

**RSPCA NORTHUMBERLAND WEST BRANCH**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# RSPCA NORTHUMBERLAND WEST BRANCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	J Ormiston - Chairman R Duggan S Hogarth A Wakelam S Watkins R Moules D H Brown C Imrie	(Appointed 21 October 2021) (Appointed 21 October 2021) (Appointed 1 December 2021)
<b>Charity number</b>	232241	
<b>Principal address</b>	4 Newman Row Battle Hill Hexham Northumberland NE46 1BB	
<b>Independent examiner</b>	Anthony Dunn Stokoe Rodger LLP St Matthews House Haugh Lane Hexham NE46 3PU	
<b>Bankers</b>	Barclays Bank Plc Priestpopple Hexham Northumberland NE46 1PE	
<b>Investment advisors</b>	St James's Place Wealth Management One Trinity Gardens Broad Chare Newcastle upon Tyne NE1 2HF	

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# RSPCA NORTHUMBERLAND WEST BRANCH

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# **RSPCA NORTHUMBERLAND WEST BRANCH**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The trustees present their annual 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).

#### **Objectives and activities**

The objects of the branch are to promote the work and objects of the National Society of the RSPCA

– to promote kindness or to 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 key aim is to find suitable new homes for as many animals as possible, and to provide proper care for those who have been mistreated or abandoned.

The Trustees have reviewed the outcomes and achievements of the Branch's objectives and activities for the year to ensure they remain focussed on the charity's aims and continue to deliver benefits to the public. The Trustees have complied with the duty under the Charities Act 1993 to have due regard to public benefit guidance published by the Charity Commission which can be illustrated as follows:

- The Branch supports the local Inspectors by taking in, free of charge, mistreated or abandoned animals including pets whose owners suffer ill health or financial difficulties or pass away.
- The Branch provides education, information and advice, benefiting the public by promoting compassionate human sentiments towards animals.
- The Branch provides subsidised veterinary treatment for animals which are sick or injured and belong to local people on low incomes. This is achieved through a voucher scheme. During 2021 eleven welfare vouchers were issued to the public with a value of £528 thus benefiting those on means tested benefits by giving financial help to obtain veterinary care for companion animals.
- The Branch offers subsidised neutering and micro-chipping of companion animals for owners on low incomes. This helps to control dog and cat populations and promotes responsible pet ownership. Animals in the care of the Branch receive veterinary treatment, vaccination, neutering, and micro-chipping and are assessed for rehoming.
- Free animal care advice is offered to pet owners, and talks are given by invitation to local groups about caring for pets. These activities benefit the public through the promotion of responsible pet ownership.
- RSPCA Northumberland West Branch provides volunteering opportunities for those who wish to support our work including trusteeship, homechecking, fundraising and retail work and some animal care via fostering. This benefits local people, by providing the possibility of doing work which is compassionate and rewarding.

The main activities to achieve this are the operation of an animal re-homing programme and the management and oversight of three charity shops. Our army of volunteers provides invaluable support. We estimate that our volunteers contributed some 4,500 hours of their free time during 2021.

# **RSPCA NORTHUMBERLAND WEST BRANCH**

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

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **Achievements and performance**

January, February and March of 2021 saw the country in lock down once more. As a non-essential shop this meant that RSPCA Northumberland West had lost their regular income stream and our staff were again furloughed as all three shops were closed. Having faced lock down on two occasions the previous year the Branch was more accustomed to coping with this situation and as people were allowed to volunteer a lot of work was done (following strict safety guidelines) in the shops, behind the scenes to ensure that once we were able to re-open we would hit the ground running.

Rothbury shop continued with the idea of filling the window with tempting items and set up a "click and collect" system which proved both popular and successful. Although we tried a similar arrangement in Hexham it did not prove to be what the customers wanted.

We felt a sense of relief and optimism when the shops re-opened in April. We have, for a number of reasons lost a lot of our volunteers and this has caused problems with staffing. Normally we rely on volunteers manning the till whilst the shop duty manager sorts donations however there are many occasions when the duty manager has no volunteer support. In addition there is a new animal charity shop opened across the street from our shop and in Prudhoe a new shopping arcade has opened away from the High Street causing a huge drop in footfall.

Our shop in Rothbury has not faced such problems and, together with many new volunteers and staff, it has gone from strength to strength and we are extremely optimistic for 2022. One of the duty managers at Rothbury left in August and we were able to fill her role with an existing member of the team.

A sign that life was finally beginning to return to normal was the fact that that we were able to hold an AGM. We were sorry that Brenda Hodgson had decided to retire as a Trustee but pleased to be able to welcome three new Trustees.

Our Rehoming Officer continued to face obstacles when home checking. He was unable to visit the homes in person having to rely on photographs and videos sent by the potential adopter. Towards the end of the year he was able to go to visit gardens. Despite these obstacles we have rehomed 300 animals during 2021 which is an increase in both the 2020 figures and those from 2019 which shows the commitment and dedication of the Branch even in the most trying and difficult circumstances.

The breakdown is as follows with 2020 figures in brackets:

Dogs 67 (59)

Cats 70 (63)

Rabbits/small furies 45 (30)

Miscellaneous 117 (55)

There have been a number of rather alarming trends that the Branch has noted since the relaxing of Covid restrictions and the return to a pre-pandemic lifestyle. A lot of "small furies" were purchased during the lockdowns as they were seen as easy starter pets. Unfortunately many of these animals are now being abandoned and a number of the rabbits found are pregnant.

Sadly there has been an increase in the number of cats coming into our care. Many belong to older owners who have deceased and are without relatives to take on their pets. We are also taking in numerous stray/abandoned cats who are not microchipped and whose owners cannot be traced.

# **RSPCA NORTHUMBERLAND WEST BRANCH**

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

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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A lot of the dogs we accept from the Inspectors have skin conditions and ultimately need to be on life-long medication in order to live comfortably and pain free. Ear problems are also becoming more common. Despite this there has been a marked increase in applications for dogs. Puppies and smaller dog breeds such as spaniels and terriers proving the most popular although larger breeds like labradors and staffies also popular.

Local people have shown us a lot of support during pandemic with donations of food and we have had several generous donations of money. One couple who had been paid to take part in covid vaccination trials bought food for our animals with the money they were given.

The support of the private boarding kennels and the staff there has been fantastic in a difficult year and they have gone above and beyond what we have asked of them and given all our animals the best start in their new lives.

Our branch line is answered seven days a week which for any Branch is a huge achievement. Help and advice is given on a daily basis to members of the public who contact us. There has been a marked increase in the number of phone calls from members of the public criticising the response they have had when contacting the 0300 number with a complaint. Our Branch Line has been manned solely by one person for nearly two years and it is embarrassing to encounter such comments when the majority of people appear to have a genuine complaint.

Being available to the public for their queries and concerns makes the Branch more visible and lets them know that we will go that extra mile to help them.

#### **Financial review**

As we always note in our annual report none of the above would be possible without a steady flow of money and we are very dependent on our shops and subsequently customers for our income. Takings from the shops in 2021 totalled £167,251 which is an increase of £50,370 from 2020 but still below our 2019 figures. We made a surplus across all three shops of just under £40k. In addition we again received COVID grants of over £50000 which has enabled us to continue taking in animals and rehabilitating them.

All three shops produced a profit at the end of the year ranging from £25k at Rothbury to £2k at Prudhoe. Unfortunately the footfall in Prudhoe has not improved from last year and we are still short of volunteers for that shop. However Prudhoe does receive a lot of support from the local community in the shape of donations and we have been transferring stock from both Hexham and Prudhoe to Rothbury in order to meet demand. Rothbury does not appear to receive as many donations as the other shops and yet it has a higher turnover. We will continue to monitor the situation at Prudhoe next year.

Our total shop expenses in 2021 is back to 2019 levels. wages have remained fairly constant year on year for the last few years but this year they rose by 6K on 2020 figures and £3k on 2019 amounts. The minimum wage is due to increase next year by over 6% so we will once again be seeing an increase in wages.

Legacies and donations totalled £26,066 and the Branch would like to express its' gratitude to everyone for their generosity and thoughtfulness. The Branch continued to work closely with Scott Mitchell and Associates and many other vets in the area. Total veterinary expenditure was £35 817 which is still less than 2019 . It should be noted that this is not a conscious effort on the part of the Trustees to reduce vet's fees as we never turn away an animal because of the cost of vet treatment. It is more related to the fact that the animals coming to us are in better physical condition than previously. Our animal boarding costs have risen by 8k which reflects the increased number of animals we have rehomed. In total the branch spent £125.685 on all associated animal rehoming costs.

The Trustees made a concerted effort to ensure that costs are kept to a minimum so that funds raised are spent on the animals in our care. We only employ an Adoptions Officer and staff for our shops. All other work is undertaken by unpaid volunteers. We believe the public want to see the money they help raise spent on the care of animals rather than paid staff. The reserves have again remained at an acceptable level and within the guidelines of the Charity Commission. The Branch took the necessary steps to be enable it to sustain the amount of animal welfare undertaken during 2021 this and it is hoped that in 2022 we will be able to continue this.

# RSPCA NORTHUMBERLAND WEST BRANCH

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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*Risk management The RSPCA Northumberland West Branch performs a wide range of activities, all of which give rise to some level of risk. It is fully committed to regularly identifying and assessing these risks and taking appropriate action to prevent or minimise their impact on service delivery. In this way the Branch will better achieve its corporate objectives and enhance the value of the services it provides.*

By definition risk management is:-

'The identification, analysis and control, primarily economic, of those risks which can impact on the society's ability to deliver its priorities and objectives'.

The objectives of the Branch's risk management strategy are to:

- embed risk management into the culture and operations of the Branch.
- adopt a systematic approach to risk management as an integral element of service planning and performance management.
- manage risk in accordance with best practice.
- anticipate and respond to changing social, environmental and legislative requirements.
- make sure that sections have clear accountability for both the ownership and cost of risk and the tools to effectively reduce it.

These objectives will be achieved by:

- establishing clear roles and responsibilities and reporting lines for risk management within the Society.
- incorporating risk management in the Society's decision-making, business planning and performance management processes.
- monitoring risk management and internal control arrangements on a regular basis.
- reinforcing the importance of effective risk management through training and providing opportunities for shared learning.
- providing suitable insurance or other arrangements to manage the impact of unavoidable risks.

#### **Plans for the future**

*Our plans for the future.*

- 1. To keep the Branch running to the best of our ability by continuing to raise money and rehome and rehabilitate animals coming into our care. We hope to increase the number of animals we rehome in 2022.*
- 2. To improve gift aid uptake at the Rothbury shop.*
- 3. To capture gift aid on online sales.*
- 4. To work with our neighbouring branches and the National Society to address the huge number of rabbits requiring assistance.*

# RSPCA NORTHUMBERLAND WEST BRANCH

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### Structure, governance and management

The charity is an unincorporated charitable association and a branch of (and thus dependent upon) the Royal Society for the prevention of Cruelty to Animals. The society was incorporated by the RSPCA Animals Act 1932. The branch is subject to the Society's rules, policies and guidance and to the branch rules.

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

J Ormiston - Chairman

R Duggan

S Hogarth

A Wakelam

S Watkins

B Hodgson

(Resigned 30 June 2021)

R Moules

(Appointed 21 October 2021)

D H Brown

(Appointed 21 October 2021)

C Imrie

(Appointed 1 December 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity appoints locally elected trustees recruited from the branch membership. Northumberland West Branch welcomes all applications to join the committee and looks for people from all backgrounds. A wide diversity creates interesting debate and new ideas. An induction and training programme is available to all potential and existing trustees.

The board of trustees meet once a month. The day to day operations of the charity, together with all staff and volunteers, are managed by the Trustees, with the re-homing office co-ordinating the re-homing activities and a shop manager in each of the three shops.

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

.....  
**J Ormiston - Chairman**

Trustee

Dated: .....



# **RSPCA NORTHUMBERLAND WEST BRANCH**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF RSPCA NORTHUMBERLAND WEST BRANCH**

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I report on the financial statements of the charity for the year ended 31 December 2021, which are set out on pages 7 to 18.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of .

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Anthony Dunn  
Stokoe Rodger LLP

St Matthews House  
Haugh Lane  
Hexham  
Northumberland  
NE46 3PU  
Dated: .....

# RSPCA NORTHUMBERLAND WEST BRANCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	101,539	111,344
Charitable activities	4	7,300	2,292
Shop income	5	167,251	116,881
Investment income	6	3	50
Other income	7	154	780
<b>Total income and endowments</b>		<u>276,247</u>	<u>231,347</u>
<b><u>Expenditure on:</u></b>			
Shop expenses and fundraising costs	8	<u>134,525</u>	<u>129,884</u>
Boarding, rehoming and care of animals	9	<u>135,581</u>	<u>123,755</u>
<b>Total resources expended</b>		<u>270,106</u>	<u>253,639</u>
Net gains on investments		<u>25,514</u>	<u>(2,476)</u>
<b>Net movement in funds</b>		<u>31,655</u>	<u>(24,768)</u>
Fund balances at 1 January 2021		<u>325,290</u>	<u>350,058</u>
<b>Fund balances at 31 December 2021</b>		<u><u>356,945</u></u>	<u><u>325,290</u></u>

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

All income and expenditure derive from continuing activities.

# RSPCA NORTHUMBERLAND WEST BRANCH

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13		7,540		9,637
Investments	14		267,123		241,609
			<u>274,663</u>		<u>251,246</u>
<b>Current assets</b>					
Stocks	15	187		187	
Debtors	16	17,191		16,023	
Cash at bank and in hand		73,366		64,980	
		<u>90,744</u>		<u>81,190</u>	
<b>Creditors: amounts falling due within one year</b>	17	(8,462)		(7,146)	
Net current assets			82,282		74,044
<b>Total assets less current liabilities</b>			<u>356,945</u>		<u>325,290</u>
<b>Income funds</b>					
Unrestricted funds			356,945		325,290
			<u>356,945</u>		<u>325,290</u>

The accounts were approved by the Trustees on .....

.....  
J Ormiston - Chairman  
Trustee

.....  
A Wakelam  
Trustee

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Charity information**

The charity is an unincorporated charitable association and a branch of (and thus dependent upon) the Royal Society for the prevention of Cruelty to Animals. The society was incorporated by the RSPCA Animals Act 1932. The branch is subject to the Society's rules, policies and guidance and to the branch rules.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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. 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 accounts.

#### **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.

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.

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

**(Continued)**

#### **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.

These are included in the statement of financial activities on an accruals basis, inclusive of any irrecoverable VAT.

Most expenditure is directly attributable to specific activities and has been included in those costs categories. Where costs cannot be directly attributable to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Costs of generating funds, comprises of all costs which are directly attributable to fundraising activities and the shop trading.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

Corporate governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fee, costs linked to the strategic management of the charity and a proportion of the support costs.

All costs are allocated between the expenditure categories of 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. All other support costs, including irrecoverable VAT, are allocated equally between the activities of the charity, including governance costs.

#### **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.

All assets costing £100 or more are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	20% reducing balance
Fixtures & fittings	20% reducing balance
Motor vehicles	25% 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.

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.7 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Stocks

Stocks are stated at the lower of cost and net realisable value. Stock consists entirely of purchased goods for resale. Stocks of donated goods carry no value in the accounts.

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 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.

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### **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.

#### **1.11 Employee benefits**

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

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

#### **1.12 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 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.

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	25,586	49,318
Legacies receivable	500	1,000
Grants received	75,453	61,026
	<u>101,539</u>	<u>111,344</u>

### 4 Charitable activities

	2021	2020
	£	£
Income from fundraising	<u>7,300</u>	<u>2,292</u>

### 5 Other trading activities

	2021	2020
	£	£
Shop income	<u>167,251</u>	<u>116,881</u>

### 6 Investments

	2021	2020
	£	£
Interest receivable	<u>3</u>	<u>50</u>



# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 7 Other income

	2021	2020
	£	£
Other income	154	780

### 8 Costs of generating funds

	2021	2020
	£	£
<u>Shop expenses</u>		
Shop trading costs	54,353	54,504
Staff costs	72,927	66,811
Depreciation and impairment	334	283
Support costs	3,192	3,176
Total shop expenses	130,806	124,774
<u>Other fundraising costs</u>		
Fundraising costs	3,719	5,110
	134,525	129,884

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Charitable activities

	Boarding, rehoming and care of animals 2021 £	Support costs 2021 £	Total 2021 £	Boarding, rehoming and care of animals 2020 £	Support costs 2020 £	Total 2020 £
Staff costs	11,351	-	11,351	10,636	-	10,636
Depreciation and impairment	1,987	-	1,987	2,650	-	2,650
Activities undertaken directly	109,158	3,192	112,350	96,705	3,176	99,881
	<u>122,496</u>	<u>3,192</u>	<u>125,688</u>	<u>109,991</u>	<u>3,176</u>	<u>113,167</u>
Share of governance costs (see note 10)	9,893	-	9,893	10,588	-	10,588
	<u>132,389</u>	<u>3,192</u>	<u>135,581</u>	<u>120,579</u>	<u>3,176</u>	<u>123,755</u>

Governance costs includes £2,000 (2020-£2,000) with regard to independent examination and accountancy fees.

### 10 Governance and share of support costs

	Governance costs £	2021 £	2020 £
Share of support costs			
Depreciation	61	61	75
Unrecoverable VAT on overheads	2,031	2,031	2,382
Other administrative expenses	1,162	1,162	794
Governance costs			
Accountancy	2,000	2,000	2,000
Donations to Headquarters etc	551	551	551
Professional fees	4,088	4,088	4,785
	<u>9,893</u>	<u>9,893</u>	<u>10,588</u>

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them was reimbursed any expenses (2020: 1 - £53).

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	9	9
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	83,493	76,653
Other pension costs	785	794
	<u>84,278</u>	<u>77,447</u>

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

### 13 Tangible fixed assets

	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2021	1,662	38,950	14,133	54,745
Additions	-	284	-	284
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	1,662	39,234	14,133	55,029
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>				
At 1 January 2021	1,359	37,565	6,183	45,107
Depreciation charged in the year	61	334	1,987	2,382
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	1,420	37,899	8,170	47,489
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 31 December 2021	242	1,335	5,963	7,540
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	302	1,385	7,950	9,637
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 14 Fixed asset investments

# RSPCA NORTHUMBERLAND WEST BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Fixed asset investments

(Continued)

	Listed investments £	Alternative investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>				
At 1 January 2020	195,912	32,606	13,091	241,609
Valuation changes	21,305	4,209	-	25,514
Movement	(2,784)	-	2,784	-
At 31 December 2021	214,433	36,815	15,875	267,123
<b>Carrying amount</b>				
At 31 December 2021	214,433	36,815	15,875	267,123
At 31 December 2020	195,912	32,606	13,091	241,609

### 15 Stocks

	2021 £	2020 £
Finished goods and goods for resale	187	187

### 16 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	174
Other debtors	11,591	10,249
Prepayments and accrued income	5,600	5,600
	17,191	16,023

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

	2021 £	2020 £
Other taxation and social security	1,206	1,753
Trade creditors	5,256	3,393
Accruals and deferred income	2,000	2,000
	8,462	7,146

# **RSPCA NORTHUMBERLAND WEST BRANCH**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **18 Related party transactions**

The charity operates as a branch of the Royal Society for the prevention of Cruelty to Animals (RSPCA). During the year a contribution of £551 (2020 £551) was paid to the RSPCA as a contribution towards their costs.

During the year contributions from head office were received by the branch in respect of Door to Door Donations of £24,134 (2020 £25,173).