditors		79,426	76,616
Accruals		33,886	22,108
		<u>189,181</u>	<u>163,377</u>

#### 20 Deferred income

	2022 £	2021 £
Arising from grants	-	9,000
	<u>-</u>	<u>9,000</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	-	9,000
	<u>-</u>	<u>9,000</u>
Movements in the year:		
Deferred income at 1 January 2022	9,000	18,000
Released from previous periods	(9,000)	(18,000)
Resources deferred in the year	-	9,000
	<u>-</u>	<u>9,000</u>
Deferred income at 31 December 2022	-	9,000
	<u>-</u>	<u>9,000</u>

#### 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 £25,278 (2021: £17,801).

Amounts outstanding at the year end totalled £8,728 (2021: £11,766).

# 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 2022

#### 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 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at January 2022	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
Capital grant	405,165	-	(15,581)	389,584	-	(15,581)	374,003
Pets at Home	-	-	-	-	10,000	-	10,000
Playground Shelter	-	13,276	(928)	12,348	-	(928)	11,420
Dwr Cymru	480	-	(400)	80	-	(80)	-
Department for Work and Pensions	206	-	(206)	-	-	-	-
Petplan	4,080	-	(20)	4,060	-	(170)	3,890
PET	-	800	(800)	-	-	-	-
National Lottery Awards for All	1,959	-	(760)	1,199	-	(760)	439
Kickstart	-	15,933	(15,933)	-	-	-	-
Coronavirus Job Retention Scheme	-	78,388	(78,388)	-	-	-	-
People's Postcode Lottery	2,928	-	(2,083)	845	-	(845)	-
Payroll funding	-	-	-	-	105,635	(105,635)	-
RSPCA Cardiff & District Branch	4,000	-	-	4,000	-	-	4,000
Welsh Government Community Grant - Ysgubor)	-	-	-	-	250,000	-	250,000
National Lottery - Ysgubor	-	-	-	-	210,583	-	210,583
National Lottery - Volunteer grant	-	-	-	-	6,438	(793)	5,645
HSBC	7,461	-	(2,487)	4,974	-	(2,487)	2,487
Moondance Foundation	48,000	-	(2,000)	46,000	-	(2,000)	44,000
Millenium Stadium Charitable Trust	4,614	-	-	4,614	-	-	4,614
Ysgubor	-	20,000	-	20,000	-	-	20,000
National Lottery - Awards for All	9,600	-	(2,000)	7,600	-	(2,000)	5,600
Bailey Thomas - Ysgubor	-	-	-	-	20,000	-	20,000
	488,493	128,397	(121,586)	495,304	(602,656)	(131,279)	966,681

# 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 2022

22	Restricted funds	(Continued)
<b>Capital grant</b>		
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.		
<b>Pets at Home</b>		
This funding relates to vouchers provided by Pets At Home to purchase goods for the animals at the centre.		
<b>Ferret house build</b>		
Grants received to cover costs of the new build of the ferret house.		
<b>Playground Shelter</b>		
Funding provided by Mynydd yr Gwair to provide shelter and seating facilities for users of the playground and their parents.		
<b>Dwr Cymru</b>		
This was a community grant received for the purpose to use towards the cost of the effluent plant.		
<b>Department for Work and Pensions</b>		
For the purchase of specialist office equipment to meet certain staff needs. Income released to unrestricted reserves in line with depreciation policy.		
<b>Petplan</b>		
This grant was received to contribute to the cost of the effluent plant.		
<b>PET</b>		
Penllergaer Environmental Team assisting in the provision of equipment and facilities for the grounds people who work at Llys Nini site. Funding provided by the National Lottery. Use of a shed containing a vending machine for snacks and coffee, a compostable toilet and tables and chairs were funded.		
<b>National Lottery Awards for All</b>		
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.		

# 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 2022

22	Restricted funds	(Continued)
	<b>Kickstart</b> Funding for training placements via the WVCA and the DWP for 16–25-year-olds to gain work experience to earn permanent work.	
	<b>Coronavirus Job Retention Scheme</b> This funding was to support wages costs during the Covid-19 pandemic.	
	<b>People's Postcode Lottery</b> Grant received to assist the purchase of stock fencing. Income released to unrestricted reserves when expended or if capitalised, in line with depreciation policy.	
	<b>RSPCA Cardiff &amp; District Branch</b> 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 2022

22	Restricted funds	(Continued)
	<b>Neutering grant</b>	
	Grant received to fund neutering program.	
	<b>HSBC</b>	
	Grant received to assist the purchase of the Marquee. Grant release to unrestricted reserves in line with depreciation policy.	
	<b>Moondance Foundation</b>	
	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.	
	<b>Millennium Stadium Charitable Trust</b>	
	This grant was received to assist with the costs of the "Environmental Work - Bird Boxes" project.	
	<b>Ysgubor</b>	
	A project to build a Visitor Centre/Café/Donation hub in the Llys Nini grounds, funded by grants from Moondance £20,000, Welsh Government £250,000, National Lottery £217,021, Bailey Thomas charitable Fund £20,000. Income to be released in line with depreciation once built.	
	<b>The Dog Run</b>	
	Covered run build grant received from Pets at home £10,000 Income to be released in line with depreciation once built.	
	<b>National Lottery - Awards for All</b>	
	Grant received to assist the purchase of the effluent plant. Grant is to be released to unrestricted reserves in line with depreciation policy.	
	<b>Lottery Grant</b>	
	Croeso grant which purchased furniture and equipment to welcome back the volunteers. Income to be released in line with depreciation.	

# 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 2022

#### 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 2021	Transfers	Balance at 1 January 2022	Transfers	Balance at 31 December 2022
	£	£	£	£	£
Shop rent	200,000	-	200,000	-	200,000
Cardiff rehoming facility	500,000	-	500,000	-	500,000
Fixed asset fund	1,028,226	(48,760)	979,466	452,418	1,431,884
Centre upgrade	-	100,000	100,000	-	100,000
Dog run	-	100,000	100,000	-	100,000
	<u>1,728,226</u>	<u>151,240</u>	<u>1,879,466</u>	<u>452,418</u>	<u>2,331,884</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.

#### Centre upgrade

General upgrade to the animal accommodation as necessary.

#### Dog run

Transforming the current hard-core run into a covered run for all weather training, socialising and exercising the dogs.

# 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 2022

24 Analysis of net assets between funds	Unrestricted		Designated		Restricted		Total		Unrestricted		Designated		Restricted		Total	
	2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
Fund balances at 31 December 2022 are represented by:																
Tangible assets			1,431,881		492,338		1,924,219		-		979,466		466,692		1,446,158	
Investments	1,865,157		-		-		1,865,157		1,570,205		-		-		1,570,205	
Current assets/(liabilities)	323,033		900,000		474,343		1,697,376		721,764		900,000		28,612		1,650,376	
	2,188,190		2,331,881		966,681		5,486,752		2,291,969		1,879,466		495,304		4,666,739	

# 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 2022

#### 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:

	2022 £	2021 £
Within one year	68,650	92,279
Between two and five years	135,932	200,069
	<u>292,348</u>	<u>292,348</u>

#### Lessor

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

	2022 £	2021 £
Within one year	76,000	76,000
Between two and five years	132,000	135,583
In over five years	334,583	407,000
	<u>618,583</u>	<u>618,583</u>

#### 26 Capital commitments

At 31 December 2022 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	126,471	-
	<u>126,471</u>	<u>-</u>

#### 27 Related party transactions

There were no disclosable related party transactions during the year (2021 - 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 2022

28	Cash generated from operations	2022 £	2021 £
	Surplus for the year	820,013	331,173
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,319)	(4,119)
	Gain on disposal of tangible fixed assets	-	(3,577)
	Fair value gains and losses on investments	103,803	(53,675)
	Depreciation and impairment of tangible fixed assets	74,500	92,190
	Movements in working capital:		
	(Increase)/decrease in stocks	(2,995)	711
	(Increase) in debtors	(608,491)	(115,055)
	Increase in creditors	34,804	14,700
	(Decrease) in deferred income	(9,000)	(9,000)
	<b>Cash generated from operations</b>	<b>407,315</b>	<b>253,348</b>
29	<b>Analysis of changes in net funds</b>		

The charity had no debt during the year.