

RSPCA SOUTHPORT ORMSKIRK & DISTRICT BRANCH
THE BRANCH TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Branch is an unincorporated charitable association and a separately registered charity to that of the national RSPCA (the Society), carrying out its direct animal welfare work in the areas of North Sefton and parts of West Lancashire. It operates as an autonomous branch subject to the RSPCA Rules for Branches (as updated).

The Branch Committee Members are elected trustees. All new trustees are briefed on their responsibilities prior to their acceptance of the role. The Committee has the power to co-opt up to three persons (at any one time) to serve as Committee Members and may appoint new trustees to fill casual vacancies arising during the year. The trustees hold monthly meetings at which decisions are made. The day-to-day running of the animal centre and charity shop is delegated to the Branch Manager under the line management of the Branch Chair.

STATEMENT OF TRUSTEES RESPONSIBILITIES

Trustees are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Practice.

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charity SORP
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the ongoing concern basis unless it is inappropriate to presume that the Charity will continue in business

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which will enable them to ensure that the financial statements comply with applicable law, regulations and the trust deed. They are also responsible for safeguarding the assets of the Charity

and for taking reasonable steps to ensure the prevention and detection of fraud and other irregularities.

Internal Controls

The Branch Committee has put in place effective internal financial control systems. These safeguard the assets of the Branch, ensure the maintenance of proper accounting records and provide reliable financial information for use by the Branch Treasurer and the Committee. The key features are:

- i. A clear organisational and management structure with defined responsibility and accountability
- ii. Proper control over income and expenditure
- iii. Authorisation limits for the purchase of goods, services and other commitments
- iv. A budgeting and forecasting system, coupled with monthly reviews against actual performance
- v. The employment of an external accountant who provides all payroll and accounting activities

Risk Management

The trustees actively review the operational and financial risks that the Charity faces. The trustees consider that they have put in place appropriate policies, procedures and controls that will mitigate the identified risks and assist in maintaining the future financial viability of the Branch. The Branch utilises a Risk Management Framework to identify significant risks, for example:

Our reliance upon legacies as a major source of income

Loss of reputation, income or confidence through error, fraud or other actions of trustees or staff (Branch and national)

Loss of income or capital through poor investment decisions or the effects of a recession on investments and potentially on income

Insufficient number of trustees and volunteers to support the activities of the Branch

Insufficient funds to continue to provide the determined level of service to the public and others

Difficulties in recruiting and retaining staff and volunteers of the required standard to provide the determined level of service

The Branch Committee keeps under regular review the Health and Safety requirements at both the animal centre and the charity shop. The Committee examines the accident book at each Committee Meeting and takes appropriate action with regard to all reported accidents. During 2021 there were no accidents requiring notification to the enforcing authority.

The Branch maintains a Risk Management Framework, Trustees'

Code of Conduct and a Conflict of Interests Policy, together with a number of other management policies, which are reviewed annually.

OBJECTIVES AND ACTIVITIES

Objectives, Aims and Public Benefit

The trustees have considered the Charity Commission guidance regarding public benefit and are satisfied that the Charity has met these requirements through its activities as described in this Report.

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 2006 indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole.

The objects of the Branch are to promote kindness and to prevent or suppress cruelty to animals by all lawful means with particular reference to the area of operation of the Branch. The key aims of the Branch are to care for mistreated or abandoned animals and to find suitable new homes for them. 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 to re-home them to those who could not afford them or reasonably meet the ongoing costs.

The main activities of the Branch are the operation of the animal centre at New Cut Lane in Southport. The animals in our care receive veterinary treatment, vaccinations, flea and worm treatments and are neutered, micro-chipped and assessed before being re-homed. We support the RSPCA Inspectorate by taking in mistreated or abused animals.

During the year 323 animals were admitted by the Branch (129 dogs, 194 cats). The Branch prioritised the intake of the most vulnerable animals rescued by the RSPCA inspectorate (86 % of total admissions). During the year 255 animals were rehomed (102 dogs, 153 cats).

The Society's officers (as well as providing education, information and advice) rescue animals in distress and enforce 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.

We provide subsidised or free micro-chipping of owned animals. We provide limited subsidised neutering of companion animals and veterinary treatment for sick or injured animals for those people in the branch area on low incomes and in receipt of certain benefits. This work helps to control animal populations and benefits those on means tested benefits by giving them financial help to neuter and microchip

their pets, thereby helping them to meet legal requirements and promoting responsible pet ownership.

We offer pet care advice to the public and respond to enquiries about animals locally. The public benefits through the promotion of responsible pet ownership.

Volunteers

We provide volunteering opportunities for those who wish to support our work including in the branch charity shop and animal centre and fundraising at the Fun Dog Show, the Christmas Fair and at other events. This benefits local people by providing the opportunity to make a difference, find purpose, make friends, reduce isolation, connect with their community and strengthen their CVs to improve employment opportunities. Without these volunteers the Branch would not be able to undertake the amount of animal welfare currently achieved.

The number of volunteers and the time devoted to the branch was very severely impacted by the Covid-19 pandemic. We were only able to open the charity shop for about 75% of the year. Similarly, volunteering at the animal centre was restricted.

Despite this, during 2021 the Branch depended on the help of about 100 active volunteers, whose donation of their skills and time had a value worth several thousands of pounds. The trustees would like to thank the Branch staff and volunteers for their hard work and dedication throughout the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities, Developments, Activities & Achievements in 2021

The Branch Committee continued to implement its agreed policies concerning the operation of the Branch. The Branch Manager's report on page 10 gives more details of the number of animals passing through the animal centre.

Covid-19 restrictions continued to impact on the activities of the Branch including the rehoming of animals, fundraising activities and the operation of the charity shop. The recruitment of volunteers and the work they were able to perform was also limited.

Branch Committee Meetings were mainly held online using Google Meet.

The staffing requirements of the Branch remained under review bearing in mind the use and capacity of the facilities and the Branch's overall financial position.

The Branch held an open day at the animal centre in September and a Christmas fair in December. These events raised £7,927.

The Branch Manager continued to contribute a bi-weekly item to the local newspaper which helped to advertise long-stay dogs and cats in care.

The Branch leasing agreement with Cats Protection (providing them with 10 cat pods) continued.

In March, the Branch joined the Association of Dog and Cats Homes (ADCH).

FINANCIAL POLICIES AND REVIEW

Reserves Policy

The Branch holds reserves in order that its animal welfare services are maintained should there be a reduction in incoming resources. General reserves are those funds that are freely available for general purposes and are uncommitted. The trustees have established a policy of holding a level of free reserves that will enable the Branch to ensure the continuity of activities and the ability to adjust, in a measured way, to any significant change in resources. This is a level equivalent to one and a half year's total expenditure - currently this is of the order of £630,000. At 31 December 2021 the Branch had unrestricted free reserves of £423,200.

Investment policy and objectives

The trustees invest, until required, part of its capital and income not required for the immediate running of the Branch. The trustees, bearing in mind the level of cash holdings, the forecast requirements during 2021 for planned capital projects and the budgeted running costs of the animal centre, agreed to retain a portion of its reserves on deposit with the Royal Bank of Scotland and The Nationwide Building Society. Additionally, a portion of funds held are invested in a 1-year business bond with The Hampshire Trust Bank. The breakdown of the amounts invested is shown in the Notes to the Financial Statements.

Financial Review

The Statement of Financial Activity for the year is shown in the Notes to the Financial Statements together with the Audit Certificate.

The total income received in the year 2021 was £363,300. Expenditure in the year was £420,200. There were realised and unrealised investment gains at the year-end of £900. The total net deficit for the year 2021 was £56,000 compared with a deficit of £181,200 in 2020. Legacies recorded as receivable in the Accounts for 2021 was £111,200 (£2,300 in 2020).

The main fundraising activities of the Branch are animal adoptions, the charity shop, the animal centre shop and open days. The Branch also leases 10 cat pens to fellow animal charity Cats Protection. Although the trustees endeavour to reduce the Branch's reliance on legacy income, we continue to be dependent on the receipt of legacies for both day-to-day running costs and for financing capital

projects.

The Branch makes full use of the Gift Aid Donation arrangements whereby donations made by income tax payers are increased by 25%.

FUTURE ACTIVITIES

To recruit new volunteers for the charity shop, for the animal centre and to support fundraising events. The Branch has a small number of dedicated animal fosterers and in 2022 we hope to increase their number.

- i. To develop new fundraising activities and to seek out new funding streams and ways to realise savings.
- ii. To hold volunteer evenings to thank our volunteers.
- iii. To review monthly the financial resources and commitments of the branch and take corrective action when required.
- iv. To continue the policy of offering animal accommodation to the RSPCA Inspectorate to the extent of at least 50% and other Society branches by agreement,
- v. To communicate with Branch members, supporters and volunteers and to further develop the awareness of the Branch by way of newspaper articles, emails and social media.
- vi. To continue to be involved in the regional and national activities of the RSPCA.
- vii. To review on a regular basis the Health and Safety Risk Assessments for the New Cut Lane site and the charity shop.
- viii. To continue to use the new Operating Theatre for the Greater Manchester Hospital veterinary surgeons.

APPROVAL OF THIS REPORT

This Report was recommended for approval on 16 May 2022 to be ratified at the AGM, and is signed on behalf of the Committee of Trustees by:

Dr David West, Branch Chairman
16 May 2022

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT*****FOR THE YEAR ENDED 31 DECEMBER 2021***

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	2020 £
<u>Income from:</u>					
Donations and legacies	3	152,206	9,000	161,206	60,855
Charitable activities	4	98,723	-	98,723	93,029
Other trading activities	5	111,883	-	111,883	99,445
Investments	6	527	-	527	992
Total income		363,339	9,000	372,339	254,321
<u>Expenditure on:</u>					
Raising funds	7	34,940	-	34,940	35,040
Charitable activities					
Animal Welfare	8	253,731	8,000	261,731	263,417
Animal Re-homing		106,078	-	106,078	111,497
Welfare Assistance		25,477	-	25,477	27,066
Total expenditure		420,226	8,000	428,226	437,020
Net gains/(losses) on investments	13	870	-	870	1,516
Net movement in funds		(56,017)	1,000	(55,017)	(181,183)
Fund balances at 1 January 2021		2,010,760	-	2,010,760	2,191,943
Fund balances at 31 December 2021		1,954,743	1,000	1,955,743	2,010,760

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

All income and expenditure derive from continuing activities.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH**BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		1,531,587		1,569,686
Current assets					
Stocks	16	400		600	
Debtors	17	77,806		20,705	
Investments	18	87,386		86,516	
Cash at bank and in hand		274,062		346,865	
		<u>439,654</u>		<u>454,686</u>	
Creditors: amounts falling due within one year	19	<u>(15,498)</u>		<u>(13,612)</u>	
Net current assets			424,156		441,074
Total assets less current liabilities			<u>1,955,743</u>		<u>2,010,760</u>
Income funds					
Restricted funds			1,000		-
<u>Unrestricted funds</u>					
Fixed asset funds	20	1,531,587		1,569,686	
General unrestricted funds		<u>423,156</u>		<u>441,074</u>	
			1,954,743		2,010,760
			<u>1,955,743</u>		<u>2,010,760</u>

The financial statements were approved by the Trustees on

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Mr S Watson
Trustee

.....
Mr D West
Trustee

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

I report to the trustees on my examination of the financial statements of RSPCA Southport, Ormskirk and District Branch (the charity) for the year ended 31 December 2021.

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 , 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 Accountants LLP

M Taylor FCA
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Hesketh Bank
Preston
Lancashire
PR4 6SN

Dated: