

REGISTERED CHARITY NUMBER: 232253

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
RSPCA LANCASHIRE EAST BRANCH

TLL Accountants
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

RSPCA LANCASHIRE EAST BRANCH

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10 to 18

RSPCA LANCASHIRE EAST BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of 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

Objectives and aims

The RSPCA Lancashire East Branch is constituted as an unincorporated charitable association and a separately registered branch of the Royal Society for the Prevention of Cruelty to Animals (the Society), subject to its rules for branches.

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

General activities for achieving the objectives are the operation of the Animal Centre at Altham near Accrington and an animal rehoming programme. We also offer financial assistance towards the cost of veterinary treatment for companion animals where owners are unable to meet the full cost.

To help raise the income needed to support these objectives we operate two charity shops in Burnley and Clitheroe.

ACHIEVEMENT AND PERFORMANCE

Review of activities and public benefit

The trustees have reviewed the outcomes and achievements for the year to ensure that they remain focused on our charitable aims and continue to benefit the public. We have complied with the duty under the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. The legislation and the Animal Welfare Act of the same year indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole.

The branch's animal welfare work, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. The following section of this report highlights the branch's main activities and demonstrates the benefit provided to the public. All of our charitable activities focus on promoting kindness and preventing or suppressing cruelty to animals and are undertaken to further these purposes for the public benefit.

The trustees have considered the Charity Commission guidance regarding public benefit and are satisfied that the charity has met the requirements as described within this report.

We support our local RSPCA Inspectorate officers by giving priority to accepting those animals most at risk and, following rehabilitation, finding them suitable homes. The Society's Inspectorate rescues animals in distress and enforces laws against the mistreatment of animals in England and Wales by bringing prosecutions. This work is key to the prevention or suppression of cruelty part of the RSPCA objects and promotes humane sentiments towards animals which involve moral benefit to humankind as a whole.

All animals in our care receive veterinary support, vaccination, neutering and microchipping prior to rehoming. This reduces the incidence and spread of disease and helps to control companion animal populations.

We offer subsidised veterinary treatment for companion animals that are sick or injured whose owners are on low incomes and unable to meet the full cost. This helps to reduce animal suffering.

We offer free advice on pet care to promote responsible pet ownership and educate the public.

We offer volunteering opportunities to people from all sectors of the community who wish to support our work in our animal centre and charity shops. Roles include trusteeship, pre-adoption home visiting, cat socialisation, dog walking and fundraising. Our volunteers make a significant contribution to increasing funding and the overall operation of the branch, for which the trustees are most appreciative.

RSPCA LANCASHIRE EAST BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Fundraising activities/Income Generation

The cost of maintaining the animal centre, providing appropriate levels of care for animals awaiting rehoming and undertaking pro-active animal welfare in the local community meant that the branch spent £428,202. The branch funded this activity from incoming resources consisting of income from:-

Donations	Legacies	Grants	Adoption and Boarding	Charity Shops	Fundraising
£65,872	£220,097	£179,219	£59,993	£56,318	£337

The branch ended the year with a surplus of £158,072.

SUMMARY OF ACHIEVEMENTS AND PERFORMANCE

During 2020, and despite the pressures of the Covid pandemic, the animal centre remained open for the intake and rehoming of dogs and rabbits. Over the year, the branch accepted into its care 92 animals and found homes for 65 animals. We also offered financial assistance towards the cost of veterinary treatment and neutering for 67 companion animals.

The branch continues to have a boarding contract with the neighbouring RSPCA Keighley, Craven & Upper Wharfedale branch. This generated an income of £25,480 towards charitable activity.

During the year overnight remote monitoring was introduced at the animal centre to improve security. Our behavioural work with animals in our care continued, working closely with the RSPCA Regional Clinical Animal Behaviourist.

Trustees would like to thank all staff and volunteers for their hard work and dedication during 2020. It has been a challenging year.

The Trustee Body

The branch was placed into national trusteeship in March 2019 following the resignation of remaining branch trustees

FINANCIAL REVIEW

Financial position

The total incoming resources for the year amounted to £586,274 (2019: £340,662), including legacies and grants of £399,316 (2019: £44,071). Expenditure in the year amounted to £428,202 (2019: £465,846). After realised gains of £nil (2019: £16,242) the surplus for the year was £158,072 (2019: deficit of £98,942).

The Covid-19 pandemic has been an unprecedented situation and has had a major impact on the branch's activities and plans. While the animal centre has continued to take in those animals rescued by the RSPCA Inspectorate, activities to generate income have been severely curtailed. This includes the temporary closure of the branch's two charity shops.

The Branch successfully applied for a number of Covid-19 related emergency grants, including government retail grants, and, in order to reduce costs, furloughed several branch employees, maintaining enough staff to meet the welfare needs of the animals in our care. Re-homing ceased for several weeks but commenced, in a reduced way, under a temporary adoption process approved by DEFRA. The trustees would like to acknowledge the resilience of the branch staff in these difficult times and the ongoing support from the local community.

The trustees have prepared budgets and forecasts for 2021 which show the branch has funding for approximately 10 months. The branch will continue to seek additional grant support from outside agencies. Costs will continue to be monitored closely and additional financial support sought from the public to enable the animal centre to continue its animal welfare work. The branch may have to reduce its current animal welfare activity to ensure there are sufficient resources for the charity to operate for the next 12 months complying fully with Charity Commission guidelines. It is still not clear how the current Covid-19 pandemic will impact on the charity.

Investment policy and objectives

The branch does not hold sufficient reserves to risk investing in equities. An investment portfolio held by Barclays was liquidated to allow easy access to funds. Any surplus reserves are held in a premium account.

RSPCA LANCASHIRE EAST BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

FINANCIAL REVIEW

Reserves policy

The branch holds reserves in order that its animal welfare services can be maintained should there be a reduction in incoming resources. Reserves are those funds that are freely available for general purposes and are uncommitted. The trustees have established a policy of holding reserves of unrestricted funds equivalent to at least 12 months of expenditure (average of two years). This amount is approximately £450,000.

The Trustees have designated £45,000 to cover any shortfall in shop income caused by the closure of the charity shops due to the impact of the ongoing pandemic, a further £20,000 has been set aside for repairs and maintenance of the two shops.

As at 31 December 2020 the branch had unrestricted free reserves of £402,482. The trustees regularly review this policy to ensure there are sufficient reserves to meet all liabilities.

FUTURE PLANS

Trustees acknowledge the challenges faced by the branch with the ongoing repairs and maintenance required in an ageing animal centre together with a reduction in income. Trustees are also aware of the Local Authority plans for the development of the land adjacent to the animal centre and are taking professional advice on the matter.

Objectives for 2021

To review the sustainability of the branch and impact on provision of animal welfare activity within the branch area.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Charity constitution

The Society for the Prevention of Cruelty to Animals was founded on the 16 June 1824 and granted the "Royal" prefix by Queen Victoria in 1840. The current constitution of the RSPCA was created with the adoption of the Royal Society for the Prevention of Cruelty to Animals Act 1932. The work of the Society is governed by the RSPCA Act and by the Rules of the Society. Membership of the Society is by subscription.

There have been no changes in the objectives of the Charity since the last annual report.

Organisational structure

The branch is currently governed by three temporary trustees appointed by the RSPCA Field Operations Committee under Society Rule X1.28. They have individual and collective responsibility for the management of the branch and its funds and subject to overall supervision of the Society, the trustees control and monitor all operational matters.

The trustees hold regular meetings at which decisions regarding the branch are made. The day to day running of the branch is overseen by the Branch Manager with support from the RSPCA Branch Support Specialist. The branch also employs an Animal Centre Manager and two Shop Managers.

Risk management

Trustees have a duty to identify and review the risks to which the branch is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees actively examine the major risks which the branch faces on a regular basis. These cover operational and financial reviews to ensure systems are in place to mitigate and manage exposure to significant risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

232253

RSPCA LANCASHIRE EAST BRANCH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

Principal address

RSPCA Animal Centre
Nearer Holker House Farm
Enfield Road, Altham
Accrington
Lancashire
BB5 6NN

Trustees

P Draycott (resigned 21.8.2020)
P Baxter (resigned 21.8.2020)
M Tomlinson (resigned 21.8.2020)
Mrs G Miles (appointed 21.8.2020)
M Seddon (appointed 21.8.2020)
Dr D West Chair (appointed 21.8.2020)
Ms A Corbishley (appointed 8.12.2020)

Independent Examiner

P Buck FCA, DChA
FCA, DChA
TLL Accountants
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

Bankers

Barclays Bank PLC
14 Darwen Street
Ewood
Blackburn
Lancashire
BB2 2BZ

KEY MANAGEMENT PERSONNEL

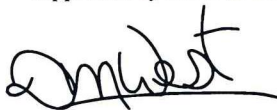
During the year, the Trustees, delegated the day-to-day responsibility for the running of the charity to the following senior management team:

Ken Harrison, Branch Manager (retired : 28 February 2021)
Jeanette Ainscough, Animal Centre Manager
Adrienne Ashley, Burnley Charity Shop Manager
Amanada Whipp, Clitheroe Charity Shop Manager

The Trustees and senior management team were supported by the following branch support staff from the National Society:

Lesley Johnson, Branch Support Specialist
Denise McCabe, Branch Partnership Manager

Approved by order of the board of trustees on 10th March 2021 and signed on its behalf by:



Dr D West - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
RSPCA LANCASHIRE EAST BRANCH

Independent examiner's report to the trustees of RSPCA Lancashire East Branch

I report to the charity trustees on my examination of the accounts of RSPCA Lancashire East Branch (the Trust) for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA, DChA which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



P Buck FCA, DChA
FCA, DChA
TLL Accountants
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

Date: 16-03-2021

RSPCA LANCASHIRE EAST BRANCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	469,024	-	469,024	110,992
Charitable activities	5				
Animal Centre		59,993	-	59,993	95,299
Other trading activities	3	56,948	-	56,948	139,014
Investment income	4	<u>309</u>	<u>-</u>	<u>309</u>	<u>5,357</u>
Total		586,274	-	586,274	350,662
EXPENDITURE ON					
Raising funds	6	55,431	-	55,431	60,946
Charitable activities	7				
Animal Centre		<u>372,771</u>	<u>-</u>	<u>372,771</u>	<u>404,900</u>
Total		428,202	-	428,202	465,846
Net gains on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>16,242</u>
NET INCOME/(EXPENDITURE)		158,072	-	158,072	(98,942)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>580,542</u>	<u>-</u>	<u>580,542</u>	<u>679,484</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>738,614</u></u>	<u><u>-</u></u>	<u><u>738,614</u></u>	<u><u>580,542</u></u>

The notes form part of these financial statements

RSPCA LANCASHIRE EAST BRANCH

BALANCE SHEET
31ST DECEMBER 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	12	271,132	-	271,132	281,275
CURRENT ASSETS					
Debtors	13	103,801	-	103,801	14,050
Investments	14	-	-	-	1,808
Cash at bank and in hand		<u>380,254</u>	<u>-</u>	<u>380,254</u>	<u>294,149</u>
		484,055	-	484,055	310,007
CREDITORS					
Amounts falling due within one year	15	(16,573)	-	(16,573)	(10,740)
NET CURRENT ASSETS		<u>467,482</u>	<u>-</u>	<u>467,482</u>	<u>299,267</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>738,614</u>	<u>-</u>	<u>738,614</u>	<u>580,542</u>
NET ASSETS		<u>738,614</u>	<u>-</u>	<u>738,614</u>	<u>580,542</u>
FUNDS	16				
Unrestricted funds:					
General fund				402,482	299,267
Designated - Fixed assets				271,132	281,275
Designated fund				<u>65,000</u>	<u>-</u>
				<u>738,614</u>	<u>580,542</u>
TOTAL FUNDS				<u>738,614</u>	<u>580,542</u>

Within the donations and legacies income heading on the Statement of Financial Activities is £95,000 of legacies accounted for under accounting rules as anticipated but not actually received during the year. This amount is included within debtors on the balance sheet.

The financial statements were approved by the Board of Trustees and authorised for issue on 10th March 2021 and were signed on its behalf by:



D West - Trustee

The notes form part of these financial statements

RSPCA LANCASHIRE EAST BRANCH
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>83,988</u>	<u>(109,918)</u>
Net cash provided by/(used in) operating activities		<u>83,988</u>	<u>(109,918)</u>
Cash flows from investing activities			
Sale of current asset investments		1,808	197,387
Interest received		<u>309</u>	<u>5,357</u>
Net cash provided by investing activities		<u>2,117</u>	<u>202,744</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		86,105	92,826
Cash and cash equivalents at the beginning of the reporting period		<u>294,149</u>	<u>201,323</u>
Cash and cash equivalents at the end of the reporting period		<u><u>380,254</u></u>	<u><u>294,149</u></u>

The notes form part of these financial statements

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	158,072	(98,942)
Adjustments for:		
Depreciation charges	10,143	10,789
Losses on investments	-	(16,242)
Interest received	(309)	(5,357)
(Increase)/decrease in debtors	(89,751)	4,447
Increase/(decrease) in creditors	<u>5,833</u>	<u>(4,613)</u>
Net cash provided by/(used in) operations	<u><u>83,988</u></u>	<u><u>(109,918)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>294,149</u>	<u>86,105</u>	<u>380,254</u>
	<u>294,149</u>	<u>86,105</u>	<u>380,254</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>1,808</u>	<u>(1,808)</u>	<u>-</u>
	<u>1,808</u>	<u>(1,808)</u>	<u>-</u>
Total	<u><u>295,957</u></u>	<u><u>84,297</u></u>	<u><u>380,254</u></u>

The notes form part of these financial statements

RSPCA LANCASHIRE EAST BRANCH

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Expenditure

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 allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The Branch has historically relied heavily on legacy income to enable it to meet its ongoing operating costs. This source of income has been in decline for a number of years and this, together with annual increases in the level of the National Living Wage, has resulted in a significant increase in the overall annual operating deficit of the Branch.

The Trustees have forecast the cash flow position for the next twelve months and are of the opinion that, the current ongoing fundraising activities together with the existing bank reserves and investments, will provide sufficient funds to enable the Branch to continue in operation for a period in excess of twelve months from the date of the signing of these accounts. The Trustees therefore consider it appropriate to continue to prepare the accounts on a going concern basis.

Current asset Investments

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

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	65,872	63,712
Gift aid	3,836	3,209
Legacies	220,097	24,758
Grants	179,219	19,313
	<u>469,024</u>	<u>110,992</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
RSPCA HQ	179,219	17,160
HMRC Grant	-	2,153
	<u>179,219</u>	<u>19,313</u>

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Fundraising events	337	3,700
Shop income	56,318	134,135
Other shop income	293	1,179
	<u>56,948</u>	<u>139,014</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	309	397
Income from listed investments	-	4,960
	<u>309</u>	<u>5,357</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Adoptions and reclaims dogs and cats	Animal Centre	6,639	11,045
Shop sales	Animal Centre	854	3,987
Grazing and livery rent	Animal Centre	1,533	1,633
Ancillary trading income	Animal Centre	463	2,554
Boarding admissions	Animal Centre	45,628	71,532
Pet insurance commissions	Animal Centre	4,876	4,548
		<u>59,993</u>	<u>95,299</u>

6. RAISING FUNDS

Other trading activities

	2020	2019
	£	£
Goods for shop	528	3,866
Cleaning	999	1,183
Heat and light	2,845	3,541
Motor expenses	21	591
Telephone	641	814
Rent	37,017	41,995
Rates	689	3,159
Repairs and renewals	8,954	1,801
Postage, stationery and advertising	509	95
Sundry expenses	3,228	3,901
	<u>55,431</u>	<u>60,946</u>

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Animal Centre	<u>367,955</u>	<u>4,816</u>	<u>372,771</u>

8. SUPPORT COSTS

	Governance costs £
Animal Centre	<u>4,816</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

10. STAFF COSTS

	2020 £	2019 £
Wages and salaries	275,775	302,113
Other pension costs	<u>4,587</u>	<u>4,187</u>
	<u>280,362</u>	<u>306,300</u>

No employees received emoluments in excess of £60,000.

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	110,992	-	110,992
Charitable activities			
Animal Centre	95,299	-	95,299
Other trading activities	139,014	-	139,014
Investment income	<u>5,357</u>	<u>-</u>	<u>5,357</u>
Total	350,662	-	350,662
EXPENDITURE ON			
Raising funds	60,946	-	60,946
Charitable activities			
Animal Centre	404,900	-	404,900
Total	465,846	-	465,846
Net gains on investments	<u>16,242</u>	<u>-</u>	<u>16,242</u>
NET INCOME/(EXPENDITURE)	(98,942)	-	(98,942)
Transfers between funds	<u>97,296</u>	<u>(97,296)</u>	<u>-</u>
Net movement in funds	(1,646)	(97,296)	(98,942)
RECONCILIATION OF FUNDS			
Total funds brought forward	582,188	97,296	679,484
TOTAL FUNDS CARRIED FORWARD	<u><u>580,542</u></u>	<u><u>-</u></u>	<u><u>580,542</u></u>

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1st January 2020 and 31st December 2020	<u>345,032</u>	<u>59,189</u>	<u>21,103</u>	<u>15,632</u>	<u>440,956</u>
DEPRECIATION					
At 1st January 2020	77,683	49,020	18,631	14,347	159,681
Charge for year	<u>6,890</u>	<u>2,314</u>	<u>618</u>	<u>321</u>	<u>10,143</u>
At 31st December 2020	<u>84,573</u>	<u>51,334</u>	<u>19,249</u>	<u>14,668</u>	<u>169,824</u>
NET BOOK VALUE					
At 31st December 2020	<u>260,459</u>	<u>7,855</u>	<u>1,854</u>	<u>964</u>	<u>271,132</u>
At 31st December 2019	<u>267,349</u>	<u>10,169</u>	<u>2,472</u>	<u>1,285</u>	<u>281,275</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	1,756	2,607
Legacy debtors	95,000	-
Prepayments	<u>7,045</u>	<u>11,443</u>
	<u>103,801</u>	<u>14,050</u>

14. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Listed investments	<u>-</u>	<u>1,808</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	4,357	2,927
Taxation and social security	3,816	3,432
Other creditors	<u>8,400</u>	<u>4,381</u>
	<u>16,573</u>	<u>10,740</u>

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

16. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	299,267	168,215	(65,000)	402,482
Designated - Fixed assets	281,275	(10,143)	-	271,132
Designated fund	-	-	65,000	65,000
	<u>580,542</u>	<u>158,072</u>	<u>-</u>	<u>738,614</u>
TOTAL FUNDS	<u>580,542</u>	<u>158,072</u>	<u>-</u>	<u>738,614</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	586,274	(418,059)	168,215
Designated - Fixed assets	-	(10,143)	(10,143)
	<u>586,274</u>	<u>(428,202)</u>	<u>158,072</u>
TOTAL FUNDS	<u>586,274</u>	<u>(428,202)</u>	<u>158,072</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	582,188	(98,942)	(183,979)	299,267
Designated - Fixed assets	-	-	281,275	281,275
	582,188	(98,942)	97,296	580,542
Restricted funds				
Restricted fund	97,296	-	(97,296)	-
	<u>679,484</u>	<u>(98,942)</u>	<u>-</u>	<u>580,542</u>
TOTAL FUNDS	<u>679,484</u>	<u>(98,942)</u>	<u>-</u>	<u>580,542</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	350,662	(465,846)	16,242	(98,942)
	<u>350,662</u>	<u>(465,846)</u>	<u>16,242</u>	<u>(98,942)</u>
TOTAL FUNDS	<u>350,662</u>	<u>(465,846)</u>	<u>16,242</u>	<u>(98,942)</u>

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	582,188	69,273	(248,979)	402,482
Designated - Fixed assets	-	(10,143)	281,275	271,132
Designated fund	-	-	65,000	65,000
	582,188	59,130	97,296	738,614
Restricted funds				
Restricted fund	97,296	-	(97,296)	-
TOTAL FUNDS	<u>679,484</u>	<u>59,130</u>	<u>-</u>	<u>738,614</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	936,936	(883,905)	16,242	69,273
Designated - Fixed assets	-	(10,143)	-	(10,143)
	<u>936,936</u>	<u>(894,048)</u>	<u>16,242</u>	<u>59,130</u>
TOTAL FUNDS	<u>936,936</u>	<u>(894,048)</u>	<u>16,242</u>	<u>59,130</u>

17. CONTINGENT LIABILITIES

During the year the Branch received approximately £120,000 emergency Covid funding from the National RSPCA, which has been recognised within income and closing funds. The conditions of this grant require repayment of part if subsequently legacies received and closing funds exceed a certain level. This is described in more detail in the Related Parties note. The specified level has not been exceeded during the year and at present there is no obligation to repay any amounts, however this may change in the year to December 2021 and the Trustees are aware that repayment of an amount not yet determined is a possibility. The likelihood of this is sufficient to warrant disclosure within the narrative notes to the Accounts, but has not been provided for within the Balance Sheet.

RSPCA LANCASHIRE EAST BRANCH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

18. RELATED PARTY DISCLOSURES

During the period 1 January to 31 December, 2020 the following related party transactions were received by the branch.

The RSPCA National Society

£122,245 Branch Emergency Fund Grants (to address the financial impact of the Coronavirus pandemic)*

£25,173 Door to Door Fundraising Grant

The RSPCA North West Regional Board

£14,640 Branch Inspectorate Support Grants (in recognition of the support provided to the RSPCA inspectorate)

*The RSPCA may at its discretion withhold or require repayment of the Grant (or any part of it) if:

- a. the Branch uses the Grant for purposes other than those for which it has been awarded;
- b. the Branch does not have our permission in writing for any change to the Purpose or postponement of the Grant period;
- c. the Branch does not return the Grant report form to us or provide other relevant documentation within 21 days of a written request;
- d. the Branch obtains duplicate grant funding or legacies/grants in excess of one and a half times the Grant amount within two years of receiving the Grant and the Branch has over six months' reserves;
- e. the Branch provides the RSPCA with any materially misleading or inaccurate information;
- f. the Branch is, in the reasonable opinion of the RSPCA, delivering the Purpose in a negligent manner or otherwise bringing the RSPCA name or reputation into disrepute;
- g. the Branch ceases to operate for any reason;
- h. the Branch fails to comply with any of these terms and conditions and fails to rectify such failure within 30 days of written notice detailing the breach.

19. FUNDS

An unrestricted designated fund has been created to represent the net book value of the fixed assets (some of which are transferred from the restricted funds) which represents monies already spent but still showing as part of the fund balance (represented by fixed assets) due to the accounting treatment but not representing liquid funds that are available. The transfer between funds represents the movement of the net book value taken from general funds.

A further designated fund of £65,000 represents future shop costs relating to the coming year - namely a loss of approximately £45,000 from the charity shops being closed due to continued Covid Lock-downs based on opening in April, and at least £20,000 of costs required for some urgent repair work and reopening costs to be incurred.