

Charity registration number 232258

**RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr David West - Chair
Ms Anne Corbishley
Mr Stewart Watson
Mr Bryony Brande
Mr James (Jim) Rimmer
Mr David Frew
Mr Paul Gibson
Mrs Sue James
Mr John Trotter
Mrs Rita Trotter

Charity number

232258

Independent examiner

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

Bankers

Royal Bank of Scotland PLC
1 Spinningfields Square
Manchester
M3 3AP

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

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RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with RSPCA Branch Rules, 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 Southport, Ormskirk & District 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 Branch animal centre near Southport and an animal rehabilitation & rehoming programme. On occasion we may offer financial assistance towards the cost of veterinary treatment for companion animals where owners are unable to meet the full cost.

Achievements 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 2011 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 charity'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.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

To help raise the income needed to support these activities the Branch operated a charity shop in Eastbank Street, Southport.

During 2023 the Branch donated significant supplies of pet food to the Southport Food Bank (part of the Trussell Trust) to help support local pet owners who were struggling to feed their pets.

In addition the Branch is a supporter of the RSPCA's Pet Food Bank appeal providing monthly donations of surplus pet food to help pet owners across the local area.

We offer volunteering opportunities to people from all sectors of the community who wish to support our work in our animal centre and charity shop. Volunteer roles include Trusteeship, general animal care, cat socialisation, dog walking, foster care, retail assistants (in both customer facing and stock sorting & distribution roles) and fundraising roles.

Our volunteers make a significant contribution to the care of the animals, both through direct animal facing roles and by securing vital funds to support the overall operation of the Branch whether through the shop or other fundraising activities.

The Trustees, themselves all volunteers, are most appreciative of the time and dedication of volunteers working in all aspects of the Branch.

Summary of Achievements

Overview

2023 was a year of change for the Branch which saw the retirement of Paul Gibson (Branch Manager) after over ten years service in late February, the development of a new partnership with the RSPCA Lancashire East Branch and the appointment of James Stevens the new joint Chief Executive Officer working across the two partner branches, as the Trustees sought to build on the achievements of previous years.

Sadly, the year also saw the loss of Ann Rimmer, who not only served on the Trustee Board but also oversaw the Branch's fostering scheme. Ann is sadly missed by her Trustee colleagues, staff and volunteers not only for her positive contribution and insight, but also her empathy, care and compassion for animals and people alike.

Intake & Rehoming

The Branch now has 25 foster carers and whilst not all are active at any one time, their contribution has helped the Branch see yet another increase in animal throughput and rehoming, at the end of the year there were 23 animals (19 dogs & 4 cats) in foster care. The Branch has also supported the growth of the fostering scheme at our partner branch, RSPCA Lancashire East Branch, to which we have regularly transferred cats in need of some additional rehabilitation prior to rehoming.

This support and the hard work of the dedicated animal care team under the leadership of Anne Mitchell (Animal Care Manager) supported by Sophie Hubble (Business Manager); Sophie manages the reception team who act as the first point of contact with potential adopters; saw the Branch increase the number of animals accepted into care from 386 animals (137 dogs, 241 cats & 8 other animals) in 2022 to 435 animals (165 dogs, 270 cats & 0 other animals) in 2023, a 12.7% increase in the number of animals admitted.

Despite the complex nature of the animals for which the Branch is caring, last year saw a 24.0% increase in the number of animals rehomed, up from 271 animals (87 dogs, 183 cats & 1 other animal) in 2022 to 336 animals (126 dogs, 210 cats & 0 other animals) last year.

The Branch's focus remains supporting those animals rescued by the RSPCA inspectorate and as a consequence it does not normally accept animals direct from the public.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

An inevitable consequence of accepting hundreds of sick, injured, abandoned and abused animals is that some cannot be successfully rehabilitated. However, despite a near 13% increase in animal intake, the Branch actually saw a 34.5% fall in the number of animals euthanased on veterinary or behavioural grounds last year: down from 55 in 2022 to just 36 animals in 2023.

The Branch continues to contract a block of ten cat pens to Cats Protection and the Trustees remain grateful to our partner charity for the contribution this provides towards the operating costs of the animal centre.

The My Vet practice operated by Myerscough Vets, was closed to the public towards the end of last year and, whilst the lease still has some months to run, the Trustees have yet to make a decision on the future utilisation of the building. Whilst the rental income this provided was a welcome contribution to Branch operating costs it represented less than 2.5% of Branch income last year.

Eastbank Street Charity Shop

Last year was another positive year for the charity shop which generated a net profit of £43,183 after operating costs, up from £41,306 the previous year.

The retail team, under the leadership of Bev Fawcett (Charity Shop Manager) and her deputy, Sharon Cook together with a small but loyal band of volunteers have once again worked extremely hard to sort out the thousands of items donated to the shop by the public and generate valuable funds for the Branch.

Branch Administration & Management

In preparation for the retirement of Paul Gibson, the Board took the decision to develop a new partnership with the RSPCA Lancashire East Branch, under which James Stevens (Chief Executive Officer) works in a CEO role across the two branches.

With his appointment as joint CEO for the Lancs East and Southport branches, James has seen his previous 23 year career with the national RSPCA, his last role being Assistant Director Field Operations (North), come full circle as these were two of the branches he first supported in 1999 in his then role of Branch Development Adviser acting as the liaison between the national charity and a number of NW branches.

Paul's retirement and the appointment of the joint CEO also resulted in changes within the day-to-day Branch management structure of the Branch with Sophie Hubble promoted to the role of Business Manager.

In this role Sophie is responsible for the day-to-day processing of Branch receipts and payments, working closely with Andrew Chong (book-keeper) in the preparation of the monthly management accounts, she is also line manager of the reception and retail teams.

Thank You

The Trustees would like to thank all staff and volunteers for their hard work and dedication during 2023 without whom the Branch would not have been able to provide its much needed animal welfare services.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

The total incoming resources for the year amounted to £654,652 (2022: £722,882), including legacies and grants of £336,188 (2022: £471,647). Expenditure in the year amounted to £497,673 (2022: £458,418). After realised gains of £1,417 (2022: £614) the Branch recorded a surplus for the year of £158,396 (2022: surplus of £265,078).

The Trustees continue to carefully manage funds and the past year has seen changes introduced to further improve financial reporting across the Branch and ensure the Trustees and senior management are better able to make informed decisions before committing to future spending.

Investment Policy and Objectives

The Branch has a small investment holding of £Nil (2022: £88,000), the bulk of reserves are held in a range of current, immediate access and notice bank accounts.

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 unrestricted funds equivalent to at least 18 months of expenditure: based on 2023 expenditure levels this equates to £746,510.

As at 31 December 2023 the Branch had unrestricted/undesignated cash reserves of £623,968 or 15 months operating costs, based on the target reserve figure of £746,510. The Trustees regularly review this policy to ensure there are sufficient reserves to meet all liabilities.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The most immediate objective of the Trustees is for the Branch to once again secure a full five year unconditional licence from the national Society (the animal centre is relicensed every five years with ongoing annual inspections), without a licence the animal centre cannot operate. The relicensing visit is scheduled for late 2024.

Subject to the centre again achieving an unconditional licence there are no current plans to redevelop any of the existing centre facilities, however the Trustees recognise the need to repair and refurbish the stable building (aka the Goat Shed) at the front of the property which is showing signs of weather damage and deterioration.

Review whether or not it is in the interests of the Branch to become a Charitable Incorporated Organisation (CIO), the national RSPCA has recently amended the Society Rules to facilitate branches becoming CIOs which offers additional protections to the Branch and the Board of Trustees. Over the next two years the Society is helping support branches wishing to become CIOs by not only making a contribution to the legal costs involved but also working with the Charity Commission to facilitate the process.

Last year saw the launch of the new partnership with the RSPCA Lancashire East Branch, the longer term aim of which is that the two Branches will share knowledge and experience whilst reducing long term costs. This project remains in its infancy but offers exciting potential for the longer term development of both partners.

2023 also saw the launch of the new North West Animal Group (NWAG), an embryonic partnership between the eight RSPCA branches operating animal centres across the region; it is hoped that working together these branches might secure additional support from the national RSPCA.

Objectives for 2024

To successfully secure a new five year licence from the national RSPCA.

To repair and refurbish the stable block/goat shed at the front of the premises.

To consider whether it is appropriate for the Branch to seek CIO status and, deemed appropriate by the Trustee Board, work with the Society to achieve this aim.

To continue to monitor the sustainability of the Branch, to implement those changes necessary to maintain a positive impact on local animal welfare provision, and to develop closer partnership working with other RSPCA branches and external organisations.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

Governing Document

The charity is controlled by its governing document, the RSPCA Branch Rules 2012 (including subsequent amendments), and is an unincorporated charity.

Charity Constitution

The Society for the Prevention of Cruelty to Animals was founded in 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 governed by a Trustee Board elected annually at the Branch AGM. 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 Chief Executive Officer and senior management team with support from the RSPCA's Branch Partnerships Manager.

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

Dr David West - Chair

Ms Anne Corbishley – Vice Chair

Mr Stewart Watson – Treasurer (retired: 22 June 2023) & Acting Deputy Treasurer (appointed: 22 June 2023)

Ms Bryony Brand – Treasurer (appointed: 22 June 2023)

Mr R James – Secretary (resigned: 22 June 2023)

Mr James (Jim) Rimmer – Secretary (appointed: 22 June 2023)

Mr David Frew

Mr Paul Gibson (appointed: 22 June 2023)

Mr Michael Hughes (resigned: 22 June 2023)

Mrs Sue James

Mr John Trotter

Mrs Rita Trotter

Mrs Anne Rimmer (deceased: 27 August 2023)

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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 (SMT):

- James Stevens - Chief Executive Officer (appointed: 6 February 2023)
- Paul Gibson - Branch Manager (retired: 26 March 2023)
- Sophie Hubble - Business Manager (appointed: 6 February 2023)
- Anne Mitchell - Animal Care Manager
- Beverley Fawcett - Charity Shop Manager

The Trustees and SMT were supported by the following branch support staff from the National Society:

- Denise McCabe, Branch Partnership Manager

Approved by order of the Board of Trustees on 8 April 2024 and signed on its behalf by:



Dr D M 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 2023.

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 Accountants LLP

M Taylor FCA
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN



Dated: 9th April 2024

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|--|-----------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 3 | 351,883 | - | 351,883 | 455,810 | 29,000 | 484,810 |
| Charitable activities | 4 | 155,791 | - | 155,791 | 95,869 | - | 95,869 |
| Other trading activities | 5 | 140,010 | - | 140,010 | 140,792 | - | 140,792 |
| Investments | 6 | 6,968 | - | 6,968 | 1,411 | - | 1,411 |
| Total income | | 654,652 | - | 654,652 | 693,882 | 29,000 | 722,882 |
| Expenditure on: | | | | | | | |
| Raising funds | 7 | 39,955 | - | 39,955 | 37,414 | - | 37,414 |
| Charitable activities | 8 | 454,718 | 3,000 | 457,718 | 395,004 | 26,000 | 421,004 |
| Total expenditure | | 494,673 | 3,000 | 497,673 | 432,418 | 26,000 | 458,418 |
| Net gains on investments | 13 | 1,417 | - | 1,417 | 614 | - | 614 |
| Net income/(expenditure) | | 161,396 | (3,000) | 158,396 | 262,078 | 3,000 | 265,078 |
| Transfers between funds | | - | - | - | 1,000 | (1,000) | - |
| Net movement in funds | 10 | 161,396 | (3,000) | 158,396 | 263,078 | 2,000 | 265,078 |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 January 2023 | | 2,217,821 | 3,000 | 2,220,821 | 1,954,743 | 1,000 | 1,955,743 |
| Fund balances at 31 December 2023 | | 2,379,217 | - | 2,379,217 | 2,217,821 | 3,000 | 2,220,821 |

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

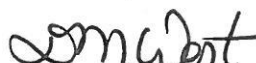
AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|-----------------|------------------|-----------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 1,454,146 | | 1,492,700 |
| Current assets | | | | | |
| Stocks | 16 | 395 | | 395 | |
| Debtors | 17 | 323,161 | | 465,782 | |
| Investments | 18 | - | | 88,000 | |
| Cash at bank and in hand | | 623,968 | | 192,310 | |
| | | <u>947,524</u> | | <u>746,487</u> | |
| Creditors: amounts falling due within one year | 19 | <u>(22,453)</u> | | <u>(18,366)</u> | |
| Net current assets | | | 925,071 | | 728,121 |
| Total assets less current liabilities | | | <u>2,379,217</u> | | <u>2,220,821</u> |
| Income funds | | | | | |
| Restricted funds | 20 | | - | | 3,000 |
| <u>Unrestricted funds</u> | | | | | |
| Fixed asset funds | 21 | 1,454,146 | | 1,492,700 | |
| General unrestricted funds | | <u>925,071</u> | | <u>725,121</u> | |
| | | | 2,379,217 | | 2,217,821 |
| | | | <u>2,379,217</u> | | <u>2,220,821</u> |

The financial statements were approved by the Trustees on 8th April 2024



Mr S Watson
Trustee



Dr D M West
Trustee

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

RSPCA Southport, Ormskirk and District Branch is an unincorporated Charity registered with the Charity Commission.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors 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.

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.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

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:

| | |
|-----------------------------|----------------------|
| Freehold land and buildings | 2% on cost |
| Fixtures and fittings | 25% reducing balance |
| Motor vehicles | 25% on cost |

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 SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 Taxation

The charity is exempt from tax on its charitable activities.

1.12 Employee benefits

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

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

1.13 Retirement benefits

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

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

3 Donations and legacies

| | Unrestricted funds | Unrestricted funds | Restricted funds | Total |
|------------------------------------|--------------------|--------------------|------------------|----------------|
| | 2023 | 2022 | 2022 | 2022 |
| | £ | £ | £ | £ |
| Donations and gifts | 10,543 | 12,267 | - | 12,267 |
| Legacies receivable | 335,194 | 426,313 | 29,000 | 455,313 |
| Grants | 994 | 16,334 | - | 16,334 |
| Donated goods and services | 2,000 | 2,000 | - | 2,000 |
| Gift aid donations and tax refunds | 3,152 | (1,104) | - | (1,104) |
| | <u>351,883</u> | <u>455,810</u> | <u>29,000</u> | <u>484,810</u> |

4 Income from charitable activities

| | 2023 | 2022 |
|-------------------------|----------------|---------------|
| | £ | £ |
| Adoption and re-homing | 51,455 | 36,800 |
| Boarding and neutering | 104,336 | 59,069 |
| | <u>155,791</u> | <u>95,869</u> |
| Analysis by fund | | |
| Unrestricted funds | <u>155,791</u> | <u>95,869</u> |

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Income from other trading activities

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|------------------------------------|------------------------------------|------------------------------------|
| Fundraising events and collections | 32,098 | 35,935 |
| Shop income | 82,067 | 75,430 |
| Lease rental income | 24,131 | 28,593 |
| Commissions received | 1,714 | 834 |
| | <u> </u> | <u> </u> |
| Other trading activities | 140,010 | 140,792 |
| | <u> </u> | <u> </u> |

6 Income from investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | 6,968 | 1,411 |
| | <u> </u> | <u> </u> |

7 Expenditure on raising funds

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|----------------------------------|------------------------------------|------------------------------------|
| Fundraising and publicity | | |
| Other fundraising costs | 3,152 | 3,290 |
| Staff costs | 33,390 | 30,848 |
| | <u> </u> | <u> </u> |
| | 36,542 | 34,138 |
| | <u> </u> | <u> </u> |
| Trading costs | | |
| Operating charity shops | 3,413 | 3,276 |
| | <u> </u> | <u> </u> |
| Total costs | 39,955 | 37,414 |
| | <u> </u> | <u> </u> |

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

| | Animal welfare 2023 £ | Animal welfare 2022 £ |
|---|--------------------------------|--------------------------------|
| Direct costs | | |
| Staff costs | 304,912 | 265,976 |
| Depreciation and impairment | 38,554 | 38,887 |
| Rates and water | 5,540 | 6,883 |
| Insurance | 1,673 | 1,790 |
| Shelter electricity | 23,035 | 20,425 |
| Telephone | 2,385 | 2,237 |
| Sundry | 3,745 | 4,172 |
| Vehicle expenses and insurance | 1,180 | 1,804 |
| Shelter repairs | 15,681 | 16,547 |
| Vets fees and pharmaceuticals | 12,677 | 23,741 |
| Shelter food and inoculations | 4,001 | 3,309 |
| Protective clothing | 1,394 | 640 |
| Cleaning, waste and pest control | 16,762 | 10,453 |
| Hire charges | 8,181 | 7,380 |
| Bank charges | 1,635 | 1,397 |
| Notional costs of donated goods | 2,000 | 2,000 |
| Bookkeeping and accountancy | 9,912 | 9,092 |
| | <u>453,267</u> | <u>416,733</u> |
| Share of support and governance costs (see note 9) | | |
| Governance | 4,451 | 4,271 |
| | <u>457,718</u> | <u>421,004</u> |
| Analysis by fund | | |
| Unrestricted funds | 454,718 | 395,004 |
| Restricted funds | 3,000 | 26,000 |
| | <u>457,718</u> | <u>421,004</u> |

9 Support costs allocated to activities

| | 2023 £ | 2022 £ |
|--------------------------|--------------|--------------|
| Governance costs | <u>4,451</u> | <u>4,271</u> |
| Analysed between: | | |
| Animal welfare | <u>4,451</u> | <u>4,271</u> |

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs allocated to activities (Continued)

| | 2023 | 2022 |
|-----------------------------------|--------------|--------------|
| | £ | £ |
| Governance costs comprise: | | |
| NW Region Branch | 551 | 551 |
| Independent Examiner Fees | 3,900 | 3,720 |
| | <u>4,451</u> | <u>4,271</u> |

Governance costs includes payments to the accountants of £3,900 and (2022- £3,720) for independent examination.

| | | |
|--|---------------|---------------|
| 10 Net movement in funds | 2023 | 2022 |
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Depreciation of owned tangible fixed assets | <u>38,554</u> | <u>38,887</u> |

11 Trustees

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

Trustees' expenses paid for the year ended 31st December 2023 amounted to £Nil (2022: £Nil).

12 Employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | Number | Number |
| | <u>16</u> | <u>16</u> |
| Employment costs | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | 310,486 | 270,600 |
| Social security costs | 22,480 | 21,121 |
| Other pension costs | 5,336 | 5,103 |
| | <u>338,302</u> | <u>296,824</u> |

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

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Gains and losses on investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|----------------------------|------------------------------------|------------------------------------|
| Gains/(losses) arising on: | | |
| Revaluation of investments | 1,417 | 614 |

14 Tangible fixed assets

| | Freehold land and buildings £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|-------------------------------------|-------------------------------|------------------------|------------|
| Cost | | | | |
| At 1 January 2023 | 2,037,931 | 51,653 | 7,500 | 2,097,084 |
| At 31 December 2023 | 2,037,931 | 51,653 | 7,500 | 2,097,084 |
| Depreciation and impairment | | | | |
| At 1 January 2023 | 549,220 | 47,664 | 7,500 | 604,384 |
| Depreciation charged in the year | 37,557 | 997 | - | 38,554 |
| At 31 December 2023 | 586,777 | 48,661 | 7,500 | 642,938 |
| Carrying amount | | | | |
| At 31 December 2023 | 1,451,154 | 2,992 | - | 1,454,146 |
| At 31 December 2022 | 1,488,711 | 3,989 | - | 1,492,700 |

The carrying value of land included in land and buildings comprises:

| | 2023 £ | 2022 £ |
|----------|-----------|-----------|
| Freehold | 160,057 | 160,057 |

15 Financial instruments

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | - | 88,000 |

These are investments as detailed in note 18.

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Stocks

| | 2023 £ | 2022 £ |
|-------------------------------|-----------|-----------|
| Raw materials and consumables | 395 | 395 |

17 Debtors

| | 2023 £ | 2022 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 27,247 | 17,024 |
| Other debtors | 293,304 | 446,095 |
| Prepayments and accrued income | 2,610 | 2,663 |
| | <u>323,161</u> | <u>465,782</u> |

Included within other debtors are legacy debtors of £293,304 (2022: £446,095 legacy debtor).

18 Current asset investments

| | 2023 £ | 2022 £ |
|----------------------|-----------|-----------|
| Unlisted investments | - | 88,000 |

19 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|---------------|---------------|
| Other taxation and social security | 5,553 | 4,305 |
| Trade creditors | 7,756 | 5,754 |
| Other creditors | 3,910 | 3,304 |
| Accruals and deferred income | 5,234 | 5,003 |
| | <u>22,453</u> | <u>18,366</u> |

20 Restricted funds

| At 1 January 2023 | Incoming resources | Resources expended | Transfers | At 31 December 2023 |
|----------------------|-----------------------|-----------------------|-----------|---------------------------|
| £ | £ | £ | £ | £ |
| 3,000 | - | (3,000) | - | - |

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

(Continued)

| Previous year: | At 1 January 2022 | Incoming resources | Resources expended | Transfers | At 31 December 2022 |
|----------------|----------------------|-----------------------|-----------------------|-----------|---------------------------|
| | £ | £ | £ | £ | £ |
| | 1,000 | 29,000 | (26,000) | (1,000) | 3,000 |

21 Unrestricted funds

The unrestricted funds of the charity comprise of the unexpended income which is not subject to specific conditions by donors and grantors as to how it may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 January 2023 | Incoming resources | Resources expended | Transfers | Gains and losses | At 31 December 2023 |
|------------------|----------------------|-----------------------|-----------------------|-----------|---------------------|---------------------------|
| | £ | £ | £ | £ | £ | £ |
| Fixed asset fund | 1,492,700 | - | (38,554) | - | - | 1,454,146 |
| General funds | 725,121 | 654,652 | (456,119) | - | 1,417 | 925,071 |
| | 2,217,821 | 654,652 | (494,673) | - | 1,417 | 2,379,217 |

| Previous year: | At 1 January 2022 | Incoming resources | Resources expended | Transfers | Gains and losses | At 31 December 2022 |
|------------------|----------------------|-----------------------|-----------------------|-----------|---------------------|---------------------------|
| | £ | £ | £ | £ | £ | £ |
| Fixed asset fund | 1,531,587 | - | (38,887) | - | - | 1,492,700 |
| General funds | 423,156 | 693,882 | (393,531) | 1,000 | 614 | 725,121 |
| | 1,954,743 | 693,882 | (432,418) | 1,000 | 614 | 2,217,821 |

RSPCA SOUTHPORT, ORMSKIRK AND DISTRICT BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2023 are represented by: | | | | | | |
| Tangible assets | 1,454,146 | - | 1,454,146 | 1,492,700 | - | 1,492,700 |
| Current assets/(liabilities) | 925,071 | - | 925,071 | 725,121 | 3,000 | 728,121 |
| | <u>2,379,217</u> | <u>-</u> | <u>2,379,217</u> | <u>2,217,821</u> | <u>3,000</u> | <u>2,220,821</u> |

The fixed assets fund represents non-liquid funds which are equivalent to the net book value of fixed assets as shown in note 14 to the Accounts.

The Trustees consider that a prudent level of free funds would be approximately £746,000, which would enable the Charity to continue to operate without further income for at least one and a half years. The current free funds stand at £925,071.

23 Related party transactions

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

RSPCA National fundraising income of £23,094 (Door to Door)
RSPCA North Region £104,336 (Boarding fees)
RSPCA North Region £678 (Pharmaceutical recharges)