

**Royal Society For The Prevention Of Cruelty To Animals, York,
Harrogate And District Branch**

(Operating as RSPCA York, Harrogate and District Branch)

Annual Report And Unaudited Financial Statements

For The Year Ended 31 December 2021

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
LEGAL AND ADMINISTRATIVE INFORMATION**

| | | |
|-----------------|---|-----------------------------|
| Trustees | J Snelling D Hardwick D Blueman B Smith van Carroll S Scholey A Dryburgh | (Appointed 28 October 2021) |
|-----------------|---|-----------------------------|

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|-----------------------|--------|
| Charity number | 232222 |
|-----------------------|--------|

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|-----------------------------|---|
| Independent examiner | Azets Audit Services Limited Triune Court Monks Cross Drive York YO32 9GZ |
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|----------------|--|
| Bankers | The Co-operative Bank p.l.c. P.O. Box 101, 1 Balloon Street Manchester M60 4EP |
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|-------------------|--|
| Solicitors | Burn & Company Lendal House 11 Lendal York YO1 8AQ |
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| | |
|--|--|
| | Mitchells Solicitors 2 Peckitt Street Clifford Street York YO1 9SF |
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**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
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ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

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 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) as detailed in the accounting policies.

Objectives and activities

The objects of the RSPCA York, Harrogate & District Branch are to promote the work and objects of the Society, which are to promote kindness and to prevent or suppress cruelty to animals by all lawful means, within the York, Harrogate and District area, in accordance with the policies of the Society.

As a branch we support the RSPCA Inspectorate and their work wholeheartedly and have started and will continue to offer animal spaces at the York Animal Home to the Inspectors as a priority and only taking animals from the public, when no inspector animal needs a rescue place.

This work is key to avoiding the repetition or suppression of cruelty as a part of the York, Harrogate & District objectives and promotes humane sentiments towards animals which involve moral benefit to humankind.

Public benefit statement

We have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Significant activities

We support local inspectors by taking in, free of charge, mistreated or abandoned animals, including pets whose owners suffer ill health, financial difficulties or who have passed away.

As a branch we support the RSPCA Inspectorate and their work wholeheartedly and have started and will continue to offer animal spaces at the York Animal Home to the Inspectors as a priority and only taking animals from the public, when no inspector animal needs a rescue place. Over 57% of all animals taken into the York Animals Home came from the national RSPCA Inspectors.

We provide a subsidised clinic to provide veterinary treatment for sick or injured animals for local people on low incomes. This clinic uses means tested benefits as a guide as to whom to give financial help to obtain care.

Alongside the Inspectorate we provide education, information and advice, to aid the prevention of cruelty and mistreatment of animals. This work is key to avoiding the repetition or suppression of cruelty as a part of the York, Harrogate & District objectives and promotes humane sentiments towards animals which involve moral benefit to humankind.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

2021 proved to be another challenging year for the animal home. Staff at the home have worked tirelessly during the pandemic with the reduction in volunteer numbers making the job even harder. Despite this they continued to deliver the best possible experience for animals in our care.

In addition to the pandemic we continued to battle against flooding and the challenges of operating with an ageing site. Against the backdrop of the pandemic we have continued to try and modernise our systems and services and continue to explore options for rebuilding the animal home.

2021 also saw the return of the national RSPCA licensing team to reassess our centre licence. Despite the challenges presented by the ageing animal home, and working in the context of a global pandemic the visit went well. We were commended for the fantastic care and attention provided by our staff team, and with a few minor pieces of work we were issued with another 5 year licence, however future licensing will likely be dependent on the animal home having modern facilities. This is a testament to the hard work of Ruth McCabe and the rest of the team at the animal home.

We also sadly lost several members of the RSPCA York family this year, including long term staff members Rachael Harris and Dianne Baggot who will both be sadly missed.

A decision was taken midway through the year to increase the staffing levels at the home, to enable us to provide more contact time with the animals and in particular training for the dogs. Due to this we embarked on a recruitment campaign which proved particularly challenging in the current climate and we are still recruiting for some vacancies to bring our animal care team up to full capacity.

2021 was a tough year for everyone and we want to thank our supporters for their ongoing support, and for everyone who shares the stories of their rescue pets and helps remind the staff why we do what we do.

Trustee Recruitment and Training

Our trustee board continued to meet virtually throughout the pandemic.

We were able to carry out our first Annual General Meeting in 2 years and report back to our members about the work we had been carrying out during the lockdown. The AGM saw two trustees stand down and two new members join our board.

The national society has been working on modernising the governance of branches, with some recent changes to board number requirements and the development of a trustee induction toolkit, which we plan to use for a future recruitment campaign for new board members.

Fundraising

As the pandemic continued we found fundraising more challenging with many of our supporters having already been extremely generous in the first year of lockdown. We saw reduced interest in our digital fundraising campaigns and restrictions on in-person fundraising made the majority of our regular activity impossible to carry out.

Our regular donations schemes - SuPAWters and the Animal Home Lottery continued to perform well.

We hired a new fundraising coordinator in order to capitalise on the positive fundraising campaigns we ran in 2021 and to meet our need to modernise our fundraising techniques and invest in growing and developing our fundraising efforts. A number of new fundraising tools were developed including improved marketing materials and a supporters pack to enable individuals to fundraise for us.

Unfortunately the ongoing restrictions limited what could be achieved by this new role, as many of our collections and events could not take place for most of the year. However we were able to participate in a number of external fundraising activities and begin to develop new relationships with external organisations and companies, which we hope to grow in the future.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Christmas saw the return of our seasonal fair for the first time since 2019. Despite the challenges presented by social distancing and managing the coronavirus risks, the fair was a huge success raising more money than in previous years. A big thank you to all of the volunteers who helped coordinate the fair and the supporters who showed up despite the bad weather.

We were also extremely fortunate to receive legacy donations from a number of our supporters who sadly passed away. We continue to be extremely reliant on legacy donations to cover the running costs of the animal home, despite our ongoing efforts to diversify our income sources. Thanks to these generous legacy donations we were able to generate a surplus this year which we can set aside for the much needed building work at the home.

Retail

Our three charity shops were able to reopen following the national lockdowns. Thanks to the government grants made available to the retail and hospitality sector we were able to come through the pandemic relatively unscathed, although unfortunately one of our long term managers Diane Baggot sadly passed away.

The pandemic gave us the opportunity to take a step back and review our retail efforts. We carried out a restructure of the shop staffing model and brought in a new retail manager to oversee the work of the three shops, with the aim of improving standards and increasing sales. Since starting in September the new retail manager has been hard at work modernising the shops. We are already seeing significant increases in sales and customer satisfaction, which has enabled us to set an ambitious income target for shops in 2022.

Volunteering

The pandemic highlighted the need to communicate quickly and effectively with our volunteer teams. Previously we were operating with a number of fragmented volunteer lists, several of which existed physically, which made contacting our volunteers challenging. In 2021 we were approached by the national society to trial their volunteering database "Assemble" on a branch level. This was implemented towards the end of the year, with all new volunteer applications being managed through this software.

The pandemic has sadly seen the loss of many volunteers in the RSPCA York family, so we are increasing our levels of volunteer recruitment as we need new volunteers to help carry on our vital work. Thanks to Assemble we have been able to streamline and better manage our application and induction process, and we've seen particular success in the recruitment of volunteer drivers for the charity shop.

Outreach

The pandemic continued to have a significant impact on our ability to carry out outreach work, however we were able to attend a number of events during the year including the York Balloon Fiesta. We were also able to start carrying out a small number of school visits within the year. We continued to work with the local authority during the pandemic to provide information and advice to pet owners about how to prepare their animals for owners returning to the workplace.

We plan for 2022 to be much more active in terms of outreach with an increase in welfare and microchipping activity within the local community.

Rescue, Rehabilitation and Rehoming

Thanks to the hard work last year we were able to maintain a system that allowed us to rehome animals successfully whilst keeping everyone involved in the process safe. A big thank you needs to go out to our team of volunteer home visitors who carried out online home visits during the pandemic, in particular Celia Hammond who carried out over 200 virtual visits during the pandemic.

We continued to take in animals and operate throughout the entire pandemic. The branch rehomed 212 animals in 2021 (48 Dogs, 107 Cats, 16 Rabbits and 41 other animals). This was a further reduction on the numbers from last year, mainly due to the reduced number of animals being brought in by the inspectors.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

We continued to operate our online adoption process and were able to reintroduce in person meet-and-greets on an appointment basis. This new system of working allows us to manage adoptions in a really positive way and ensure a positive experience for staff, adopters and the animals. We will be continuing to operate in this way in the future as it's been so successful.

The branch took in 303 animals during the year, the majority of which came to the centre from the national RSPCA inspectors. This figure was down from 447 in 2020 as the pandemic meant the RSPCA inspectors were still unable to enter properties to carry out animal welfare investigations, meaning fewer animals were rescued and brought to the centre. Thankfully this started to improve towards the end of the year, however this dramatically impacted our ability to rehome animals this year.

The biggest change in our intake figure this year was the reduction in the number of dogs, which were almost half what they were last year. This did mean that we were able to increase the number of animals we took in from the public during the pandemic. Thankfully we did not see the levels of animal abandonment that we feared the pandemic would cause.

Financial review

The Statement of Financial Activities shows a net surplus for the year of £196,922 (2020 - £214,653). The charity does not have any restricted funds.

Net Current Assets stand in total at £1,172,626 at 31 December 2021 (2020 - £931,645). The charity also owns the York animal home which is carried in the accounts at its depreciated cost of £149,210 (2020 - £181,230).

The total income for the year was £950,376 (2020 - £999,749). Income from donations and legacies was £501,978 (2020 - £437,034), with income from charitable activities which includes boarding and re-homing fees totalling £162,256 (2020 - £238,703). The charity's shops contributed income of £183,072 (2020 - £138,959).

Reserves Policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least £300k, which represents 4-5 months running costs along with the amounts required to pay outstanding liabilities and staff redundancy costs. Estimated expenditure for 2022 is £856k. At the end of 2021 the free reserves stood at £1,370k.

Following the previous years steps to reduce the branch expenditure, we were able to reduce the operating overspend and bring in a surplus thanks to legacy contributions. However with increased operating costs due to external economic factors we are again forecasting an overspend. The branch is forecasting levels of income in 2022 of £659k, resulting in a £197k deficit for the year.

The branch is continuing to work towards becoming sustainable, but due to the current economic climate this is proving increasingly challenging. The trustees still intend to designate annual surpluses from legacy income for use in the rebuild and/or refurbishment of the animal home, however due to the current economic volatility if required those designated fund would be made available to cover annual operating cost.

Investment policy

The branch continues to invest c.£198k in low risk stocks through Clerical Medical, but the majority of assets are now held in the branches bank accounts.

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. During the monthly meetings, the Trustees actively review risks which the charity faces, looking at operational and financial reviews and business risks which have been identified as:

- Inability to operate the animal home because of fire or other destruction;
- Loss of reputation through error or fraud;
- Loss of income through error or fraud;
- Insufficient funds to cover costs of animal welfare activities.

Steps to mitigate significant risks include:

- Internal control risks have been minimised by the implementation of procedures in accordance with the Charity Act 2011;
- Procedures are in place to ensure compliance with health and safety regulations for staff, volunteers and visitors;
- Emergency plans have been drawn up to ensure the animal centre can continue to operate in the event of fire, flood or other destruction.

Structure, governance and management

Governing document

The charity is constituted as an unincorporated charitable association. The charity operates as an autonomous branch of the National RSPCA subject to its rules for branches (as updated in 2012).

The objects of the charity are:

- To prevent cruelty to animals;
- To look after their general welfare in York, Harrogate and District.

The York, Harrogate and District branch has a Committee of no less than 5 and up to 14 board members who meet monthly and are responsible for the strategic direction and policy of the charity.

A scheme of delegation is in place and the day to day responsibility of the York, Harrogate and District branch animal home and shops rests with the Branch Manager, overseen by the trustees board.

The pay of the charity's key management personnel is reviewed annually and increased at the trustees' discretion and taking into consideration the financial situation of the charity.

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

| | |
|---------------------|--|
| J Snelling | |
| D Hardwick | |
| D Blueman | |
| G Carsey | (Resigned 28 October 2021) |
| B Smith van Carroll | |
| S Scholey | |
| Mrs S L Wass | (Resigned 28 October 2021) |
| A Metcalfe | (Appointed 28 October 2021 and resigned 29 March 2022) |
| A Dryburgh | (Appointed 28 October 2021) |
| F Preston | (Resigned 26 January 2021) |

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2021

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 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 Report was approved by the Board of Trustees and signed on its behalf by:



.....
D Hardwick

Trustee

Dated: 27/05/2022

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO
ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH**

I report to the Trustees on my examination of the financial statements of Royal Society for the Prevention of Cruelty to Animals, York, Harrogate And District Branch (the Charity) for the year ended 31 December 2021.

This report is made solely to the charity's Trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Laura Masheder

Laura Masheder FCA, DChA
Azets Audit Services Limited
Triune Court
Monks Cross Drive
York
YO32 9GZ

Dated: 10/06/2022
.....

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|------------------|------------------|
| <u>Income and endowments from:</u> | | | |
| Donations and legacies | 3 | 501,978 | 437,034 |
| Charitable activities | 4 | 162,256 | 238,703 |
| Other trading activities | 5 | 218,979 | 186,412 |
| Investments | 6 | 227 | 3,771 |
| Government grants | 7 | 66,936 | 133,829 |
| Total income | | 950,376 | 999,749 |
| <u>Expenditure on:</u> | | | |
| Raising funds | 8 | 149,889 | 161,025 |
| Charitable activities | 9 | 602,699 | 626,040 |
| Total expenditure | | 752,588 | 787,065 |
| Net (losses)/gains on investments | 13 | (866) | 1,969 |
| Net movement in funds | | 196,922 | 214,653 |
| Fund balances at 1 January 2021 | | 1,378,357 | 1,163,704 |
| Fund balances at 31 December 2021 | | 1,575,279 | 1,378,357 |

All income and expenditure for 2021 and 2020 is unrestricted.

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

All income and expenditure derive from continuing activities.

The notes on pages 13 - 23 form part of these financial statements.

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
BALANCE SHEET**

AS AT 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-----------|------------------|-------------------------|-----------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 204,783 | | 247,976 |
| Investments | 15 | | 197,870 | | 198,736 |
| | | | <u>402,653</u> | | <u>446,712</u> |
| Current assets | | | | | |
| Stocks | 16 | 714 | | 714 | |
| Debtors | 17 | 99,620 | | 27,171 | |
| Cash at bank and in hand | | <u>1,116,008</u> | | <u>930,198</u> | |
| | | | 1,216,342 | | 958,083 |
| Creditors: amounts falling due within one year | 18 | <u>(43,716)</u> | | <u>(26,438)</u> | |
| Net current assets | | | <u>1,172,626</u> | | <u>931,645</u> |
| Total assets less current liabilities | | | <u><u>1,575,279</u></u> | | <u><u>1,378,357</u></u> |
| Total funds | | | | | |
| Unrestricted funds | | | <u>1,575,279</u> | | <u>1,378,357</u> |
| | | | <u><u>1,575,279</u></u> | | <u><u>1,378,357</u></u> |

The financial statements were approved by the Trustees on 27/05/2022



.....
D Hardwick
Trustee

The notes on pages 13 - 23 form part of these financial statements.

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-----------|-----------|-----------|-----------|---------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 21 | | 188,096 | | 281,342 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (2,513) | | - | |
| Interest received | | 227 | | 3,771 | |
| | | | | | |
| Net cash (used in)/generated from investing activities | | | (2,286) | | 3,771 |
| | | | | | |
| Net increase in cash and cash equivalents | | | 185,810 | | 285,113 |
| Cash and cash equivalents at beginning of year | | | 930,198 | | 645,085 |
| | | | | | |
| Cash and cash equivalents at end of year | | | 1,116,008 | | 930,198 |

ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, YORK, HARROGATE AND DISTRICT BRANCH (OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH) NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charity information

RSPCA York, Harrogate and District Branch is a charity registered with the Charity Commission in England and Wales under the registered number 232222. The principal address is RSPCA York Animal Home, Landing Lane, York, YO26 4RH.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP (FRS 102) rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity is a Public Benefit Entity as defined by FRS 102.

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments 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.

During the year coronavirus COVID-19 has resulted in a global pandemic affecting the global economy. The speed and severity of the impact has been unprecedented but the UK Government has introduced considerable measures to help organisations through this extremely challenging time. COVID-19 has however impacted the ability of the charity to trade via its shops, which have traded in accordance with government restrictions.

On the basis of the strong result this year, which was bolstered significantly by legacy income, and the continued financial support available via government schemes, strong cash reserves and outright ownership of the charity's animal home, the Trustees are confident that the charity is a going concern and has the ability to meet its liabilities as they fall due. The Trustees therefore believe it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would be necessary if the charity was not a going concern.

1.3 Charitable funds

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

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.4 Income

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.

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.

Income from government grants and other grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes attributable VAT which cannot be recovered.

Expenditure is classified under the following activity headings:

- Charitable activity comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.
- Cost of raising funds comprises the costs of running the charity shops.
- Support costs include those costs which cannot be directly attributed to a particular heading, and include the governance costs of the charity. These are allocated to the relevant activity based on usage and staff time associated with each activity.

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 | Straight line over 25 years |
| Improvements to property | Straight line over 10 years |
| Animal home equipment | 20% on a reducing balance basis |
| Shop and office equipment | 20% on a reducing balance basis |
| Fixtures and fittings | |
| Motor vehicles | 25% on a reducing balance basis |

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.

**ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS,
YORK, HARROGATE AND DISTRICT BRANCH
(OPERATING AS RSPCA YORK, HARROGATE AND DISTRICT BRANCH)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

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.

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 of bought in goods is valued at the lower of cost and estimated selling price less costs to complete and sell.

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume of these items and to include it on the balance sheet. The value of these goods to the charity is instead recognised when they are sold in the shops.

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.

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.

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1 Accounting policies

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

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 Taxation

RSPCA York, Harrogate and District Branch is a registered charity and as such is potentially entitled to tax exemption under Section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

1.13 Employee benefits

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

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

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FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.14 Retirement benefits

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

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense 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.

After review the Trustees consider that there are no critical estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the financial statements.

3 Donations and legacies

| | 2021 | 2020 |
|---------------------|----------------|----------------|
| | £ | £ |
| Donations and gifts | 123,743 | 157,523 |
| Legacies receivable | 378,235 | 279,511 |
| | <u>501,978</u> | <u>437,034</u> |

4 Charitable activities

| | 2021 | 2020 |
|-----------------|----------------|----------------|
| | £ | £ |
| Boarding fees | 108,986 | 108,429 |
| Re-homing fees | 32,081 | 26,981 |
| Rents | 4,920 | 4,920 |
| Sundry income | 6,269 | 3,073 |
| Grants received | 10,000 | 95,300 |
| | <u>162,256</u> | <u>238,703</u> |

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FOR THE YEAR ENDED 31 DECEMBER 2021

5 Other trading activities

| | 2021 | 2020 |
|--------------------|----------------|----------------|
| | £ | £ |
| Shop income | 183,072 | 138,959 |
| Fundraising events | 35,907 | 47,453 |
| | <u>218,979</u> | <u>186,412</u> |

6 Investments

| | 2021 | 2020 |
|---------------------|-------------|--------------|
| | £ | £ |
| Interest receivable | <u>227</u> | <u>3,771</u> |

7 Government Grants

| | 2021 | 2020 |
|---------------------------------------|---------------|----------------|
| | £ | £ |
| Coronavirus Job Retention Scheme | 23,877 | 65,283 |
| Coronavirus Government support grants | 43,059 | 68,546 |
| | <u>66,936</u> | <u>133,829</u> |

8 Raising funds

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| | £ | £ |
| <u>Trading costs</u> | | |
| Operating charity shops | 53,791 | 53,801 |
| Staff costs | 96,098 | 107,224 |
| | <u>149,889</u> | <u>161,025</u> |

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FOR THE YEAR ENDED 31 DECEMBER 2021

9 Charitable activities

| | 2021 | 2020 |
|--------------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Staff costs | 370,238 | 391,242 |
| Depreciation | 45,706 | 44,651 |
| Rates and water | 12,239 | 9,398 |
| Insurance | 3,116 | 2,487 |
| Light and heat | 24,439 | 26,471 |
| Telephone | 6,099 | 6,020 |
| Postage and stationery | 1,291 | 1,212 |
| Sundries | 28,234 | 29,258 |
| Feeding and bedding | 9,164 | 4,239 |
| Cleaning, laundry and waste disposal | 28,661 | 25,567 |
| Vets fees and medicine | 55,754 | 71,314 |
| Microchips | 324 | 518 |
| Motor expenses | 1,022 | 1,061 |
| Repairs and renewals | 3,569 | 3,105 |
| Legal and professional | 657 | 665 |
| Staff training and recruitment | 3,633 | - |
| | <u>594,146</u> | <u>617,208</u> |
| Share of support costs (see note 10) | 8,553 | 8,832 |
| | <u><u>602,699</u></u> | <u><u>626,040</u></u> |

10 Support costs

| | 2021 | 2020 |
|--|--------------|--------------|
| | £ | £ |
| Management | 2,582 | 2,430 |
| Finance | 2,296 | 2,902 |
| Fees paid to the Independent Examiner: - Independent examination fee | 2,350 | 2,240 |
| - Accountancy fees | 1,325 | 1,260 |
| | <u>8,553</u> | <u>8,832</u> |

11 Trustees

None of the Trustees (2020: no Trustees) (or any persons connected with them) received any expenses, remuneration or benefits from the Charity during the year.

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12 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2021 Number | 2020 Number |
|------------------------------------|------------------------|------------------------|
| Branch managers | 1 | 1 |
| Animal centre managers | 1 | 1 |
| Animal care centre and other staff | 18 | 18 |
| Charity shop managers | 1 | 3 |
| Charity shop staff | 4 | 4 |
| | <u>25</u> | <u>27</u> |

Employment costs

| | 2021 £ | 2020 £ |
|-----------------------|-------------------|-------------------|
| Wages and salaries | 430,572 | 461,214 |
| Social security costs | 26,041 | 26,168 |
| Other pension costs | 9,723 | 11,084 |
| | <u>466,336</u> | <u>498,466</u> |

Key Management Personnel are the Branch Manager, Deputy Centre Manager, Fundraising Coordinator, Finance Administrator and Retail Manager.

During the year the charity's key management personnel, comprising 5 individuals, received remuneration of £99,626 (2020: £75,147, comprising 3 individuals).

There were no employees whose annual remuneration was £60,000 or more (2020: No employees).

13 Net gains/(losses) on investments

| | 2021 £ | 2020 £ |
|----------------------------|-------------------|-------------------|
| Revaluation of investments | <u>(866)</u> | <u>1,969</u> |

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| 14 Tangible fixed assets | | Freehold land and buildings | | Improvements to property | | Animal home equipment | | Shop and office equipment | | Fixtures and Motor vehicles fittings | | Total | |
|----------------------------------|--|-----------------------------|--------|--------------------------|--------|-----------------------|-------|---------------------------|---|--------------------------------------|---|-------|-------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | | | | | | | |
| At 1 January 2021 | | 800,512 | 49,164 | 74,024 | 72,806 | - | 9,430 | 1,005,936 | | | | | |
| Additions | | - | - | - | - | - | - | 2,513 | - | - | - | - | 2,513 |
| At 31 December 2021 | | 800,512 | 49,164 | 74,024 | 72,806 | - | 9,430 | 1,008,449 | | | | | |
| Depreciation | | | | | | | | | | | | | |
| At 1 January 2021 | | 619,282 | 23,741 | 61,341 | 50,502 | - | 3,094 | 757,960 | | | | | |
| Depreciation charged in the year | | 32,020 | 4,917 | 2,538 | 4,461 | 503 | 1,267 | 45,706 | | | | | |
| At 31 December 2021 | | 651,302 | 28,658 | 63,879 | 54,963 | 503 | 4,361 | 803,666 | | | | | |
| Carrying amount | | | | | | | | | | | | | |
| At 31 December 2021 | | 149,210 | 20,506 | 10,145 | 17,843 | 2,010 | 5,069 | 204,783 | | | | | |
| At 31 December 2020 | | 181,230 | 25,423 | 12,683 | 22,304 | - | 6,336 | 247,976 | | | | | |

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15 Fixed asset investments

| | Listed investments £ |
|--------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 January 2021 | 198,736 |
| Valuation changes | (866) |
| | <u>197,870</u> |
| At 31 December 2021 | <u>197,870</u> |
| Carrying amount | |
| At 31 December 2021 | <u>197,870</u> |
| At 31 December 2020 | <u>198,736</u> |

16 Stocks

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Finished goods or consumables for resale | <u>714</u> | <u>714</u> |

17 Debtors

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 23,011 | 13,941 |
| Other debtors | 76,609 | 13,230 |
| | <u>99,620</u> | <u>27,171</u> |

18 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|-------------------|-------------------|
| Other taxation and social security | 11,704 | 7,022 |
| Trade creditors | 26,223 | 10,012 |
| Other creditors | 5,789 | 9,404 |
| | <u>43,716</u> | <u>26,438</u> |

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19 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:

| | 2021 | 2020 |
|----------------------------|----------------|---------------|
| | £ | £ |
| Within one year | 43,354 | 46,566 |
| Between two and five years | 81,284 | 30,500 |
| | <u>124,638</u> | <u>77,066</u> |

20 Related party transactions

The charity is an affiliated branch of the Royal Society for the Prevention of Cruelty to Animals (RSPCA) (Charity registration number: 219099) and is governed by the RSPCA Branch Model Rules. During the year the charity received grants and donations from the RSPCA of £10,000 (2020: £95,300) in financial support, and £48,268 (2020: £50,346) from the door to door fundraising event.

There are no other related party transactions in the current or previous year.

21 Cash generated from operations

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Surplus for the year | 196,922 | 214,653 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (227) | (3,771) |
| Fair value losses/(gains) on investments | 866 | (1,969) |
| Depreciation of tangible fixed assets | 45,706 | 44,651 |
| Movements in working capital: | | |
| (Increase)/decrease in debtors | (72,449) | 42,096 |
| Increase/(decrease) in creditors | 17,278 | (14,318) |
| Cash generated from operations | <u>188,096</u> | <u>281,342</u> |