

**RSPCA MANCHESTER AND SALFORD BRANCH  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

# **RSPCA MANCHESTER AND SALFORD BRANCH**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Trustees**

Mr T Rogers  
Mr M L Seddon  
Ms O Clayton  
Ms L Deehan  
Mr D M Jones  
Ms E Krull

(Appointed 25 June 2022)

### **Charity number**

232255

### **Independent examiner**

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

# RSPCA MANCHESTER AND SALFORD BRANCH

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# **RSPCA MANCHESTER AND SALFORD BRANCH**

## **TRUSTEES' REPORT**

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

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

The financial statements have been prepared in accordance with the accounting policies set out in 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 RSPCA Manchester and Salford branch is an unincorporated charitable association and a separately registered branch of the Royal Society for the Prevention of Cruelty to Animals (the Society), carrying out its direct animal welfare work in the areas covered by the two cities named in the branch title.

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

#### **How our activities deliver public benefit**

The trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focused on our charitable aims, and continue to deliver benefits to the public. We have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act 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. Whilst this public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment.

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

#### **Charitable activities pursued for public benefit**

We support our 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 Society's Inspectorate (as well as providing education, information and advice) rescues animals in distress and enforces laws against the cruel 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 involves moral benefit to humankind as a whole. We provide subsidised neutering and micro chipping of companion animals for those in the Branch area on low incomes. We do this by a voucher scheme and community events respectively. This work helps to control animal populations through neutering and benefits those on means tested benefits by giving them financial help to neuter and microchip companion animals, thereby promoting responsible pet ownership. 2 Animals in our care receive veterinary treatment, vaccination, neutering, micro-chipping and are assessed for their suitability for rehoming. This work helps to control the risk of incidence, spread of disease, unwanted/unplanned litters and suffering

# **RSPCA MANCHESTER AND SALFORD BRANCH**

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

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

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We rehome animals in need at low cost to people willing and able to have a companion animal. Whilst we recognise that companion animals provide measurable benefits to people's physical and mental health, we consider the provision of pets as subsidiary to the main charitable aim of this service, which is to reduce animal suffering. Our policy to charge a reasonable adoption fee for animals aims to highlight the ongoing personal and financial commitment of pet ownership. It would not be in the best interests of animals, and therefore would fall outside our objects, to rehome to those who could not afford them. We respond to enquiries from the public about animals locally. The public benefits from knowing that we can intervene to assist animals in need. We also offer free animal care advice where appropriate. The public benefits through the promotion of responsible pet ownership. Within the terms of our governing document, we support the National Society and other RSPCA branches. We provide volunteering opportunities for those who wish to support our work, including trusteeship, fostering and fundraising. This benefits local people and companies by providing the possibility of doing work which is compassionate and rewarding.

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

#### **Achievements and performance**

2022 gifted us yet another year of unpredictability. Whilst an increase in animal relinquishment had been forecast (as a result of the unsustainable uptake in pet acquisition during the peak of the pandemic), few could have foretold the global events that unfolded in 2022 that would spiral the country into a cost of living crisis. By the end of October 2022 the RSPCA had seen a 25% increase in animal abandonment and 13% increase in incidents of neglect. This resulted in 8.4% increase in animals coming into the RSPCA care, but with so many centres and branches having to scale back operations to stay solvent there was fewer capacity than ever. At its peak the national RSPCA was paying upwards of £26,000 per week to house 500+ animals in temporary housing facilities. Despite the increase in animals needing to come in, there has been an 8% decrease in rehoming. Sadly, the picture was the same or worse across the whole of the rescue sector in the UK and Ireland.

#### **Animal Rehoming & Rehabilitation**

The headlines:

- We admitted 471 animals (232 cats, 141 rabbits, 96 small furies, 2 dogs)
- We rehomed 398 animals (214 cats, 97 rabbits, 85 small furies, 2 dogs)
- 91% of the animals admitted were rehomed
- 86% were rescued by RSPCA Inspectors
- 7% were born to the animals rescued by RSPCA inspectors
- 5% were admitted directly to the branch (usually by referral from a statutory agency)
- 2% transferred in from other centres or returned by their adopter

These admission and rehoming figures are a huge triumph for the branch because despite having to reduce capacity to save costs mid-year, we have helped so very many animals in need. By far the greatest challenge this year has been accepting that we could no longer maintain the throughput of the past decade. Gone were the days when we could anticipate an animal being rehomed within a few days of being listed for adoption. Along came a new experience for us - reduced interest in our animals and the rise of long stay animals.

By June the 'success' we had previously lamented was all but extinguished, we had gone from routinely rehoming 40 to 50 animals a month to 30, if we were lucky. Our experience was replicated across all different rescues, small and large, throughout the country. People simply were not adopting animals like they used to. Having once boasted numbers of upwards of 140 animals in our care in peak Summer season, we gradually reduced to below 100. This was all because our money was not stretching as far as it used to and we needed to operate within our means.

We had to learn to say 'no' to RSPCA Officers rescuing animals because we simply could not afford to care for as many animals or achieve the adoption rates we used to. Animals were coming in in greater states of neglect, their rehabilitation costs greater than ever before and their stay with us longer than ever before. Many animals were suffering from a lack of preventative care and poor husbandry, leaving them with lifelong ailments and complaints and in turn making them harder to rehome.

# **RSPCA MANCHESTER AND SALFORD BRANCH**

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

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

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2022 was a truly difficult year for the rehoming staff team but they focused their efforts on raising our standards of animal care even further. These included:

- Completion of International Cat Care's Cat Friendly Rehoming Programme
- Susie Hughes passed with Distinction International Cat Care's Advanced Feline Behaviour for Cat Professionals.
- A new admissions protocol was introduced for cats to enable us to react to their needs more quickly.
- We improved enrichment for cats and introduced weekly toy rotation.
- The Small Animals rooms was renovated and redesigned to improve animal care and staff wellbeing.
- We trialled and implemented new detailed feeding plans for rabbits and guinea pigs.
- We introduced puzzle feeding on a daily basis and dig box enrichment to our rabbits.
- New staff member Lucy Smith brought with her a wealth of expertise in rat care and we now provide inspiring and enriching environments for this species.
- The cat isolation and main areas in the centre were redecorated to improve wellbeing.
- Google Spaces was introduced as a new communication platform for improved information sharing and greater transparency amongst the staff team.
- New welfare monitoring systems we designed and introduced for all species.

#### **Animal Welfare Activities**

We continued to deliver our six-weekly welfare clinics at Salford Pets at Home offering owned rabbits and guinea pigs free grooming and welfare checks. The clinics were as popular as ever and in total 164 animals benefited from the free service in 2022.

Towards the end of the year we saw demand steadily increase for the service, so for 2023 we have doubled the staffing for each clinic. We are fortunate to have a fabulous team of volunteers who give up their time to provide this service to pet owners. They comprise of a veterinary nurse, vet, student vet and experienced staff and volunteers. We thank them all for going above and beyond to help support owners and their companion animals.

We took part in a unique cat breed study conducted by the Wisdom Panel. We provided DNA samples of 50 cats (owned and in our care) so that a genetic profile for cats in the North West could be collated and analysed. Staff, volunteers and adopters got to learn all about the genetic make-up of their cats and quite a few threw up some surprising results with exotic breeds mixed in their genes!

Our contribution to the Association of Cats and Dogs Homes continued with the branch manager presenting two workshops at the Annual Conference and in her capacity as a member of their Standards and Animal Welfare Committee (SAWC). SAWC delivered a huge piece of work to ADCH members in 2022; a consultation on the revision of the Minimum Standards, which membership to ADCH is assessed against. This work was done:

- As part of a rolling cycle of review and revision based on members and assessors feedback.
- To bring ADCH's Minimum Standards in line with the recently implemented Scottish Standards, whereby all Scottish rescues now have to be licensed to operate.
- Make it fair for all members/prospective members, regardless of geographical location, are assessed against the same Standards
- Help members prepare for the future of rescue licensing in England, Wales, Northern Ireland and Eire. We are incredibly proud to be part of such an inclusive, supportive and forward thinking organisation and look forward to seeing what 2023 brings.

#### **Financial Health**

We started 2022 with a truly bleak financial outlook due to rising costs and uncertainty around income generation. We forecast a potential deficit of £100k, and by April the picture was not improving so we had to take action. We had no choice but to withdraw from our emergency work supporting the RSPCA inspectorate with the rabbit crisis. We had been:

1. Paying for rabbits to be neutered whilst they were in temporary housing until space could be found for them within the RSPCA network.
2. We worked closely with RSPCA Greater Manchester Animal Hospital to transport rabbits in temporary housing for vet triaging/neutering and networking the animals out.

# **RSPCA MANCHESTER AND SALFORD BRANCH**

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

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

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3. We also paid for rabbits to be temporarily housed once released for rehoming due to lack of capacity elsewhere. The work helped an additional 40+ rabbits but unfortunately operating an 'overflow' facility for rabbits in private boarding became untenable, in-part due to the decline in animal adoption but because it was not financially sustainable.

The rabbit crisis remains as prevalent as ever, but our focus had to shift to reducing expenditure, as a means to ensure our viability longer term. We also set about gradually reducing the overall number of animals in our care by keeping numbers stable in the animal centre (where there are largely fixed costs) and reducing capacity in foster homes. By the end of the year we had managed to reduce the forecast deficit.

We would like to thank the following organisations for generously supporting our work in 2022:

- ADCH and Mars Adoption Mission for £1500 to buy pet food and for the supply of canned cat food.
- Pets at Home Foundation for £40,000 grant to purchase an electric vehicle.
- Pets at Home Salford Store for choosing us as their Charity of the Year, supporting us with in-store events and promotions and for raising £1250 in the Santa Paws Campaign.
- RSPCA Crewe & Nantwich branch for £5,000 toward the renovation of the Small Animal Room at the centre, for which we were nominated for an RSPCA Impact Award.

#### **Retail Network**

Our retail team surpassed all expectations in 2022. Not only did they achieve a record year of takings but they soldiered through some truly challenging times (Jury Service for two staff, Compassionate leave for three staff and unprecedented levels of sick leave due to COVID). This is testament to the team's expertise, skill and dedication to the charity. They are so passionate about supporting the animal centre, they are bold and brave, and embrace experimenting with ways in which to raise funds as well as our profile in the community.

The branch took part in the government's Kickstart scheme for 18 to 25 year olds. Six young people joined the retail team (one person joined the rehoming team), each on a six month contract. We are pleased to report that we were able to give three of them a job! They have each, since, made invaluable contributions to their respective shops and become a treasured member of the branch.

#### **Environmental Impact**

We continue to make a sustained effort to 'reduce, recycle and reuse' and launched our first Sustainability Policy (see: <https://rspca-manchesterandsalford.org.uk/>) We start 2023 by fulfilling a long-held ambition to scrap all our diesel vans and operate with just one, all-purpose electric vehicle. Thanks to the generosity of the Pets at Home Foundation we are now able to reduce our environmental impact even further!

#### **Goodbyes**

In 2022 we said goodbye to three long-serving, key members of the team. After 9 years of service Rehoming Supervisor Michelle Flower left to concentrate on her business, although she remains involved in fostering cats and helping out at the centre where she can. Retail Co-ordinator Lauren Norton left after 10 years of service to pursue a new career. And finally, we said goodbye to trustee Kirsan Ferguson after 5 years of service, as she relocated to pastures new

#### **Financial review and reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

# RSPCA MANCHESTER AND SALFORD BRANCH

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Trustees of the charity believe that there should be access to six months working capital, adequate to cover operational costs, with any surplus being available to develop the branch's charitable activities further. This figure, based on 2022 spending levels equates to approximately £350,000. The unrestricted fund balance at the end of 2022 £328,640 (2021: £421,768) meet this objective based on 2022 activity levels. It is the Trustees' intention to constantly review all reserves considering the current Cost of living situation to ensure the branch has sufficient funds to operate normally.

### **Investment Policy**

The trustees do not have a formal investment policy but review opportunities for investments when funds allow.

### **Risk Review**

Following a thorough risk assessment review, which considered potential major risks faced by the charity, the Trustees confirm that all risks have been considered and procedures/practices are in place to address any weakness identified.

### **Plans for future periods**

To continue in the furtherance of the charities objectives and to ensure that all animals are safeguarded.

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

The charity is an unincorporated charity.

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

Ms C Lau (Resigned 25 June 2022)

Mr T Rogers

Ms K Frost (Resigned 25 June 2022)

Mr M L Seddon

Ms O Clayton

Ms L Deehan

Mr D M Jones

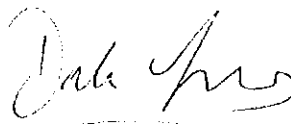
Ms E Krull (Appointed 25 June 2022)

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



Mr M L Seddon  
Trustee

Date: .....27.05.2023.....



.....  
Mr D M Jones  
Trustee

Date: ..27.05.2023.....

# RSPCA MANCHESTER AND SALFORD BRANCH

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF RSPCA MANCHESTER AND SALFORD BRANCH

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I report to the trustees on my examination of the financial statements of RSPCA Manchester and Salford Branch (the charity) for the year ended 31 December 2022.

#### 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 ICAEW, which is one of the listed bodies.

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 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.

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.



Champion TLL Limited

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

Dated: 27/05/23

# RSPCA MANCHESTER AND SALFORD BRANCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

|                                                                         | Notes | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total Unrestricted<br>funds<br>2022<br>£ | 2021<br>£        |
|-------------------------------------------------------------------------|-------|------------------------------------|----------------------------------|------------------------------------------|------------------|
| <b><u>Income from:</u></b>                                              |       |                                    |                                  |                                          |                  |
| Donations and legacies                                                  | 3     | 212,301                            | 41,850                           | 254,151                                  | 226,031          |
| Charitable activities                                                   | 4     | 26,805                             | -                                | 26,805                                   | 11,610           |
| Other trading activities                                                | 5     | 451,847                            | -                                | 451,847                                  | 231,615          |
| Investments                                                             | 6     | 1,053                              | -                                | 1,053                                    | 1,145            |
| <b>Total income</b>                                                     |       | <b>692,006</b>                     | <b>41,850</b>                    | <b>733,856</b>                           | <b>470,401</b>   |
| <b><u>Expenditure on:</u></b>                                           |       |                                    |                                  |                                          |                  |
| Raising funds                                                           | 7     | 355,626                            | -                                | 355,626                                  | 286,406          |
| Charitable activities                                                   | 8     | 339,508                            | -                                | 339,508                                  | 287,036          |
| <b>Total expenditure</b>                                                |       | <b>695,134</b>                     | <b>-</b>                         | <b>695,134</b>                           | <b>573,442</b>   |
| <b>Net (expenditure)/income for the year/<br/>Net movement in funds</b> |       | <b>(3,128)</b>                     | <b>41,850</b>                    | <b>38,722</b>                            | <b>(103,041)</b> |
| Fund balances at 1 January 2022                                         |       | 421,768                            | -                                | 421,768                                  | 524,809          |
| <b>Fund balances at 31 December 2022</b>                                |       | <b>418,640</b>                     | <b>41,850</b>                    | <b>460,490</b>                           | <b>421,768</b>   |

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

All income and expenditure derive from continuing activities.

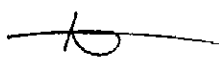
# RSPCA MANCHESTER AND SALFORD BRANCH

## BALANCE SHEET

AS AT 31 DECEMBER 2022

|                                                       | Notes | 2022<br>£ | £       | 2021<br>£ | £       |
|-------------------------------------------------------|-------|-----------|---------|-----------|---------|
| <b>Fixed assets</b>                                   |       |           |         |           |         |
| Tangible assets                                       | 13    |           | 1,040   |           | 1,387   |
| <b>Current assets</b>                                 |       |           |         |           |         |
| Stocks                                                | 14    | 552       |         | 1,500     |         |
| Debtors                                               | 15    | 104,811   |         | 64,795    |         |
| Cash at bank and in hand                              |       | 385,696   |         | 375,460   |         |
|                                                       |       | 491,059   |         | 441,755   |         |
| <b>Creditors: amounts falling due within one year</b> | 16    | (31,609)  |         | (21,374)  |         |
| Net current assets                                    |       |           | 459,450 |           | 420,381 |
| <b>Total assets less current liabilities</b>          |       |           | 460,490 |           | 421,768 |
| <b>Income funds</b>                                   |       |           |         |           |         |
| Restricted funds                                      | 17    |           | 41,850  |           | -       |
| <u>Unrestricted funds</u>                             |       |           |         |           |         |
| Designated funds                                      | 18    | 90,000    |         | -         |         |
| General unrestricted funds                            |       | 328,640   |         | 421,768   |         |
|                                                       |       |           | 418,640 |           | 421,768 |
|                                                       |       |           | 460,490 |           | 421,768 |

The financial statements were approved by the Trustees on 27.05.2023

  
Mr M L Seddon  
Trustee

  
Mr D M Jones  
Trustee

# **RSPCA MANCHESTER AND SALFORD BRANCH**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

RSPCA Manchester and Salford Branch is an local branch of the national RSPCA organisation. It is controlled by its governing document which is the RSPCA branch rules and is an unincorporated charity.

#### **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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

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

Designated funds are free reserves that have been designated by the trustees for specific purposes. These are further disclosed in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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

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

# RSPCA MANCHESTER AND SALFORD BRANCH

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

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### 1 Accounting policies

(Continued)

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.

#### 1.5 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 are allocated on the portion of the asset's use.

#### 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:

|                              |                                |
|------------------------------|--------------------------------|
| Leasehold land and buildings | Over the lifetime of the lease |
| Office equipment             | 10% per annum                  |
| Motor vehicles               | 20% per annum                  |

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.

#### 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).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

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

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# RSPCA MANCHESTER AND SALFORD BRANCH

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

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### 1 Accounting policies

(Continued)

#### 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.

##### **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.

### 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 MANCHESTER AND SALFORD BRANCH

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

### 3 Donations and legacies

|                                              | Unrestricted<br>funds | Restricted<br>funds | Total Unrestricted<br>funds |                |
|----------------------------------------------|-----------------------|---------------------|-----------------------------|----------------|
|                                              | 2022<br>£             | 2022<br>£           | 2022<br>£                   | 2021<br>£      |
| Donations and gifts                          | 132,061               | -                   | 132,061                     | 68,032         |
| Legacies receivable                          | -                     | -                   | -                           | 6,032          |
| Grants                                       | 80,240                | 41,850              | 122,090                     | 151,967        |
|                                              | <u>212,301</u>        | <u>41,850</u>       | <u>254,151</u>              | <u>226,031</u> |
| <b>Grants receivable for core activities</b> |                       |                     |                             |                |
| Covid grants                                 | -                     | -                   | -                           | 76,907         |
| Coronavirus Job Retention Scheme             | -                     | -                   | -                           | 42,326         |
| Kickstarter                                  | 30,187                | -                   | 30,187                      | 7,729          |
| RSPCA Door to Door grant                     | 23,218                | -                   | 23,218                      | 24,134         |
| Pets at Home                                 | -                     | 40,350              | 40,350                      | -              |
| RSPCA Rabbit Fund                            | 5,400                 | -                   | 5,400                       | -              |
| RSPCA                                        | 12,935                | -                   | 12,935                      | -              |
| Other                                        | 8,500                 | 1,500               | 10,000                      | 871            |
|                                              | <u>80,240</u>         | <u>41,850</u>       | <u>122,090</u>              | <u>151,967</u> |

### 4 Charitable activities

|                                    | Animal<br>welfare<br>2022<br>£ | Animal<br>welfare<br>2021<br>£ |
|------------------------------------|--------------------------------|--------------------------------|
| Sales within charitable activities | <u>26,805</u>                  | <u>11,610</u>                  |
| <b>Charitable trading income</b>   |                                |                                |
| Animal welfare                     |                                |                                |

# RSPCA MANCHESTER AND SALFORD BRANCH

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

### 5 Other trading activities

|                          | Unrestricted funds | Unrestricted funds |
|--------------------------|--------------------|--------------------|
|                          | 2022               | 2021               |
|                          | £                  | £                  |
| Fundraising events       | 614                | 1,077              |
| Shop income              | 451,233            | 230,538            |
|                          | <u>          </u>  | <u>          </u>  |
| Other trading activities | 451,847            | 231,615            |
|                          | <u>          </u>  | <u>          </u>  |

### 6 Investments

|                                        | Unrestricted funds | Unrestricted funds |
|----------------------------------------|--------------------|--------------------|
|                                        | 2022               | 2021               |
|                                        | £                  | £                  |
| Investment income (Inc. subscriptions) | 269                | 1,101              |
| Interest receivable                    | 784                | 44                 |
|                                        | <u>          </u>  | <u>          </u>  |
|                                        | 1,053              | 1,145              |
|                                        | <u>          </u>  | <u>          </u>  |

### 7 Raising funds

|                                  | Unrestricted funds | Unrestricted funds |
|----------------------------------|--------------------|--------------------|
|                                  | 2022               | 2021               |
|                                  | £                  | £                  |
| <u>Fundraising and publicity</u> |                    |                    |
| Other fundraising costs          | 70                 | 2,487              |
|                                  | <u>          </u>  | <u>          </u>  |
| <u>Trading costs</u>             |                    |                    |
| Operating charity shops          | 127,534            | 105,670            |
| Staff costs                      | 228,022            | 178,249            |
|                                  | <u>          </u>  | <u>          </u>  |
| Trading costs                    | 355,556            | 283,919            |
|                                  | <u>          </u>  | <u>          </u>  |
|                                  | 355,626            | 286,406            |
|                                  | <u>          </u>  | <u>          </u>  |

# RSPCA MANCHESTER AND SALFORD BRANCH

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

### 8 Charitable activities

|                                                  | Animal welfare<br>2022<br>£ | Animal welfare<br>2021<br>£ |
|--------------------------------------------------|-----------------------------|-----------------------------|
| Staff costs                                      | 120,549                     | 105,768                     |
| Depreciation and Impairment                      | 347                         | 463                         |
| Animal centre costs (Boarding costs)             | 67,415                      | 35,365                      |
| Veterinary fees, rehoming and ancillary expenses | 77,886                      | 81,738                      |
| Motor and travel                                 | 21                          | 8,216                       |
| Printing, stationery and adverts                 | 1,687                       | 1,925                       |
| Sundry expenses                                  | 1,426                       | 2,321                       |
|                                                  | <u>269,331</u>              | <u>235,796</u>              |
| Share of support costs (see note 9)              | 67,377                      | 48,440                      |
| Share of governance costs (see note 9)           | 2,800                       | 2,800                       |
|                                                  | <u>339,508</u>              | <u>287,036</u>              |

### 9 Support costs

|                                        | Support costs<br>£ | Governance costs<br>£ | 2022 Support costs<br>£ | Governance costs<br>£ | 2021<br>£     |
|----------------------------------------|--------------------|-----------------------|-------------------------|-----------------------|---------------|
| Staff costs                            | 39,975             | -                     | 39,975                  | 39,159                | 39,159        |
| Telephone                              | 708                | -                     | 708                     | 1,412                 | 1,412         |
| Rent, rates and insurance              | 3,546              | -                     | 3,546                   | 3,420                 | 3,420         |
| Bank charges                           | 126                | -                     | 126                     | 192                   | 192           |
| Bookkeeping and payroll                | 6,494              | -                     | 6,494                   | 2,939                 | 2,939         |
| Sundry                                 | 2,446              | -                     | 2,446                   | 3,961                 | 3,961         |
| Irrecoverable VAT                      | 14,082             | -                     | 14,082                  | (2,643)               | (2,643)       |
| Independent examination fees           | -                  | 2,800                 | 2,800                   | -                     | 2,800         |
|                                        | <u>67,377</u>      | <u>2,800</u>          | <u>70,177</u>           | <u>48,440</u>         | <u>51,240</u> |
| Analysed between Charitable activities | <u>67,377</u>      | <u>2,800</u>          | <u>70,177</u>           | <u>48,440</u>         | <u>51,240</u> |

### 10 Trustees

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

# RSPCA MANCHESTER AND SALFORD BRANCH

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

### 11 Employees

The average monthly number of employees during the year was:

|  | 2022<br>Number | 2021<br>Number |
|--|----------------|----------------|
|  | 24             | 21             |

### Employment costs

|                    | 2022<br>£ | 2021<br>£ |
|--------------------|-----------|-----------|
| Wages and salaries | 388,546   | 323,176   |

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

### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 13 Tangible fixed assets

|                                    | Leasehold<br>land and<br>buildings<br>£ | Office equipment<br>£ | Motor vehicles<br>£ | Total<br>£ |
|------------------------------------|-----------------------------------------|-----------------------|---------------------|------------|
| <b>Cost</b>                        |                                         |                       |                     |            |
| At 1 January 2022                  | 15,469                                  | 5,256                 | 20,448              | 41,173     |
| At 31 December 2022                | 15,469                                  | 5,256                 | 20,448              | 41,173     |
| <b>Depreciation and impairment</b> |                                         |                       |                     |            |
| At 1 January 2022                  | 15,469                                  | 5,256                 | 19,061              | 39,786     |
| Depreciation charged in the year   | -                                       | -                     | 347                 | 347        |
| At 31 December 2022                | 15,469                                  | 5,256                 | 19,408              | 40,133     |
| <b>Carrying amount</b>             |                                         |                       |                     |            |
| At 31 December 2022                | -                                       | -                     | 1,040               | 1,040      |
| At 31 December 2021                | -                                       | -                     | 1,387               | 1,387      |

### 14 Stocks

|                                     | 2022<br>£ | 2021<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 552       | 1,500     |

# RSPCA MANCHESTER AND SALFORD BRANCH

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

### 15 Debtors

|                                      | 2022           | 2021          |
|--------------------------------------|----------------|---------------|
|                                      | £              | £             |
| Amounts falling due within one year: |                |               |
| Other debtors                        | 49,312         | 44,603        |
| Prepayments and accrued income       | 55,499         | 20,192        |
|                                      | <u>104,811</u> | <u>64,795</u> |

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

|                              | 2022          | 2021          |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Trade creditors              | 20,168        | 9,427         |
| Other creditors              | 301           | 1,727         |
| Accruals and deferred income | 11,140        | 10,220        |
|                              | <u>31,609</u> | <u>21,374</u> |

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                       | Movement<br>in funds  |                              | Movement<br>in funds  |                                   |
|-----------------------|-----------------------|------------------------------|-----------------------|-----------------------------------|
|                       | Incoming<br>resources | Balance at<br>1 January 2022 | Incoming<br>resources | Balance at<br>31 December<br>2022 |
|                       | £                     | £                            | £                     | £                                 |
| Pets at Home - New EV | -                     | -                            | 41,850                | 41,850                            |

Restricted funds relate to an amount received for the purchase of an Electric Van.

# RSPCA MANCHESTER AND SALFORD BRANCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

|                       | Movement<br>In funds  |                            | Transfers | Balance at<br>31 December<br>2022 |
|-----------------------|-----------------------|----------------------------|-----------|-----------------------------------|
|                       | Incoming<br>resources | Balance at<br>January 2022 |           |                                   |
|                       | £                     | £                          | £         | £                                 |
| To cover 3 years rent | -                     | -                          | 90,000    | 90,000                            |
|                       | -                     | -                          | 90,000    | 90,000                            |

During the year the Trustees have designated funds amounting to 3 years Rent and Service Charges on the Animal Centre.

#### 19 Analysis of net assets between funds

|                                                       | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total Unrestricted<br>funds<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ |
|-------------------------------------------------------|------------------------------------|----------------------------------|------------------------------------------|------------------------------------|
| Fund balances at 31 December 2022 are represented by: |                                    |                                  |                                          |                                    |
| Tangible assets                                       | 1,040                              | -                                | 1,040                                    | 1,387                              |
| Current assets/(liabilities)                          | 417,600                            | 41,850                           | 459,450                                  | 420,381                            |
|                                                       | 418,640                            | 41,850                           | 460,490                                  | 421,768                            |

#### 20 Related party transactions

##### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

# RSPCA MANCHESTER AND SALFORD BRANCH

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

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### 20 Related party transactions

(Continued)

The branch is a member of the RSPCA National legacy scheme under which the national society administer the legacies left to the branch for a nominal fee of 2.5%. Legacies shown in these accounts are net of the 2.5% deducted by the national society. The amount received through this scheme during the year was £NIL (2022: £27,351).

The branch also transacts with the national society by providing boarding services to animals rescued by the national society in their region. The amount charged to RSPCA national for these services in the year amount to £NIL (2022: £1,754). The balance outstanding at the year end is £NIL (2022: £NIL) and is shown in Trade Debtors.

The branch purchase items of medical equipment and other items from the national society. The amount charged by the national society in the year amounted to £9,105 (2022: £24,640). The balance owing at the year end is £1,969 (2022: £1,288) and is shown in Trade Creditors.