

**NORTHERN COUNTIES HORSES AND SMALLER ANIMALS  
PROTECTION SOCIETY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs J A Hall (Chairperson) Ms J Dixon (Treasurer) Ms C Watson Mrs L Chambers Mrs V Watson
<b>Charity number</b>	227361
<b>Principal address</b>	Galloping Green Road Eighton Banks Gateshead Tyne and Wear England NE9 7XA
<b>Auditor</b>	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle Upon Tyne Tyne and Wear England NE2 1TJ
<b>Bankers</b>	Lloyds Bank PLC 15 West Street Gateshead Tyne & Wear NE8 1DP
<b>Solicitors</b>	O'Neill Richmonds Law Firm Ltd 1-2 Lansdowne Terrace East Gosforth Newcastle upon Tyne Tyne & Wear NE3 1HL

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# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

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# **NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

## **TRUSTEES' REPORT**

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

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's trust deed, 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 Society's objects are the "protection of horses and smaller animals from ill-usage, cruelty and suffering by the provision and maintenance in or near Gateshead of an animal refuge and such other facilities to achieve that object".

The aim of the shelter is to rehabilitate and re-home unwanted and abandoned animals which include horses, dogs, cats, rabbits and other small animals. All animals are health checked by our vet when they arrive. They are then neutered, vaccinated and dogs are micro-chipped. Our animals always receive prompt veterinary attention when required. Potential new owners are home-checked before our dogs go into their new homes.

We have a non-euthanasia policy unless the animal is deemed a danger to people or on the advice of our vet. We educate the public and potential owners on the necessity of neutering, micro-chipping and yearly vaccination. New owners know they can always rely on our advice and support.

The policies adopted in furtherance of these objects are set out on page 10 to 13 of these financial statements and there has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Society should undertake.

The Society is grateful for the continued work and assistance of volunteers.

#### **Public benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

#### **Achievements and performance**

The Society has continued to carry on its charitable works with £285,426 (2021: £275,170) expended directly for the care of animals. After other expenses, the surplus for the year was £48,327 (2021: £488 deficit).

#### **Financial review**

During the year the Society received total income of £333,753 an increase of 22% over the previous year (2021: £274,682). A substantial source of income for the charity continues to be legacies which this year amounted to £138,309 (2021: £97,924 ).

At the end of the year the Society had net cash of £1,454,974 (2021: £1,393,540). This represents a position of financial strength to go forward and continue in the Society's aims for the care and protection of animals.

The level of reserves as at 31 March 2022 has increased to £1,647,293 (2021: £1,598,966). The charity's policy is to aim to have cash reserves equivalent to at least two years' charitable expenditure so that it is not totally reliant on legacies in the short term.

# **NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

## **TRUSTEES' REPORT (CONTINUED)**

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

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The trustees have assessed the major risks to which the Society is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees meet on a regular basis to consider the major strategic and operational risks of the Society and act accordingly to mitigate those risks. We are grateful to the local authority who help us with our risk assessment each year.

#### **Plans for future periods**

The funds for our work are raised in a variety of ways. We ask for an adoption fee for our animals which goes towards maintaining the care the animals receive.

We also hold many events throughout the year such as monthly book sales and dog walks/shows. The majority of the money for the care of our animals comes to us from donations and legacies.

Going forward, our intention is to continue our work and expand on our fundraising events and build on the care animals receive at this time.

#### **Cattery**

The cattery we have has served us well but is now showing its age and our aim is to replace the existing cattery. The new cattery will have disabled access and will give visitors the opportunity to spend time with our cats to get to know them before any adoptions take place. If all goes well with planning consent and contractors we will be starting the work as early as possible in 2023.

#### **Stables**

Our wooden stables took a battering in the storms this year and we lost most of the roof. After an inspection of the stables it was found that the wood was starting to rot so we are planning to replace the block with a more durable building. This is planned for Spring 2023.

These will be our main projects for 2023.

#### **Structure, governance and management**

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

The Society was formed in 1947 by the late Mr W J C Bryson and gained charitable status in 1964. The Society's activities are governed by its Charity Commission Scheme Document of 1989, and managed by an executive committee who serve as trustees. The trustees meet on a regular basis to discuss all matters in relation to the running of the charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs J A Hall (Chairperson)

Ms J Dixon (Treasurer)

Ms C Watson

Mrs L Chambers

Mrs V Watson

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Statement of trustees' responsibilities**

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 Society and of the incoming resources and application of resources of the Society 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 Society 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 Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Mrs J A Hall (Chairperson)

**Trustee**

9 November 2022

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

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#### Opinion

We have audited the financial statements of Northern Counties Horses and Smaller Animals Protection Society (the 'Society') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 March 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 Society 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 Society'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.

# **NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

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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 Society'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 145 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company, we identified that there were principal risks of non-compliance with laws and regulations central to the charity's operations as it does have to report to The Charity Commission and, through its daily operations, it must comply with certain health and safety regulations with regard to the general public. We also considered those laws and regulations that have a direct impact on the financial statements of the company such as the Charities Act 2011 and UK tax legislation.

Audit procedures performed by the engagement team included:

Discussions with the trustees and key management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;

Reviewing relevant trustee meeting minutes;

Testing transactions entered into outside of the company's normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment or collusion.



# **NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY**

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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.

#### **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.

#### **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 auditor's 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.

**Robson Laidler Accountants Limited**  
**Statutory Auditor**

14 November 2022

Fernwood House  
Fernwood Road  
Jesmond  
Newcastle Upon Tyne  
Tyne and Wear  
England  
NE2 1TJ

Robson Laidler Accountants Limited is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	3	291,893	253,519
Other trading activities	4	41,683	20,670
Investments	5	177	493
<b>Total income</b>		<u>333,753</u>	<u>274,682</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	<u>285,426</u>	<u>275,170</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		48,327	(488)
Fund balances at 1 April 2021		<u>1,598,966</u>	<u>1,599,454</u>
<b>Fund balances at 31 March 2022</b>		<u><u>1,647,293</u></u>	<u><u>1,598,966</u></u>

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

All income and expenditure derive from continuing activities.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	9		187,928		195,738
<b>Current assets</b>					
Stocks	10	1,302		1,264	
Debtors	11	14,146		17,515	
Cash at bank and in hand		1,454,974		1,393,540	
		<u>1,470,422</u>		<u>1,412,319</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(11,057)</u>		<u>(9,091)</u>	
Net current assets			1,459,365		1,403,228
<b>Total assets less current liabilities</b>			<u>1,647,293</u>		<u>1,598,966</u>
<b>Income funds</b>					
Unrestricted funds - general			1,647,293		1,598,966
			<u>1,647,293</u>		<u>1,598,966</u>

The financial statements were approved by the Trustees on 13 November 2022

Mrs J A Hall (Chairperson)  
**Trustee**

Ms J Dixon (Treasurer)  
**Trustee**

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	14		61,257		1,969
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(2,439)	
Investment income received		177		493	
<b>Net cash generated from/(used in) investing activities</b>			177		(1,946)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			61,434		23
Cash and cash equivalents at beginning of year			1,393,540		1,393,517
<b>Cash and cash equivalents at end of year</b>			1,454,974		1,393,540

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **Charity information**

Northern Counties Horses and Smaller Animals Protection Society is an unincorporated charity registered in England and Wales. The charity's principal address is given in the Legal and Administrative Information within these financial statements.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Society's trust deed, 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 Society 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 UK sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. 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 Society 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.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Society.

#### **1.4 Income**

Income is recognised when the Society 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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Legacies are recognised on receipt or otherwise if the Society 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.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### **1 Accounting policies**

**(Continued)**

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

#### **1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### **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	2% straightline
Fixtures and fittings	15% on reducing balance
Motor vehicles	25% on reducing balance
Kennels, shelters etc	5% on reducing balance

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.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.7 Impairment of fixed assets**

At each reporting end date, the Society 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).

#### **1.8 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 at the lower of replacement cost and cost.

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

#### **1.9 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.

#### **1.10 Financial instruments**

The Society 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 Society's balance sheet when the Society 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.

##### ***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.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

**(Continued)**

#### ***Derecognition of financial liabilities***

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

#### **1.11 Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010.

#### **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 Society 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.

### **2 Critical accounting estimates and judgements**

In the application of the Society'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.

#### **Key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The estimated useful lives of tangible fixed assets



# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### 3 Donations and legacies

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Donations and gifts	149,763	147,552
Legacies receivable	138,309	97,924
Gift aid	3,821	8,043
	<u>291,893</u>	<u>253,519</u>
<b>Legacies receivable</b>		
Raymond Weedy	25,870	-
Norma Ross	30,000	-
Olive Milligan	5,000	-
Catherine Ternent	5,000	-
Barbara Hargreaves	5,760	-
Judith Angela Dixon	6,679	-
Edna Sutton	10,000	-
Keith Seckington	50,000	-
Other	-	97,924
	<u>138,309</u>	<u>97,924</u>

### 4 Other trading activities

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Receipts from events	4,805	340
Receipts from merchandise	36,878	20,330
Other trading activities	<u>41,683</u>	<u>20,670</u>

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

### 5 Investments

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Interest receivable	177	493

### 6 Charitable activities

	<b>Care of animals and refuge 2022 £</b>	<b>Care of animals and refuge 2021 £</b>
Staff costs	167,562	167,202
Depreciation and impairment	7,810	7,830
Rates and water	1,843	2,118
Insurance	10,111	8,781
Light and heat	14,450	10,841
Telephone	959	820
Printing postage and stationery	2,918	2,172
Sundries	869	594
Fuel road tax and motor insurance	3,007	2,574
Subscriptions licences and courses	518	332
Animal day to day costs	10,317	8,889
Veterinary fees	39,373	36,593
General maintenance	19,731	14,361
Audit and accountancy	3,264	3,000
Legal and professional fees	2,694	9,063
	<u>285,426</u>	<u>275,170</u>
	<u>285,426</u>	<u>275,170</u>

Legal and professional fees includes payments to the auditors of £1,484 (2021- £1,484) for payroll services.

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year.

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Animal refuge	10	10
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	158,779	158,361
Social security costs	6,266	6,278
Other pension costs	2,517	2,563
	167,562	167,202

Key management personnel remuneration £24,876 (2021 £23,769).

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

### 9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Kennels, shelters etc £	Total £
<b>Cost</b>					
At 1 April 2021	313,974	14,982	11,240	42,116	382,312
At 31 March 2022	313,974	14,982	11,240	42,116	382,312
<b>Depreciation and impairment</b>					
At 1 April 2021	133,177	8,369	10,638	34,390	186,574
Depreciation charged in the year	6,281	992	151	386	7,810
At 31 March 2022	139,458	9,361	10,789	34,776	194,384
<b>Carrying amount</b>					
At 31 March 2022	174,516	5,621	451	7,340	187,928
At 31 March 2021	180,797	6,613	602	7,726	195,738

# NORTHERN COUNTIES HORSES AND SMALLER ANIMALS PROTECTION SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

<b>10 Stocks</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Animal foodstuffs and merchandise	1,302	1,264
<b>11 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	3,821	8,043
Prepayments and accrued income	10,325	9,472
	14,146	17,515
<b>12 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	2,237	2,086
Other creditors	1,119	661
Accruals and deferred income	7,701	6,344
	11,057	9,091
<b>13 Related party transactions</b>		
There were no disclosable related party transactions during the year (2021 - none).		
<b>14 Cash generated from operations</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	48,327	(488)
Adjustments for:		
Investment income recognised in statement of financial activities	(177)	(493)
Depreciation and impairment of tangible fixed assets	7,810	7,830
Movements in working capital:		
(Increase) in stocks	(38)	(36)
Decrease/(increase) in debtors	3,369	(2,655)
Increase/(decrease) in creditors	1,966	(2,189)
<b>Cash generated from operations</b>	<b>61,257</b>	<b>1,969</b>
<b>15 Analysis of changes in net funds</b>		
The Society had no debt during the year.		