

Registered Charity Number: 508819

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 June 2021
for
ANIMAL CARE LANCASTER AND MORECAMBE

ANIMAL CARE LANCASTER AND MORECAMBE

Report of the Trustees

for the year ended 30 June 2021

The trustees present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are:

- To promote kindness and suppress cruelty to animals and attend to the welfare of all animals in need of care and attention;
- In furtherance of the above object but not otherwise to care for stray and unwanted animals until they have found homes and it is a rule of the Association that it shall not euthanize any animal unless absolutely necessary. That it shall not sell any animal for any purpose and that no animal shall be given away except to an approved home and that thereafter the Association shall retain a welfare interest in the animal which shall be returned to the Association if the new owner is unable to care for it in a proper manner;
- To further promote the welfare of animals using educational programmes;
- To support groups and organisations by offering volunteer opportunities to enhance their wellbeing and career development.

In order to achieve the above, the charity strives to be an active member of the community and the main activities undertaken to achieve the above remain:

- Taking in, caring for and rehoming domestic animals into approved homes;
- Working with all areas of the community through meetings, publicity and events to educate the wider audience into the plight of animals today and what can be done to alleviate their suffering and give them a loving caring home for life;
- Funding and fundraising both locally and nationally to provide the extra resources to enable the charity to attain its objectives.

In setting our objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The mission statement of the charity is:

Animal Care promotes kindness to, and the welfare of all animals in need of care and attention. We will suppress cruelty to any animal, and will not humanely euthanize any animal unless absolutely necessary. We only give animals to approved homes, and will retain a welfare interest in the animal, which shall be returned if the owner is unable to care for it properly. In addition we will promote the welfare of animals through educational programmes.

ANIMAL CARE LANCASTER AND MORECAMBE
Report of the Trustees
for the year ended 30 June 2021

FINANCIAL REVIEW

Principal funding sources

The principal funding sources of the charity are:

1. Donations and gifts
2. Proceeds from shop sales
3. Legacies
4. Fundraising events
5. Funding bodies

Investment policy and objectives

Full professional advice will be sought before any short or long term investments are made and these investments will need to be ethically in line with the charity's aims and objectives. This policy will be reviewed annually at the end of each financial year.

Reserves policy

The Charity Commission encourages charity trustees to provide sufficient reserves so as to balance the needs of the future and current beneficiaries. Trustees should identify the level and range of reserves which the charity needs to operate effectively. Animal Care's governing document identifies the power to set aside funds for special purposes or as reserves against future expenditure. The trustees consider it prudent to identify sufficient funds for six months core running costs which is in line with other charities of similar complexity. This covers the cost of the winding up of the charity and dealing with staff redundancies. Therefore the reserves figure for the next financial year, to ensure that we have sufficient funds to run the charity for six months should funding streams not be available, for whatever reason, is £234,025 which is based on the last 12 months operating costs plus 10%.

The reserves for next year are sufficient to meet the charities needs.

Report of the Treasurer

The Charity has coped well in dealing with the many restrictions required due to Coronavirus legislation. The closures to the Lancaster shop, and cafe, have impacted on our income streams, but we like many others look forward to when life returns to some form of normality. The stay at home requirements have had a positive outcome on rehoming, with less pets coming into our care. We also have been able to rehome a significant number to their forever homes, which has for the first time in 40+ years means we have vacant facilities, and no waiting lists.

The charity continues with its aim of self-sustainability year on year, but due to Coronavirus incurred a deficit which was anticipated.

ANIMAL CARE LANCASTER AND MORECAMBE
Report of the Trustees
for the year ended 30 June 2021

We have received grants and donations for specific projects: These are restricted funds, and are allocated for the project, or used as the donation was intended.

Teddy, and Jean Jones £100,000 boarding Kennels, and Cattery - April 2017 with additional £40,000 donated in July 2020
£124,625 has been spent on planning, and consultancy to 30 June 2021.

The plans for the new Boarding kennels and Cattery were approved by Lancaster City Council on the 22nd May 2018, 17/01452/FUL. All seventeen planning conditions have now been cleared. This process has been lengthy and involved, and has taken over two years,

Building work has commenced with site clearance and levelling. Work on the foundations will begin in the summer 2021 . The new facilities are to provide after care, and holiday boarding for the animals passing through the charities facility. The facility will be operated by the charity, and will be an integrated part of its functions. The charity has allocated, and kept reserves to ensure the full project can be completed.

In addition to the reserves for this specific and main new signification addition to the charity, the charity also maintains reserves for its daily running costs and a 6 month reserve, based on its current expenditure.

Thanks to you all for your support again this year.
SK Hinde - Treasurer

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated organisation and is governed by the constitution. Management trustees are elected every 12 months, with the current trustees retiring at the AGM, and may stand for re-election if they wish. Trustees can also be co-opted onto the committee through the year with a majority vote by the management committee and if the proposed trustee fulfils the required criteria.

All major policy decisions are made by the management committee with day-to-day management being supervised by the Sanctuary Manager and Resources Manager. The committee is required to meet on average once a month and four members constitute a quorum.

Where reasonably possible, the trustees will be encouraged to spend time experiencing all aspects of the charity and where this is not possible from information given to them by others who have had experience in that area. Literature covering the legal side of being a trustee is also given to each trustee and they sign to say they qualify to be a trustee and understand the role they are taking on.

The charity is a member of:
Lancaster Chamber of Commerce
Association of Dogs and Cats Homes

All the above memberships provide a wealth of information and support to Animal Care.

ANIMAL CARE LANCASTER AND MORECAMBE
Report of the Trustees
for the year ended 30 June 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
508819

Principal address
Blea Tarn Road
Scotforth
Lancaster
Lancashire
LA2 0RD

Trustees
Miss S Murphy Chair
Ms R Hinde Vice Chair
S Hinde Treasurer
T Miller Secretary
B Wycherley
Ms S Rogerson
Ms C Hutchinson
P Szulc

Independent Examiner
Mr M J Ellis
CPFA
Unisolutions Ltd
Castle Chambers
China Street
Lancaster
Lancashire
LA1 1EX

Solicitors
Brabners, 7-8 Chapel Street, Preston, Lancashire, PR1 8AN

Advisers
Bankers
Santander
Barclays Bank plc, 19 Euston Road, Morecambe, Lancashire
CAF Bank, 25 Kings Hill Avenue, West Malling, Kent

Approved by order of the board of trustees on 1 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S Hinde', written in a cursive style.

S Hinde - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ANIMAL CARE LANCASTER AND MORECAMBE

Independent examiner's report to the trustees of Animal Care Lancaster and Morecambe

I report to the charity trustees on my examination of the accounts of Animal Care Lancaster and Morecambe (the Trust) for the year ended 30 June 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mr M J Ellis
CPFA
Unisolutions Ltd
Castle Chambers
China Street
Lancaster
Lancashire
LA1 1EX

1 December 2021

ANIMAL CARE LANCASTER AND MORECAMBE
Statement of Financial Activities
for the year ended 30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	188,542	40,000	228,542	413,936
Charitable activities					
Operation of animal sanctuary	5	21,854	-	21,854	27,309
Other trading activities	3	118,884	-	118,884	157,487
Investment income	4	3	-	3	42
Total		329,283	40,000	369,283	598,774
EXPENDITURE ON					
Raising funds	6	110,318	-	110,318	118,716
Charitable activities					
Shop and tea room trading	7	28,692	-	28,692	129,709
Operation of animal sanctuary		230,826	2,500	233,326	159,876
Boarding kennels and cattery		-	80,577	80,577	17,199
Total		369,836	83,077	452,913	425,500
NET INCOME/(EXPENDITURE)		(40,553)	(43,077)	(83,630)	173,274
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		669,349	689,124	1,358,473	1,195,199
Prior year adjustment		-	-	-	(10,000)
As restated		669,349	689,124	1,358,473	1,185,199
TOTAL FUNDS CARRIED FORWARD		628,796	646,047	1,274,843	1,358,473

ANIMAL CARE LANCASTER AND MORECAMBE
Balance Sheet
as at 30 June 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	12	524	635,000	635,524	638,178
Current assets					
Stocks	13	1,788	-	1,788	2,480
Debtors	14	10,935	-	10,935	28,499
Cash at bank and in hand		619,700	11,047	630,747	697,216
		<u>632,423</u>	<u>11,047</u>	<u>643,470</u>	<u>728,195</u>
Creditors					
Amounts falling due within one year	15	4,151	-	4,151	7,900
Net current assets		<u>628,272</u>	<u>11,047</u>	<u>639,319</u>	<u>720,295</u>
Total assets less current liabilities		<u>628,796</u>	<u>646,047</u>	<u>1,274,843</u>	<u>1,358,473</u>
Net assets		<u>628,796</u>	<u>646,047</u>	<u>1,274,843</u>	<u>1,358,473</u>
Funds	16				
Unrestricted funds				628,796	669,349
Restricted funds				646,047	689,124
				<u>1,274,843</u>	<u>1,358,473</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 1 December 2021 and were signed on its behalf by:



S Hinde - Trustee

ANIMAL CARE LANCASTER AND MORECAMBE
Cash Flow Statement
for the year ended 30 June 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(66,472)	181,026
Net cash (used in)/provided by operating activities		<u>(66,472)</u>	<u>181,026</u>
Cash flows from investing activities			
Interest received		<u>3</u>	<u>42</u>
Net cash provided by investing activities		<u>3</u>	<u>42</u>
Change in cash and cash equivalents in the reporting period		(66,469)	181,068
Cash and cash equivalents at the beginning of the reporting period		697,216	516,148
Cash and cash equivalents at the end of the reporting period		<u>630,747</u>	<u>697,216</u>

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Cash Flow Statement
for the year ended 30 June 2021

1 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(83,630)	173,274
Adjustments for:		
Depreciation charges	2,654	2,655
Interest received	(3)	(42)
Decrease in stocks	692	631
Decrease in debtors	17,564	(15,708)
(Decrease) in creditors	(3,749)	20,216
Net cash provided by/(used in) operations	<u>(66,472)</u>	<u>181,026</u>

2 Analysis of changes in net funds

	At 1 July 2020 £	Cash flow £	At 30 June 2021 £
Net cash			
Cash at bank and in hand	697,216	(66,469)	630,747
Total	<u>697,216</u>	<u>(66,469)</u>	<u>630,747</u>

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

1 Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Freehold property	1% on cost
Plant and machinery	15% on cost
Motor vehicles	25% on cost
Computer equipment	33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds comprise those funds which the Trustees are free to use as general funds in accordance with the charitable objectives.

Designated funds are those set aside by the Trustees to be used for particular purposes in the future.

Restricted funds are to be used for specific restricted purposes as laid down by the donor.

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

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

1 Gift Aid

Tax on donations received under the Gift Aid Scheme is reclaimed on a periodic basis and is included in the SOFA on a receivable basis.

Investments

Investments represents amounts held in recognised banks and building societies which will be used to fund future capital expenditure.

2 Donations and legacies

	2021	2020
	£	£
Donations	82,487	43,750
Legacies	124,276	341,522
Grants	21,779	28,664
	<u>228,542</u>	<u>413,936</u>

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

	2021	2020
	£	£
Grants	<u>21,779</u>	<u>28,664</u>

3 Other trading activities

	2021	2020
	£	£
Fundraising events	3,727	11,270
Shop income	79,907	108,606
Woodland Shop & Tea Rooms	35,250	37,611
	<u>118,884</u>	<u>157,487</u>

4 Investment income

	2021	2020
	£	£
Deposit account interest	3	42
	<u>3</u>	<u>42</u>

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

5 Income from charitable activities

		2021	2020
	Activity	£	£
Membership Fees	Operation of animal sanctuary	300	1,545
Commissions Received	Operation of animal sanctuary	14,669	14,050
Scrap metal/recycling	Operation of animal sanctuary	1,449	1,906
Other operating income	Operation of animal sanctuary	5,436	9,808
		<u>21,854</u>	<u>27,309</u>

6 Raising donations and legacies

	2021	2020
	£	£
Wages and salaries	62,634	61,869
Rent	16,663	17,593
Light, heat & water	29,699	33,844
Fundraising, advertising, post	1,322	5,410
	<u>110,318</u>	<u>118,716</u>

7 Charitable activities costs

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Shop and tea room trading	28,516	176	28,692
Operation of animal sanctuary	174,628	58,698	233,326
Boarding kennels and cattery	80,577	-	80,577
	<u>283,721</u>	<u>58,874</u>	<u>342,595</u>

8 Support Costs	Management	Other	Governance	Totals
	£	£	£	£
Shop and tea room trading	176	-	-	176
Animal sanctuary	46,717	7,428	4,553	58,698
	<u>46,893</u>	<u>7,428</u>	<u>4,553</u>	<u>58,874</u>

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

10 Trustees' Expenses

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

11 Staff Costs

	2021	2020
	£	£
Wages and salaries	226,145	209,631
Other pension costs	3,326	6,029
	<u>229,471</u>	<u>215,660</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Kennel	6	7
Shop	4	4
Tea room	5	6
Administration	3	3
Cleaning	1	1
Sorting	1	1
	<u>20</u>	<u>22</u>

No employees received emoluments in excess of £60,000

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

12 Tangible fixed assets

	Freehold property £	Plant and Machinery £	Motor Vehicles £	Total £
Cost				
At 1 July 2020	650,000	66,396	31,533	747,929
Additions	-	-	-	-
Disposals	-	-	-	-
At 30 June 2021	<u>650,000</u>	<u>66,396</u>	<u>31,533</u>	<u>747,929</u>
Depreciation				
At 1 July 2020	12,500	65,718	31,533	109,751
Charge for the year	2,500	154	-	2,654
On disposals	-	-	-	-
At 30 June 2021	<u>15,000</u>	<u>65,872</u>	<u>31,533</u>	<u>112,405</u>
Net book value				
At 30 June 2021	<u>635,000</u>	<u>524</u>	<u>-</u>	<u>635,524</u>
At 30 June 2020	<u>637,500</u>	<u>678</u>	<u>-</u>	<u>638,178</u>

Included in cost or valuation of land and buildings is freehold land of £400,000 which is not depreciated.

Woodlands restriction:

Woodlands has a provision that it has be retained as an integral part of the charity and cannot be sold separately.

13 Stocks

	2021 £	2020 £
Stocks	<u>1,788</u>	<u>2,480</u>
	<u>1,788</u>	<u>2,480</u>

14 Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	-	16,945
Rent deposits	4,000	4,000
VAT	6,935	6,061
Prepayments and accrued income	-	1,493
	<u>10,935</u>	<u>28,499</u>

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	4,151	7,900
	<u>4,151</u>	<u>7,900</u>

16 Movement in funds

	At 1 July 2020 £	Net movement in funds £	At 30 June 2021 £
Unrestricted funds			
General fund	669,349	(40,553)	628,796
Restricted funds			
Fixed asset fund	237,500	(2,500)	235,000
Woodlands	400,000	-	400,000
Boarding kennels and cattery	51,624	(40,577)	11,047
	<u>689,124</u>	<u>(43,077)</u>	<u>646,047</u>
Total funds	<u>1,358,473</u>	<u>(83,630)</u>	<u>1,274,843</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	329,283	(369,836)	(40,553)
Restricted funds			
Fixed asset fund	-	(2,500)	(2,500)
Boarding kennels and cattery	40,000	(80,577)	(40,577)
	<u>40,000</u>	<u>(83,077)</u>	<u>(43,077)</u>
Total funds	<u>369,283</u>	<u>452,913</u>	<u>(83,630)</u>

ANIMAL CARE LANCASTER AND MORECAMBE
Notes to the Financial Statements
for the year ended 30 June 2021

16 Comparatives for movement in funds

	At 1 July 2019 £	Prior year adjustment £	Net movement in funds £	At 30 June 2020 £
Unrestricted funds				
General fund	476,376		192,973	669,349
Restricted funds				
Fixed asset fund	250,000	(10,000)	(2,500)	237,500
Woodlands	400,000		-	400,000
Kennels and cattery	68,823		(17,199)	51,624
	<u>718,823</u>	<u>(10,000)</u>	<u>(19,699)</u>	<u>689,124</u>
Total funds	<u>1,195,199</u>	<u>(10,000)</u>	<u>173,274</u>	<u>1,358,473</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	598,774	(405,801)	192,973
Restricted funds			
Fixed asset fund	-	(2,500)	(2,500)
Boarding kennels and cattery	-	(17,199)	(17,199)
	<u>-</u>	<u>(19,699)</u>	<u>(19,699)</u>
Total funds	<u>598,774</u>	<u>425,500</u>	<u>173,274</u>

17 Related party disclosures

There were no related party transactions for the year ended 30 June 2021.

18 Ultimate controlling party

Ultimate control rests with the Board of Trustees.

ANIMAL CARE LANCASTER AND MORECAMBE
Detailed Statement of Financial Activities
for the year ended 30 June 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	82,487	43,750
Legacies	124,276	341,522
Grants	21,779	28,664
	<u>228,542</u>	<u>413,936</u>
Other trading activities		
Fundraising events	3,727	11,270
Shop income	79,907	108,606
Woodland Shop & Tea Rooms	35,250	37,611
	<u>118,884</u>	<u>157,487</u>
Investment income		
Deposit account interest	3	42
	<u>3</u>	<u>42</u>
Charitable activities		
Membership Fees	300	1,545
Commissions Received	14,669	14,050
Scrap metal/recycling	1,449	1,906
Other operating income	5,436	9,808
	<u>21,854</u>	<u>27,309</u>
Total incoming resources	369,283	598,774
EXPENDITURE		
Raising donations and legacies		
Wages and salaries	62,634	61,869
Rent	16,663	17,593
Light, heat & water	29,699	33,844
Fundraising, advertising, post	1,322	5,410
	<u>110,318</u>	<u>118,716</u>
Charitable activities		
Wages	120,120	112,230
Insurance	3,997	4,233
Veterinary Fees	26,503	28,941
Other premises costs	17,984	20,328
Food for animals	24,920	29,025
Bank charges	1,550	2,339
Repairs & building works	83,662	41,646
Motor expenses	4,985	4,394
	<u>283,721</u>	<u>243,136</u>
Support Costs		
Management		

ANIMAL CARE LANCASTER AND MORECAMBE
Detailed Statement of Financial Activities
for the year ended 30 June 2021

Wages	43,391	35,532
Pensions	3,326	6,029
Cleaning	176	343
	<u>46,893</u>	<u>41,904</u>
Other		
Telephone	2,111	2,173
Postage and stationery	3,191	6,775
Sundries	2,126	7,378
	<u>7,428</u>	<u>16,326</u>
Governance		
Accountancy	1,899	2,763
Freehold property	2,500	2,500
Plant and machinery	154	154
Motor vehicles	-	1
	<u>4,553</u>	<u>5,418</u>
Total resources expended	<u>452,913</u>	<u>425,500</u>
Net expenditure/(income)	<u>(83,630)</u>	<u>173,274</u>

