

RSPCA SUSSEX WEST BRANCH

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

RSPCA SUSSEX WEST BRANCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

M Falloon
P Marshall
N Cockram
F O'Kelly
I Glenister
A Faye
C Penhallurick
D Cropanese

(Appointed 28 February
2023)

Charity number

206300

Principal address

Mount Noddy Animal Centre
Blackmill Lane
Eartham
Chichester
West Sussex
PO18 0LL

Auditor

Watling & Hirst Limited
Cawley Place
15 Cawley Road
Chichester
West Sussex
PO19 1UZ

RSPCA SUSSEX WEST BRANCH

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RSPCA SUSSEX WEST BRANCH

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

Welcome from Nicholas Cockram Chair:

July 2nd was our 'Red Letter Day', a celebration attended by over 100 people to officially re-open Mount Noddy Animal Centre after 14 months of being a building site!

Practical completion was February 28th when the centre was formally handed back to us by the construction company. During March, staff familiarised themselves with operating the state-of-the-art equipment and it wasn't long before the new 47 cat pens and 27 kennels were occupied.

Our vision was to create a flagship animal rehoming centre with the highest standards of welfare and accommodation, based on the latest animal science. The philosophy behind the build was to incorporate the existing Sussex flintstone buildings into an innovative design that was sympathetic to its location in the South Downs National Park. I believe we have achieved this.

During the year we changed our charity's name to RSPCA Sussex West Branch to better reflect our geographical area in West Sussex. We reviewed our strategic aims and set objectives for 2023, and to complete the £4.2m building costs, the trustees sold one of the investment rental properties.

Once again, it falls to me as Chair to thank my fellow trustees and on their behalf, our warm thanks to our supporters, funders, and volunteers. Our foster care volunteers were invaluable during the building period. They opened their homes and hearts to cats and dogs signed over to us that we could not accommodate at the centre. Our thanks to our animal centre and shop staff teams, whose commitment did not waiver during the year. And finally, but not least, special thanks to Susan our Animal Centre Manager, who remained based at the centre during the building works and with the addition of a hard hat to her normal RSPCA uniform, coordinated our animal welfare work and witnessed phoenix rise from the ashes.

Our President Dr. Bruce Fogle MBE, opened the new facilities assisted by one of the centre's beloved former rescue dogs, who learnt to open the door and pull the ribbon especially for the occasion.



.....
N Cockram
Chairman

Date:

30/5/2023

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and the audited financial statements of the charity 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 accounts and comply with the National 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The object of the charity is to promote kindness and good care, and prevent or suppress cruelty to animals by all lawful means with particular reference to the geographic area of the Branch, in accordance with the policies of the National Society.

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit – running a Charity (PB2)'.

The trustees have reviewed and agreed the following strategic aims:

- to support the Society's Inspectorate in their work, funding veterinary treatment and emergency accommodation for mistreated and abandoned animals;
- to accept stray and owned animals for rehabilitating and rehoming; and ensure healthy, rehomeable animals are never euthanised;
- to carry out an animal welfare community outreach programme throughout our geographic area;
- to increase awareness of the work of the Branch and Mount Noddy Animal Centre; and,
- to maximise and diversify income streams and ensure the financial sustainability of our branch in the medium to long term.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

To ensure activities remain focused on our charitable aims and continue to deliver public benefit, the trustees have reviewed the outcomes and achievements.

During the year, our four main areas of activity were: 1. Mount Noddy Animal Centre 2. Charity Shop Retail 3. Governance & Management and 4. Fundraising and Public Awareness.

1. Mount Noddy Animal Centre

1.1 re-development

After a 14-month build, we completed the refurbishment that will enable the centre to combine the best in animal welfare expertise, with modern and high-quality facilities to provide outstanding care for vulnerable cats and dogs as they wait to be rehomed.

The new refurbishment significantly increases the centre's capacity, with 27 spacious dog kennels and 47 cat pens, including six specialised maternity pens for mothers and kittens. The facilities also include a hydrotherapy treadmill, dedicated veterinary suite for cats and dogs in need of medical attention and secure exercise areas as well as a new reception and visitor centre.

The new centre was designed to upgrade the existing flintstone buildings into an innovative design that was sympathetic to its location in the South Downs National Park, using natural materials such as cedar cladding and roof shingles. The buildings also utilise sustainable technology to reduce the centre's carbon footprint and were designed to create the least stressful environment for animals in our care.



1.2 Our Impact

At the beginning of 2022, we had 9 animals in our care and during the year, took in 361 animals (55 dogs and 306 cats) compared to 43 animals in 2021, (11 dogs and 32 cats). During 2022, 255 animals were adopted, 6 transferred out to other centres for adoption, 16 were reunited with their owners, and sadly 1 dog died, and 15 cats were euthanised due to poor health and on the recommendation of our vets. At the end of the year, we had 77 animals remaining in our care (at Mount Noddy and in foster care homes), waiting to find their forever homes.

At Mount Noddy Animal Centre we rescue, rehabilitate, and rehome cats and dogs. We are a fear-free certified animal shelter and the way we work with animals to improve their emotional wellbeing, is to never make them to do anything that can cause them fear, anxiety or stress and we only use positive reinforcement training.

We have an open intake policy and are committed to taking in all cats and dogs in need of our help. Unlike many other animal shelters, we do not discriminate on breed or behavior history, when taking in unwanted animals. We support our local RSPCA Inspectors by taking in, rehabilitating and rehoming cats and dogs suffering from neglect and abuse. We also take in pets whose owners suffer ill health, financial difficulties or die and lost animals and take proactive steps to reunite them with owners.

We assess each cat and dog upon arrival and treat each one as individuals, spending time to understand their personality and behaviour, before creating personalised training plans for them. On arrival, all animals are given a full health check by a vet. Blood tests are taken to identify any underlying health conditions, vaccinations, micro-chipping and neutering and a very high number, require dental work and other surgical intervention. Above all, the focus of our small, skilled staff team at Mount Noddy Animal Centre is the welfare of cats and dogs who find themselves in an animal shelter, is to treat them with compassion and for them to feel loved and safe, to be able to put trust in people again.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Happy Tails

Bliss, was the first dog we welcomed to the centre when we opened the new kennels in March 2022. He was given up, as his owners were not able to cope with the rising medicals costs of an older dog, and he was brought to us by our local RSPCA inspector. At 10 years old, Bliss had ongoing ear infections, as well as arthritis in his joints but he was a happy dog, who loved being outside and going on short walks in the countryside around the centre. During his time at the centre, as he waited for his forever home, he met VIP visitor and local MP Andrew Griffiths.

After being at the centre for 3 months, Bliss was adopted by Marcus. Bliss still has ongoing issues with his arthritis and is now seeing our hydrotherapist for underwater treadmill treatment. Marcus said: "Even though adopting an older dog can be challenging I wouldn't change Bliss for the world, I adore him."



Photos: left-right, Inspectors with Bliss, Alan Griffiths MP with Bliss and Marcus with Bliss

Nanook (now Nooky), was one of four Persian cats rescued from a multi-cat household. On arrival the cats were overall in very poor condition, underweight with matted fur that had to be shaved off. To begin, the cats were very nervous and did not eat much despite being so thin. They were given an intensive course of worming treatment and had faecal test, due to them suffering severe digestive upsets. In time, we saw improvements in their confidence and were able to observe which cats were bonded to each other, so they could be rehomed together. One of them Nanook, as well as being the worst affected with digestion problems and having to go onto a special diet, had to be treated for an ulcer on his eye. It was also discovered he was positive as a calicivirus carrier - this meant that he had to have dental surgery to remove many teeth.

Eventually, we found Nanook his perfect 'fur-ever' home. After all the health problems he had experienced at the time of adoption, his health was restored, and he only needed to go home with a sensitive food diet and daily vitamin supplements. We caught up with his adopters after he had been in his new home for a few months to ask how they found adopting an older cat with health issues. They said: *"Little Nooky is part of the Family, we love him to bits, and he is front and centre of everything. As for his health issues, we understand those now. There have been a couple of accidents and that is expected, we are here to look after him. He has had a tough life, it's now time for a good life, filled with lots of love!"*

A very happy ending for all involved!



Photos: left Nanook soon after arrival and right, Nooky is his forever home.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1.3 Staff training and development

2022 was a great year for staff development. As the centre opened its doors to animals in the Spring so the staff team expanded. The Animal Operations Manager worked hard to train all new staff members to ensure the highest standard of hygiene and welfare across the cattery and kennels. Both existing and new animal care assistants were inducted into new policies and procedures around the new facilities and state-of-the-art equipment

During lockdown, two of our staff started studying. Our hydrotherapist completed her qualifying certificates in 2022 to become accredited with the National Association of Registered Canine Hydrotherapists. This enables the centre to take veterinary referrals for hydrotherapy cases, as well as treat our own dogs and support adopted animals.

The first to benefit from our new facilities was Missy, who 'fell' off a balcony twice in January and was left with a fractured pelvis and dislocated hip without pain relief for months until she came into our care. She couldn't use her back leg and was in a lot of pain. X-rays showed the extent of her injuries, she had a femoral head and neck excision.

Missy (below) began hydrotherapy pre-surgery to begin strengthening her muscles to aid her recovery, and once her surgical site had healed, started post-op hydrotherapy. Missy had a lot of media coverage, appearing on the BBC in June and ITV local news in October as part of our 'adoptober' campaign. Finding adopters who were willing and able to continue her treatment post-adoption was tricky, but the perfect home came along. She was adopted and has settled in so well and her new family love her. Missy returns to the centre for hydrotherapy sessions.



Our Behaviour and Welfare Advisor also gained accreditation this year with the Professional Association of Canine Trainers and the Animal Behaviour and Training Council to become an Animal Training Instructor. Having this knowledge and skills at the centre is beneficial for the entire Animal Care team as the Behaviour and Welfare Advisor is key in training and developing staff and volunteers, as well as devising animal care and rehabilitation plans for every animal.

With a larger capacity in the cattery came the need for more focus on feline care and behaviour. The Senior Cat Care Assistant role grew into Cattery Supervisor working under the Animal Operations Manager to oversee all intake, assessment, adoption and staff training and development for the department. With a new maternity unit in the cattery, the centre was able to accommodate more queens and kittens than ever before. Having a dedicated space to care for and assess kittens has resulted in suitable homes being found for 72 kittens during the year.

New Role

With our new veterinary facilities, it was decided the branch would appoint a Registered Vet Nurse to work alongside the external vets and enable the branch to be able to perform surgeries on site.

1.4 Animal Welfare Outreach programme

The first year of our outreach programme was led by our Animal Welfare Officer (AWO), who offers welfare assistance and rehoming to vulnerable pet owners in our local area. Working alongside the RSPCA Inspectors to support their work, our AWO was dealing with multi-animal households and in the summer was able to support an owner with their second, unwanted litter of puppies within 6 months. By offering welfare assistance, neutering to the adult dogs in the house, and rehoming of the litter, she was able to improve the welfare of all animals in the home.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The branch took in 6 puppies (below) aged 5 weeks old who were placed with a foster carer. After spending time with the family and seeing the vet for their vaccinations the puppies were able to go off to their new homes.



2022 Challenges

The centre took in a lot of adolescent dogs when the new kennels opened. These could likely have been the fallout from lockdown puppies bought during the covid pandemic. These dogs were then reaching the teenage phase, which can be quite a hardship for their owners. With the added challenge of being raised during the lockdowns, the centre saw a lot of under-socialised and nervous dogs.

Once such case being Kodak the Cane Corso. Kodak was very unsure of new people and environments. He really struggled in the kennels and took his time getting to know the team and become acclimatised with the kennels. Kodak spent 9 months with us before being adopted just before Christmas.



Kodak was the second dog we took when the new kennels opened their doors. He was signed over to an inspector as his family were not able to cope with his destructive behaviour. He was kept in a flat and really struggled being left. When he came to us, he was very nervous of new people, places and noises. He loved dogs though and as we took more dogs in, he made friends with them, and his confidence grew to enable us to walk him down the road. The vet prescribed behaviour meds to ease his anxiety. He was up for adoption for months; most potential adopters were put off by his destructiveness and separation anxiety. After nine months of rehabilitation, the Perfect Match Form we had been waiting for came in – a family with lots of experience with large breeds and separation anxiety. They were so patient during the entire adoption process and were happy to go at Kodak's pace. Our team worked incredibly hard with them, to ensure each meeting and visit went well, travelling up to Reading with him several times to help settle him into their home.

One of the other challenges we faced were because of the cost-of-living crisis where we saw many pet owners struggle with pet care costs. The increased demand on our services was reflected across the country in other RSPCA shelters.

Christmas Gift

We ended 2022 on a high note with the gift of a Christmas tree from our President, Dr Bruce Fogle. Below: Bruce Fogle, his son Ben Fogle visit Mount Noddy.



RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2. Charity Retail Shops

Our charity shop staff and volunteers worked hard during the year to try to make up for the trading income we lost in 2021 when the closure of non-essential retail shops during lockdowns, resulted in 100 lost trading days and the donation of goods to sell in our shops.

The staff and volunteers' efforts were rewarded, with the public responding to requests to donate goods for resale, the shops generated an impressive turnover of £584,349 (2021: £435,282) and a net operating profit of £188,288 against a profit of £50,957 in 2021. 100% of the profit from the shops goes towards the operating costs of Mount Noddy.

The shops continued to take part in local celebrations and joined many other retailers in the Queen's platinum Jubilee celebrations.

The trustees agreed to instigate the break clause on the Worthing charity shop and with the Landlord's permission, to transfer the remainder of the lease to our neighbouring RSPCA Branch, RSPCA Sussex North & Brighton. Our Worthing shop staff transferred over to RSPCA Sussex North & Brighton and continue to grow the potential of the Worthing shop.



A retired retail interior designer offered to design the interior free of charge for our new Mount Noddy shop at the centre. The shop opened in July selling animal food including Mount Noddy dry dog food, natural treats, enrichment for cats and dogs, bedding and equipment and other products that we recommend.

Our thanks go to our shop managers and staff for their hard work and maintaining a high standard of customer care and to our volunteers and for making it such a welcoming shopping experience for our customers. We continue to receive positive feedback:

"I just wanted to drop an email to you to state how lovely the three ladies who work in your Horsham shop are. It is far and away the best charity shop in the town - each time I have visited they have been accommodating and go out of the way to be helpful. They clearly care about their customers and are very proud of their shop. They are always cleaning the shop and rearranging the products to show them in the best possible light. As a frequent customer you are made to feel welcome, and no question is a bother."

3. Governance & Management

We reviewed the trustee numbers and skill mix and agreed to embark on a recruitment campaign to expand the trustee board.

It was exciting to be able to invite old and new volunteers back to the animal centre after a long hiatus, first due to covid and then the building period. The first volunteers back onsite in April were reception support and cattery volunteers soon followed, helping with socialising and enrichment for our residents.

Meanwhile, our shop volunteers, volunteer drivers and fundraising volunteers have remained firm supporters. We thank all our volunteers for their continued enthusiasm and support and quite simply, we could not achieve what we have during the year without them.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4. Fundraising and Public Awareness – Our income sources are: our charity shops; rehoming fees; investment property rental income; donations and legacies. We continued to feel the impact on loss of income during the previous year due to Covid. We rely on volunteers to assist with organising fundraising events and the events also provide an opportunity to raise public awareness of Mount Noddy Animal Centre.

We are very grateful to our Community Partner, Pets at Home who generously provided a £21,000 grant to fit out the veterinary clinic with top of the range equipment. They also provided the centre with pallets of pet food each month from their Bognor store and funds generated in store through participating in events such as Santa Paws in the build-up to Christmas.

We also thank the Lennox Charitable Trust for supporting us during the year.

We organised the fun Dog Show as part of the annual Lodsworth fete in May, provided judges for the Boxgrove Dog Show. We held our own Mount Noddy Dog Show, hosted by Madehurst Cricket Club who generously offered their facilities as we couldn't use the field at the centre. The dog show was originally scheduled to take place in July but due to a heatwave, it was postponed to October.

There was a great atmosphere on the day and a strong turnout of supporters enjoying stalls selling goods ranging from jams and pickles to natural dog treats and toys and a tea and cake stall ran by our event volunteers. The 'best in show' class was sponsored by Arun Veterinary Group. The day raised £2,570.

The Mount Noddy animal care team ran a fun agility course - the fastest round was won by Spot the Jack Russell.



In September our fundraising event volunteers organised a successful sponsored charity golf day at the Tower course at Chichester golf club. 56 golfers took part and the event raised nearly £3,000.

In December, we had a stall sponsored for us at the Petworth Christmas Fayre. As well as providing information about animal welfare we had a 'pop-up shop' and sold over £400 worth of animal food, natural treats, and enrichment from items that we stock at our Mount Noddy retail outlet at the centre.

Community payback scheme

A team from the Community Payback Scheme, made several site visits to help with the restoration of the woodland area behind the centre to help conserve, protect and encourage a diverse range of native fauna and flora to the area, to create a healthy eco-system. The teams cleared overgrown areas, created paths, and made bat and bird boxes from recycled wooden pallets. Once complete, the habitat will be used as a dog enrichment area with walking paths and a pond.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Risks

The trustees actively review the risks, which the charity faces covering operational and financial aspects, and has systems in place to mitigate these risks. For example:

- **Financial risks:** The ongoing financial challenge we face is to meet the increased costs of operating the Mount Noddy Animal Centre each year without being dependent on legacy income. The charity has robust financial management functions and internal financial controls.
Change of legal structure: the potential costs involved resulting from the proposed change of legal structure for branches by the National RSPCA to change from Unincorporated Organisations to Charitable Incorporated Organisations (CIOs).
- **Non-financial risks** - Risks that arise from health & safety of staff, volunteers, adopters, and visitors. The Branch adheres to RSPCA policies and guidelines and Health and Safety law and best practice. The charity has an external provider for health & safety advice and support that includes staff training.

Financial review

The financial statements cover the activities of RSPCA Sussex West Branch. Income for the year £1,175,920 (2021: £1,597,884) and Expenditure £1,111,009 (2021: £929,725). There was a net operating deficit during the year of £95,269 and the total funds at the end of 31 December 2022 are £11,711,976 (2020: £11,807,245).

Whilst our total funds are more than eleven million most funds in the unrestricted reserves are fixed assets rather than liquid assets.

- the valuation of investment rental properties, £3.6m: The trustees sold two properties in the last two years to raise funds towards the redevelopment of Mount Noddy. The remaining investment properties are five commercial premises with three residential flats above of them. All the properties have tenancy agreements terminating at different times. The rental income is a sustainable source of income towards the operating costs of the animal centre and would need to be replaced if in the future the trustees decided to sell the properties for development. However, due to how the buildings are interlinked, it would not be possible to consider selling them separately.
- the value of the freehold of the Animal Centre, £5.3m: Mount Noddy Animal Centre is essential to being able to deliver our charitable objectives, therefore, it is not an asset we could consider selling to raise funds.

Therefore, the only readily available funds to the Charity are cash and 'cash equivalents' ie the bank balances, debtors and funds invested.

Income

Total income for the year was £1,175,920. We received £289,289 (2021, £649,590) in legacies including: estates of the late Ms Kimberly, Mr Evans, Ms Muir, Ms Pemberton, Ms Oliver, Mr Eder and Ms Buck. We are extremely grateful to them and the other individuals during the year for remembering animals in need at Mount Noddy Animal Centre in their Wills.

Expenditure

Total expenditure for the year was £1,111,009. Most of the building costs were capital expenditure and shown on the Balance Sheet as additions to fixed assets. The costs will be depreciated over the life of the buildings.

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy

The charity maintains reserves to cover the impact of unforeseen events, to meet its financial obligations and to set aside funds for future development and/or, to meet future commitments.

We established an unrestricted reserve level of £600,000 in the general fund, to cover the continuing liabilities arising from four shop leases, employment of staff and the animals in our care, in the unlikely event of winding down the charity's activities. This represents six months expenditure, which is in line with Charity Commission guidelines. We will review our reserve's policy against the level of reserves held throughout the year, to ensure the policy remains in the charity's best interest.

The trustees approved establishing a designated fund of £25,000 to purchase dental equipment for the newly created veterinary suite. The restricted fund of £16,850 is for Long Term Conditions, to cover commitments the branch has made to animal adopters to either fund or contribute to future veterinary care. These are conditions that had been identified by our vet at time of adoption, that might require treatment in the future and would not be covered by insurance.

The trustees have wide powers of investment governed and restricted by the Royal Society for the Prevention of Cruelty to Animals Investment Act 1958.

The trustees have invested unrestricted funds across more than one investment provider, to spread the risk across the portfolio in markets that are closely regulated and covered under the Financial Services Compensation Scheme.

Plans for future periods

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit – running a Charity (PB2)'. Once again, in 2023, animal welfare will continue to be at the heart of everything we do:

- We will support the National Society's Inspectorate in their work, funding veterinary treatment and providing emergency accommodation for mistreated or abandoned animals in our geographic area.
- We will develop our animal welfare community outreach programme throughout our geographic area.
- We will accept strays and owned animals for rehabilitating and rehoming; and ensure healthy, rehomeable animals are never euthanised.
- We will open a veterinary suite onsite, fully equipped to carry out x-rays, blood tests, micro-chipping, neutering, dental work, and other minor surgery.
- We will employ a veterinary nurse to work alongside our Vets.
- We will develop a social media strategy and launch a social media campaign to run throughout 2023 and commission a new website to increase awareness of the Branch's work and the new facilities at Mount Noddy Animal Centre.
- We will create a Mount Noddy brand.
- We will maximise and diversify our income streams to include charged for services for puppy classes and 1-2-1 dog training sessions; and canine hydrotherapy treadmill sessions to help with the rehabilitation of dogs.
- We will appoint a fundraising consultant to assist the Branch achieving financial sustainability of in the medium to long term

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

RSPCA Sussex West Branch is a registered charity, structured as an unincorporated charitable association. The Charity is self-funded and operates as a separately registered Branch of the National RSPCA, subject to its rules for Branches (as updated 2012).

The trustees are responsible for the governance, financial management and strategic direction of the Charity. The trustees, are constituted as a corporate body and consists of between 5–12 elected RSPCA members. The trustees volunteer their time and skills and do not receive remuneration for their involvement.

New trustees are recruited through RSPCA Branch membership; national charity volunteer websites; networking; word of mouth; and, local media. Candidates for election as trustee must be nominated in writing by at least two eligible Branch members. Eligible candidates are elected by a majority of Branch members present and voting at the Annual General Meeting (AGM). Candidates must have been members of the RSPCA Branch for three clear months prior to nomination. Members of the Trustee Board are elected to serve until the next AGM, unless their term of office is ended at an earlier date. The Trustee Board can co-opt up to three trustees during the year and they serve until the next AGM, when they must stand down and if Branch members, may stand for election.

New trustees are inducted into the Branch, its policies and procedures; the RSPCA Guidance for Branch trustees; Branch rules; trustees' roles and responsibilities and given a copy of the Charity Commission's 'The Essential Trustee – What you Need to Know' leaflet.

The trustees held regular meetings (some were held virtually) during the year at which decisions were made and day-to-day running was delegated for action to the Animal Centre Manager and Senior Shops' Manager and their respective staff teams.

Remuneration policy

The trustees are ultimately responsible for setting remuneration levels for the senior management personnel and other key staff positions. This task is delegated to the Finance & Property Sub Committee. In deciding the levels of pay, the following factors are taken into consideration: the potential financial impact to the Branch of loss of key staff and therefore the retention of good staff is considered essential; ability to attract the right calibre of staff and in this respect, salaries are benchmarked against other similar organisations as well as local market pay rates. National minimum and living wage requirements are also key parameters together with the Branch's ability to pay, including in the longer term.

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

M Falloon

P Marshall

N Cockram

G Stribling-Wright

(Resigned 20 December 2022)

F O'Kelly

I Glenister

A Faye

C Penhallurick

R Mills

(Resigned 13 February 2023)

C Skippins

(Appointed 29 March 2022 and resigned 29 May 2022)

D Cropanese

(Appointed 28 February 2023)

Key Management Personnel

Animal Centre Manager Susan Botherway

Senior Shops' Manager Debbie Husband

RSPCA SUSSEX WEST BRANCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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



.....
N Cockram
Trustee

Date: 30/5/2023.....

RSPCA SUSSEX WEST BRANCH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RSPCA SUSSEX WEST BRANCH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF RSPCA SUSSEX WEST BRANCH

Opinion

We have audited the financial statements of RSPCA Sussex West Branch (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RSPCA SUSSEX WEST BRANCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RSPCA SUSSEX WEST BRANCH

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Identifying potential risks related to irregularities

- We obtained an understanding of the laws and regulations that are applicable to the charity and determined those which could reasonably be expected:
 - To have a direct effect on the determination of material amounts and disclosures in the financial statements. We determined that the most significant were the Charities Statement of Recommended Practice (FRS102); and
 - To not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty. We determined that the most significant were health and safety, and employment law.
- We enquired to management as to their own assessment of risks in relation to fraud and irregularities and the internal controls they may have in place to mitigate the risks of fraud or non-compliance with laws and regulations;
- We evaluated management's incentives and opportunity for fraudulent manipulation of the financial statements (including the risk of override of controls). Also, evaluated if there is an increased risk of fraud arising due to the potential impact of Covid-19 on the activities of the charitable company and the reporting thereon.

RSPCA SUSSEX WEST BRANCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RSPCA SUSSEX WEST BRANCH

Audit approach to risks Identified

- We reviewed how the charity is complying with laws and regulations by making enquiries to management and senior employees. This was corroborated by review of correspondence received from regulatory bodies;
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with the Charities Act and accounting standards;
- We enquired to management concerning any actual or potential litigation and claims;
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud or non-compliance;
- We enquired whether management had any knowledge of any actual, suspected, or alleged fraud;
- We tested the appropriateness of journal entries and other adjustments to assess whether the judgements made in making accounting estimates are indicative of a potential bias. This included assessing the business rational of any significant transactions that are unusual or outside the normal course of business;
- We communicated the risks identified and the audit approach to be taken to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. There are inherent limitations in the audit procedures described above.

The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) 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.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSPCA SUSSEX WEST BRANCH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RSPCA SUSSEX WEST BRANCH



Watling & Hirst Limited

**Chartered Certified Accountants
Statutory Auditor**

14/6/23

.....

Cawley Place
15 Cawley Road
Chichester
West Sussex
PO19 1UZ

Watling & Hirst Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RSPCA SUSSEX WEST BRANCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
Income from:						
Donations and legacies	3	360,058	-	21,738	381,796	739,638
Government Covid-19 grants	3	1,882			1,882	183,125
Charitable activities						
Adoption fees		21,320	-	-	21,320	3,195
Other trading activities	4	593,338	-	-	593,338	445,673
Investments	5	177,584	-	-	177,584	226,253
Total income		1,154,182	-	21,738	1,175,920	1,597,884
Expenditure on:						
Raising funds	6	426,536	-	-	426,536	437,023
Charitable activities						
Animal Centre	7	683,856	-	617	684,473	492,702
Total charitable expenditure		683,856	-	617	684,473	492,702
Total resources expended		1,110,392	-	617	1,111,009	929,725
Net gains/(losses) on investments	11	(160,180)	-	-	(160,180)	(532,321)
Net (outgoing)/incoming resources before transfers		(116,390)	-	21,121	(95,269)	135,838
Gross transfers between funds		(8,041)	25,000	(16,959)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(124,431)	25,000	4,162	(95,269)	135,838
Fund balances at 1 January 2022		11,790,395	-	16,850	11,807,245	11,671,407
Fund balances at 31 December 2022		11,665,964	25,000	21,012	11,711,976	11,807,245

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

All income and expenditure derive from continuing activities.

RSPCA SUSSEX WEST BRANCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
Income from:					
Donations and legacies	3	739,638	-	-	739,638
Government Covid-19 grants	3	183,125			183,125
Charitable activities					
Adoption fees		3,195	-	-	3,195
Other trading activities	4	445,673	-	-	445,673
Investments	5	226,253	-	-	226,253
Total income		1,597,884	-	-	1,597,884
Expenditure on:					
Raising funds	6	437,023	-	-	437,023
Charitable activities					
Animal Centre	7	491,002	-	1,700	492,702
Total charitable expenditure		491,002	-	1,700	492,702
Total resources expended		928,025	-	1,700	929,725
Net gains/(losses) on investments	11	(532,321)	-	-	(532,321)
Net (outgoing)/incoming resources before transfers		137,538	-	(1,700)	135,838
Gross transfers between funds		2,858,536	(2,868,536)	10,000	-
Net (expenditure)/income for the year/ Net movement in funds		2,996,074	(2,868,536)	8,300	135,838
Fund balances at 1 January 2021		8,794,321	2,868,536	8,550	11,671,407
Fund balances at 31 December 2021		11,790,395	-	16,850	11,807,245

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

All income and expenditure derive from continuing activities.

RSPCA SUSSEX WEST BRANCH

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13	5,277,788		4,681,993	
Investment property	14	3,593,000		4,198,000	
		<u>8,870,788</u>		<u>8,879,993</u>	
Current assets					
Stocks	15	5,623		1,118	
Debtors	16	297,428		620,563	
Investments	17	1,788,673		2,367,298	
Cash at bank and in hand		944,597		219,052	
		<u>3,036,321</u>		<u>3,208,031</u>	
Creditors: amounts falling due within one year	18	(195,133)		(193,353)	
Net current assets		<u>2,841,188</u>		<u>3,014,678</u>	
Total assets less current liabilities		<u>11,711,976</u>		<u>11,894,671</u>	
Creditors: amounts falling due after more than one year	19	-		(87,426)	
Net assets		<u><u>11,711,976</u></u>		<u><u>11,807,245</u></u>	
Income funds					
Restricted funds	20	21,012		16,850	
<u>Unrestricted funds</u>					
Designated funds	21	25,000		-	
General unrestricted funds		11,665,964		11,790,395	
		<u>11,690,964</u>		<u>11,790,395</u>	
		<u><u>11,711,976</u></u>		<u><u>11,807,245</u></u>	

The financial statements were approved by the Trustees on

30/5/2023

M Fallon
Trustee

N Cockram
Trustee

RSPCA SUSSEX WEST BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	27		255,364		330,980
Investing activities					
Purchase of tangible fixed assets		(736,849)		(3,646,608)	
Proceeds from disposal of tangible fixed assets		6,001		3,698	
Purchase of investment property		-		(850)	
Proceeds from disposal of investment property		444,820		2,680,529	
Proceeds from disposal of other investments		578,625		269,734	
Investment income received		177,584		226,253	
Net cash generated from/(used in) investing activities			470,181		(467,244)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			725,545		(136,264)
Cash and cash equivalents at beginning of year			219,052		355,316
Cash and cash equivalents at end of year			<u>944,597</u>		<u>219,052</u>

RSPCA SUSSEX WEST BRANCH

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

1 Accounting policies

Charity information

RSPCA Sussex West Branch is an unincorporated charity. The branch was formed in 1961, and became a registered charity on 29th January 1964.

1.1 Accounting convention

The accounts have been prepared in accordance with the RSPCA branch rules, effective from 1st January 2006, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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 accounts have been prepared under the historical cost convention, modified to include include investment properties at fair value. The principal accounting policies adopted are set out below.

There are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

1.3 Incoming resources

Income is recognised and included in the accounts once the charity has entitlement to the funds, any performance conditions attached to the income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- The date on which the charity is aware that probate has been granted;
- The estate has been finalised and notification has been made by the executor(s) to the Centre that a distribution will be made; or
- When distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received by way of government assistance in relation to the Covid-19 are grants and the furlough scheme. The government assistance is included in full in the Statement of Financial Activities once receivable. The recognition method adopted is the accrual model.

RSPCA SUSSEX WEST BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Goods donated for resale are included as income when they are sold.

Donated goods for ongoing use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations.

Income received in advance of any service is deferred until the criteria for income recognition are met.

Income received in respect of rents from investment properties is recognised on a straight line basis in line with the lease.

1.4 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

1.5 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 buildings	2.5% straight line basis
Leasehold land and buildings	straight line over lease term
Plant and equipment	10% reducing balance basis

Freehold land is not depreciated.

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.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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.

RSPCA SUSSEX WEST BRANCH

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

1 Accounting policies

(Continued)

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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 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.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

RSPCA SUSSEX WEST BRANCH

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

1 Accounting policies

(Continued)

1.13 Current asset investments

Current asset investments consist of cash deposits held within a variety of different institutions. Deposits are made for a minimum period of three months.

Interest is accrued on a daily basis and is recognised within the financial statements within the year to which the interest relates.

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 SUSSEX WEST BRANCH

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

3 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Donations and gifts	70,769	21,738	92,507	90,048
Legacies receivable	289,289	-	289,289	649,590
Government grants re: Covid-19 assistance	1,882	-	1,882	183,125
	<u>361,940</u>	<u>21,738</u>	<u>383,678</u>	<u>922,763</u>
For the year ended 31 December 2021	<u>922,763</u>	<u>-</u>		<u>922,763</u>
Legacies receivable				
Kimberley	5,092	-	5,092	307,939
McClure	-	-	-	142,303
Stanley	-	-	-	74,417
Meeson	-	-	-	53,689
Evans	6,000	-	6,000	54,458
Muir	133,888	-	133,888	-
Pemberton	29,557	-	29,557	-
Oliver	65,000	-	65,000	-
Eder	39,958	-	39,958	-
Buck	5,225	-	5,225	-
Other	4,569	-	4,569	16,784
	<u>289,289</u>	<u>-</u>	<u>289,289</u>	<u>649,590</u>

4 Other trading activities

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Fundraising activities	5,667	7,505
Sale of goods - charity shops	584,349	435,282
Sale of goods - rehoming centre	3,322	2,886
	<u>593,338</u>	<u>445,673</u>
Other trading activities	<u>593,338</u>	<u>445,673</u>

RSPCA SUSSEX WEST BRANCH

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

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Rental income	161,725	210,815
Interest receivable	15,859	15,438
	<u>177,584</u>	<u>226,253</u>

RSPCA SUSSEX WEST BRANCH

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

6 Raising funds

	2022 £	2021 £
<u>Trading costs</u>		
Operating charity shops	186,607	175,242
Staff costs	203,351	186,012
Depreciation	4,163	9,170
Support costs	1,940	13,901
	<hr/>	<hr/>
Trading costs	396,061	384,325
	<hr/>	<hr/>
Investment property costs	30,475	52,698
	<hr/>	<hr/>
	<u>426,536</u>	<u>437,023</u>

RSPCA SUSSEX WEST BRANCH

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

7 Charitable activities

	2022 £	2021 £
Staff costs	289,456	211,755
Depreciation	136,318	76,050
Rates, water and refuse	10,238	7,607
Light and heat	35,951	14,142
Repairs and renewals	11,085	6,724
Insurance	3,636	1,695
Veterinary fees, drugs and food	100,885	20,921
Training costs	1,682	2,648
Consumables	10,625	99
Goods for resale/fundraising costs	34,964	30,498
Office costs	9,370	3,543
Motor expenses	2,342	835
Legal and professional	16,320	53,025
Disallowable VAT	14,233	46,589
	<u>677,105</u>	<u>476,131</u>
Share of support costs (see note 8)	1,788	9,590
Share of governance costs (see note 8)	5,580	6,981
	<u>684,473</u>	<u>492,702</u>
Analysis by fund		
Unrestricted funds - general	683,856	
Restricted funds	617	
	<u>684,473</u>	
For the year ended 31 December 2021		
Unrestricted funds - general		491,002
Restricted funds		1,700
		<u>492,702</u>

RSPCA SUSSEX WEST BRANCH

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

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Loss on disposal of fixed assets	(5,428)	-	(5,428)	7,898
Miscellaneous expenses	3,576	-	3,576	8,924
Disallowable VAT	-	-	-	1,050
Auditors' remuneration	-	11,160	11,160	12,600
	<u>(1,852)</u>	<u>11,160</u>	<u>9,308</u>	<u>30,472</u>
Analysed between				
Trading	(3,640)	5,580	1,940	13,901
Charitable activities	1,788	5,580	7,368	16,571
	<u>(1,852)</u>	<u>11,160</u>	<u>9,308</u>	<u>30,472</u>

Governance costs includes payments to the auditors of £11,160 (2021 - £11,100) for audit fees.

9 Trustees

None of the trustees received any remuneration or benefits from the charity during the year.

The spouse of trustee P Marshall received remuneration of £nil (2021 - £9,079) during the year in respect of hours worked as part time Shops' Group Manager.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	<u>28</u>	<u>28</u>
Employment costs	2022 £	2021 £
Wages and salaries	474,365	371,696
Social security costs	18,442	26,071
	<u>492,807</u>	<u>397,767</u>

There were a total of 21 (2021 - 19) full time equivalent employees in the year.

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

RSPCA SUSSEX WEST BRANCH

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

11 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of investment properties	(80,000)	17,150
Gain/(loss) on sale of investment properties	(80,180)	(549,471)
	<u>(160,180)</u>	<u>(532,321)</u>

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

	Freehold buildings £	Leasehold land and buildings £	Plant and equipment £	Total £
Cost				
At 1 January 2022	4,754,273	58,139	83,193	4,895,605
Additions	653,350	-	83,499	736,849
Disposals	-	(16,897)	(860)	(17,757)
At 31 December 2022	<u>5,407,623</u>	<u>41,242</u>	<u>165,832</u>	<u>5,614,697</u>
Depreciation and impairment				
At 1 January 2022	156,057	37,370	20,185	213,612
Depreciation charged in the year	121,992	4,163	14,326	140,481
Eliminated in respect of disposals	-	(16,791)	(393)	(17,184)
At 31 December 2022	<u>278,049</u>	<u>24,742</u>	<u>34,118</u>	<u>336,909</u>
Carrying amount				
At 31 December 2022	<u>5,129,574</u>	<u>16,500</u>	<u>131,714</u>	<u>5,277,788</u>
At 31 December 2021	<u>4,598,216</u>	<u>20,769</u>	<u>63,008</u>	<u>4,681,993</u>

RSPCA SUSSEX WEST BRANCH

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

14 Investment property

	2022 £
Fair value	
At 1 January 2022	4,198,000
Disposals	(525,000)
Net gains or losses through fair value adjustments	(80,000)
	<u>3,593,000</u>
At 31 December 2022	<u>3,593,000</u>

Investment property comprises a portfolio of residential and commercial properties in South-West London. The fair value of the investment property has been arrived at on the basis of valuations carried out by Peter N Dickin & Co Chartered Surveyors, who are not connected with the charity. The valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties.

15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	5,623	1,118
	<u>5,623</u>	<u>1,118</u>

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	42,660	178,874
Prepayments and accrued income	254,768	441,689
	<u>297,428</u>	<u>620,563</u>

17 Current asset investments

	2022 £	2021 £
Cash equivalents on deposit	1,788,673	2,367,298
	<u>1,788,673</u>	<u>2,367,298</u>

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	13,265	6,283
Trade creditors	26,552	49,283
Other creditors	102,875	92,730
Accruals and deferred income	52,441	45,057
	<u>195,133</u>	<u>193,353</u>

RSPCA SUSSEX WEST BRANCH

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

19 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Other creditors	-	87,426

20 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:

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	£	£	£	Incoming resources	Resources expended		£
Long Term Conditions Fund	6,850	-	10,000	16,850	-	-		16,850
Golf Fund	1,700	(1,700)	-	-	-	-		-
Veterinary Equipment Fund	-	-	-	-	21,738	(17,576)		4,162
	<u>8,550</u>	<u>(1,700)</u>	<u>10,000</u>	<u>16,850</u>	<u>21,738</u>	<u>(17,576)</u>		<u>21,012</u>

The Long Term Conditions Fund has been set up to cover commitments made to either fund or contribute to veterinary care of animals in foster or rehome, which is not covered by insurance. This includes £6,850 raised and ring fenced for a hip operation required by a dog, Steve.

The Veterinary Equipment Fund represents a grant received to purchase veterinary equipment for the Centre's Vet Suite.

The Golf Fund represented sponsorship for the golf event which took place in August 2021.

RSPCA SUSSEX WEST BRANCH

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

21 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:

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£
Redevelopment fund	2,868,536	(3,435,635)	567,099	-	-	-
Veterinary Suite dental equipment	-	-	-	-	25,000	25,000
	<u>2,868,536</u>	<u>(3,435,635)</u>	<u>567,099</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>

The Redevelopment Fund was set up to contribute towards the costs of the redevelopment of the Mount Noddy Animal Centre. The majority of costs were incurred prior to 31 December 2021 and remaining costs were met from the Unrestricted funds.

The Veterinary Equipment Fund has been set up by the trustees to purchase dental equipment for the new Veterinary Suite.

RSPCA SUSSEX WEST BRANCH

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

22 Analysis of net assets between funds

Fund balances at 31 December 2022 are represented by:

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	5,277,788	-	-	5,277,788	4,681,993	-	4,681,993
Investment properties	3,593,000	-	-	3,593,000	4,198,000	-	4,198,000
Current assets/(liabilities)	2,795,176	25,000	21,012	2,841,188	2,997,828	16,850	3,014,678
Long term liabilities	-	-	-	-	(87,426)	-	(87,426)
	<u>11,665,964</u>	<u>25,000</u>	<u>21,012</u>	<u>11,711,976</u>	<u>11,790,395</u>	<u>16,850</u>	<u>11,807,245</u>

The assets are in excess of eleven million, with the majority made up from Mount Noddy Animal Centre £5,277,788 and the valuation of the investment rental properties £3,593,000, rather than immediate liquid assets.

RSPCA SUSSEX WEST BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	96,200	108,700
Between two and five years	239,900	224,466
In over five years	6,000	-
	<u>342,100</u>	<u>333,166</u>

Operating lease commitments comprise four leases with monthly rents of £1,750 (28 months remaining), £2,183 (46 months remaining), £2,083 (32 months remaining) and £2,000 (63 months remaining).

24 Capital commitments

2022 £	2021 £
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At 31 December 2022 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	-	526,972
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The capital commitment was in respect of the redevelopment works at the Centre. Works commenced in January 2021, and were completed in 2022.

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>42,071</u>	<u>57,198</u>

RSPCA SUSSEX WEST BRANCH

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

26 Covid-19

The charity was materially and adversely affected by the Covid-19 pandemic.

Government national lockdown restrictions enforced the closure of the charity shops, restricted fundraising opportunities and there has been no public access to the rehoming centre for the majority of 2020 and closure continued during the current year with the charity shops reopening in April 2021.

Consequently, 2020 and 2021 operating results have been adversely affected.

The charity applied for and received additional financial support in terms of local government grants available to the hospitality and leisure industry as well as accessing the government Job Retention Scheme.

The charity shops have remained open throughout the duration of 2022 and it is foreseen by the trustees that Covid-19 should have minimal effect on the charity going forward.

27 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(95,269)	135,838
Adjustments for:		
Investment income recognised in statement of financial activities	(177,584)	(226,253)
(Gain)/loss on disposal of tangible fixed assets	(5,428)	7,898
Loss on disposal of investment property	80,180	549,471
Fair value gains and losses on investment properties	80,000	(17,150)
Depreciation of tangible fixed assets	140,481	85,220
Movements in working capital:		
(Increase)/decrease in stocks	(4,505)	3,256
Decrease/(increase) in debtors	323,135	(353,591)
(Decrease)/increase in creditors	(85,646)	146,291
Cash generated from operations	255,364	330,980