

NORTH CLWYD ANIMAL RESCUE
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NORTH CLWYD ANIMAL RESCUE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr P Kimpton - Chair
Mrs A D Owen - Treasurer
Mrs S Holland - Secretary
Mrs C Williams
Mr R N Owen
Mr J S Gawne
Mr A Hobbs
Mrs Y Davies
Mrs B Davis
Ms S E Blythe
Mr D Roberts
Ms K Johnson

Charity number

515195

Principal address

Maes Gwyn
Glan yr Afon Road
Trelogan
Nr. Holywell
CH8 9BD

Auditor

Simon Evans FCA
Lewis Evans Partnership LLP
The Oaks
3 Village Road
West Kirby
Wirral
CH48 3JN

NORTH CLWYD ANIMAL RESCUE

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NORTH CLWYD ANIMAL RESCUE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their annual report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The object for which North Clwyd Animal Rescue is established is for the promotion of kindness and the prevention of cruelty to animals by the provision of food, shelter and veterinary treatment for all abandoned and sick animals.

Our aim is to take in unwanted domestic animals, to care for them to the best of our abilities, and to rehome them to responsible members of the public. We do not put any animals to sleep except on the advice of our vet or if we consider, after a period of assessment, that the animal is a danger to the public. Due to capacity we are only able to take an animal if there is a space available. If there is no available space for an animal, we will try to rehome these animals direct from home to home.

There are many unwanted, abused and abandoned animals in this region and although this is not a unique issue facing this area, we know that there would be a lot more pain and suffering subjected to animals if we ceased to exist. Our growth tells us that we play a vital part in the community and we also try to enlighten people of the effects of unwanted litters, as sadly there is an imbalance in the number of good homes and animals waiting to be adopted. We are almost constantly filled with residents.

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

The Impact of Covid on the Charity

At the beginning of 2020 we had no idea what lay ahead and what financial impact the outbreak of Coronavirus would have on the charity over the year. From 23rd March 2020 our charity shops and cafe had to close and no-one was allowed to visit the Sanctuary. We had to make drastic decisions to reduce costs. We had to put 21 members of staff on the furlough scheme and just leave a small team of staff to look after the animals.

We had to cancel all our fundraising events which in a normal year would raise in excess of £35,000. We organised a few online fundraisers and we are very fortunate to have a strong band of supporters who sent donations to help with running costs. Therefore, together with Grants from the Job Retention Scheme and Covid Support for Businesses for the shops which had to close during lockdown, we managed to survive the crisis.

Unfortunately, we were unable to have volunteers on site but our core staff did an amazing job keeping everything ticking over until we were gradually able to bring in more help.

Achievements and performance

Due to the outbreak of Covid in March, 2020 was a very difficult year. We took in a total of 878 animals during the year, 361 dogs, 463 cats, 36 rabbits and 18 guinea pigs. Despite all the restrictions and lockdowns, we managed to rehome a total of 975 animals, 413 dogs, 496 cats, 44 rabbits and 22 guinea pigs. From the end of March no one was allowed to travel to the rescue and we were not able to rehome our animals but they were still coming in, so we changed our adoption procedures, interviewing prospective adopters online and then taking the animal to the home where they could meet and stay for a two week trial period. As we came out of lockdown, we changed to an appointment system for prospective adopters to visit the rescue which worked out very well.

Over the year, we received 119 stray dogs from Flintshire and Denbighshire Councils. The number of strays has reduced slightly from last year but we are still seeing dogs coming in that haven't been chipped even though it is illegal not to do so and unfortunately, people are still not re-registering their dogs when they sell or pass them on to someone else. All strays remain the property of the council for the first seven days, then if not claimed, ownership is transferred to the charity. Every dog that comes into the rescue has a behaviour assessment and some do not stay too long before they find their new homes but some do have problems and our volunteer behaviourist, Adam Hobbs from K999, who is also one of our trustees, puts together training programmes for these dogs and we work with them for as long as necessary to enable them to eventually find the right owner.

NORTH CLWYD ANIMAL RESCUE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

Despite some members of our veterinary team being furloughed, our onsite Veterinary surgery managed to neuter a total of 484 animals during 2020. We practice early neutering of kittens from approximately 9 weeks of age so that we are safe in the knowledge that when they go to their new homes they will not be adding to the growing population of cats. The clinic is solely for the benefit of the animals in our care, those out in foster homes and any adopted animals needing on going veterinary care. We do also neuter a number of feral cats who are then usually returned to their original surroundings.

How we promote the Charity

Our website www.ncar.org.uk provides vital information relating to the animals in our care and the procedures we undertake to ensure all the animals who leave our care are properly cared for in their new homes.

We also provide details of the Charity to the wider audience by using Social Media Marketing to promote the events we hold plus the animals in our care looking for their forever homes. Social Media Marketing helps raise our profile which in turn helps generate income.

North Clwyd Animal Rescue is a full member of the Association of Dogs and Cats Homes and as such comply fully with their Code of Practice to provide the best possible standards for all the animals in our care. During the year all ADCH meetings had to be held via Zoom which provided the opportunity to work together with other animal charities.

Financial review

The results for the year are set out on pages 10-11.

The fund balance as at 31st December 2020 was £1,982,203, of which £1,711,544 are general unrestricted funds and the trustees are satisfied that the charity is in a favourable position for the future.

Total income received in the year was £1,279,863 (2019- £1,446,100). A large amount of this income comprises donations and legacies received in the year of £931,226. This figure includes Grants of £232,810, £120,000 of which are Local Government Covid Support Grants plus a restricted amount of £97,810 from the Coronavirus Job Retention Scheme. Following the merger with the Abandoned Animals Association in February 2020, transfer of assets amounting to £462,389 are also included.

The adoption fees amounting to £73,106 are down from last year due to covid restrictions. We do charge a minimum fee for our animals to help to cover the veterinary costs relating to that animal.

Activities for generating funds include income from the five charity shops, plus two Abandoned Animal charity shops that were transferred in the merger, the onsite reception shop, the café (Doris's Bunker), the onsite veterinary clinic, Agria Pet Insurance Commission, Stray fees for the boarding of stray dogs brought in from Flintshire and Denbighshire Councils and, of course, various Fundraising Events. We were unable to hold our Easter Open Day, our Annual Dog Show and our Christmas Open Days due to covid restrictions but we held various online fundraisers which were well supported. These Activities amounted to a total income of £275,328 and after adding Investment income of £203, our total income for 2020 amounted to £1,279,863.

The majority of expenditure for the year is spent directly on the care of the animals, a total of £626,547, wages being the biggest but necessary expense to provide the standard of care needed to look after the number of animals in our care. We have an amazing band of regular volunteers who spend that extra time with the dogs, cats and rabbits, some of whom we are hoping to train in kennel duties. Other volunteers help in the laundry, café, shops and enrichment garden and we have volunteer fosterers and home-checkers.

Our free reserves at the end of the year ended 31st December 2020 amounted to £216,317, of which £165,630 has been designated to develop the indoor arena at Hafod Barn. The Trustees consider a level of reserves equivalent to 6 months expenditure is required which would be approximately £400,000.

Anne Owen and Neill Owen, both trustees, hold title with the Land Registry on behalf of North Clwyd Animal Rescue for the Sanctuary Buildings at Maes Gwyn and the two charity shops at 2 Market Street, Abergele and 24 High Street, Denbigh. The title of the property at Little Pydew is in the process of being transferred following the merger with Abandoned Animals Association.

NORTH CLWYD ANIMAL RESCUE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review (continued)

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

We are developing the Hafod property in Trefnant that the charity inherited from Mrs D Wells-Kendrew which included a house, a large indoor arena, stabling and 35 acres of land. We are planning to use it for rescuing abandoned and unwanted horses, ponies and donkeys. We have made improvements to the indoor arena on site which is now being hired out to various groups and will hopefully provide an annual income to support this project.

In February 2020 we merged with Abandoned Animals Association in Prestatyn. They unfortunately were unable to continue trading and the trustees of Abandoned Animals agreed to sign over the assets to North Clwyd Animal Rescue. It is hoped that we can use this site to house our more long term dogs who need a quieter environment and plenty of space. The kennels will need refurbishing so in the meantime, we are renting out the bungalow on site and have fenced off a large field which we rent out on an hourly basis to members of the public to exercise their dogs off lead. This will provide an income to cover the cost of the refurbishment. We are also applying for grants to purchase a hydrotherapy pool which would be housed in the large barn at the property and could be used for our own animals as well as hiring it out to members of the public.

Structure, governance and management

The Charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The Charity is under the control of the Committee, which is appointed each year at the annual general meeting. There are a maximum of 15 Trustees including a Chairman, Treasurer and Secretary. We look to recruit trustees who can play an active role in the charity and they are normally elected at an AGM. If the trustees think it is advisable to elect a new trustee during the year, this is done by vote at a Committee Meeting.

The trustees delegate day to day management to the following personnel:-

Owain Horton – General Manager Sanctuary and Charity Shops
Nicky Owen – Fundraising and HR
Peter Moulton – Finance and Payroll
Rachel Parry – Dog Supervisor
Sarah Goodwin – Cat Supervisor
Anne Owen (Trustee) – Voluntary Advisor

We employ two part time Veterinary Surgeons:- Alastair Wright BVMS, MRCVS and
Laura Hudson BVSc, MRCVS

We enlisted the professional services of Ellis Whittam to oversee our Health and Safety Compliance and to give advice on Employment Law.

Bankers :- Lloyds Bank plc, PO Box 1000, BX1 1LT
Santander Business Banking, Bridle Road, Bootle, L30 4GB
Virgin Money, Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL

Subsidiary Companies: -

In connection with the legacy from the late Doris Wells-Kendrew, sole ownership of two companies was transferred to the charity on 11 January 2020, and with effect from that date Worsteds Stud Farm Limited and Jaysea Enterprises (Investments) Limited have been wholly owned subsidiaries of the charity. The subsidiaries are non-trading and hold property with a probate value of £590,000 and other assets to support the carrying value of the investment.

The trustees are in the process of transferring the remaining assets of the subsidiary companies into the charity and plan to complete the liquidation of both companies once that process is completed. The companies' balance sheets are consolidated with those of the charity.

NORTH CLWYD ANIMAL RESCUE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Mr P Kimpton - Chair	(Appointed 14 September 2021)
Mrs A D Owen - Treasurer	
Mrs C Williams	(Appointed 12 January 2021)
Mrs D Lloyd	(Resigned 4 January 2021)
Mr R N Owen	
Mr J S Gawne	
Mr A Hobbs	
Mrs Y Davies	
Mr M Stacy	(Resigned 5 April 2021)
Mrs J Stacy	(Resigned 30 March 2021)
Mrs B Davis	
Ms S E Blythe	
Ms M Ellis	(Resigned 30 November 2021)
Mrs S Holland - Secretary	(Appointed 14 September 2021)
Mr P E Jones	(Resigned 10 February 2021)
Mr D Roberts	(Appointed 14 September 2021)
Ms K Johnson	(Appointed 14 September 2021)

Membership of the Charity is open to any persons or organisations showing support for the Charity. Officers are deemed to be members of the committee for all purposes.

Every member personally present at a meeting shall have one vote. In the event of an equality of votes the Chairman shall have the casting vote. All resolutions shall be passed by a simple majority of those attending and voting.

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



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Mrs A D Owen - Treasurer
Trustee

Date: 15/3/2022

NORTH CLWYD ANIMAL RESCUE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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 the group and of the incoming resources and application of resources of the group 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 and group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NORTH CLWYD ANIMAL RESCUE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NORTH CLWYD ANIMAL RESCUE

Opinion

We have audited the financial statements of North Clwyd Animal Rescue for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated and parent charity statement of financial position, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and parent charity's affairs as at 31 December 2020 and of the group's 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 and group 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.

NORTH CLWYD ANIMAL RESCUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH CLWYD ANIMAL RESCUE

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 by the parent charity; or
- the parent charity's 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.

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 group and parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The key objectives of our audit are to identify and assess the risks of material misstatement within the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the group and parent charity, we identified that the principal risks of non-compliance with laws and regulations related to potential breaches of the applicable regulations for charities, and we considered the extent to which non compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Statement of Recommended Practice applicable to charities and the Charities Act 2011.

We have also considered the incentives and potential opportunities for manipulation of the financial statements (including the risk of override of controls), and the principal risk areas were considered to include journal entries which could manipulate results as well as potential management bias in accounting estimates and judgemental areas of the financial statements.

Audit procedures performed by the engagement team included:

- Obtaining an understanding of how the group and parent charity is complying with the legal and regulatory frameworks by making enquiries of the Board and other management.

NORTH CLWYD ANIMAL RESCUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH CLWYD ANIMAL RESCUE

- Requesting and reviewing the minutes of meetings of those charged with governance.
- Reviewing any relevant regulatory data and internal compliance reporting in so far as they relate to potential non-compliance with laws and regulations and fraud.
- Identifying and testing journal entries, in particular material year-end adjustments and any unusual journal entries that result in an increased risk.
- Assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur. Audit procedures performed included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for the override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
 - identifying and testing journal entries and other adjustments for appropriateness, and evaluating the rationale for any significant transactions outside of normal activities; and
 - assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and there remains an unavoidable risk that material misstatements in the financial statements might not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from an error, as fraud may involve deliberate concealment or intentional misrepresentation.

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.

NORTH CLWYD ANIMAL RESCUE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH CLWYD ANIMAL RESCUE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Lewis Evans Partnership LLP

16 March 2022

**Chartered Accountants
Statutory Auditor**

The Oaks
3 Village Road
West Kirby
Wirral
CH48 3JN

Lewis Evans Partnership LLP 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.

NORTH CLWYD ANIMAL RESCUE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total Unrestricted funds general 2020 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	831,847	-	99,379	931,226	21,213	954,975
<u>Charitable activities</u>							
Animal adoption fees	4	73,106	-	-	73,106	-	92,757
Activities for generating funds	5	268,897	-	6,431	275,328	5,215	397,703
Investment income	6	203	-	-	203	-	665
Total income		<u>1,174,053</u>	<u>-</u>	<u>105,810</u>	<u>1,279,863</u>	<u>26,428</u>	<u>1,446,100</u>
Expenditure on:							
Raising funds	7	<u>159,506</u>	<u>-</u>	<u>28,423</u>	<u>187,929</u>	<u>-</u>	<u>235,034</u>
<u>Charitable activities</u>							
Care of domestic animals	8	<u>529,988</u>	<u>9,198</u>	<u>87,361</u>	<u>626,547</u>	<u>20,361</u>	<u>699,060</u>
Total charitable expenditure		<u>529,988</u>	<u>9,198</u>	<u>87,361</u>	<u>626,547</u>	<u>20,361</u>	<u>699,060</u>
Total resources expended		<u>689,494</u>	<u>9,198</u>	<u>115,784</u>	<u>814,476</u>	<u>20,361</u>	<u>934,094</u>

NORTH CLWYD ANIMAL RESCUE

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

FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total Unrestricted funds general 2020 £	Restricted funds 2019 £	Total 2019 £
Notes						
Net incoming/(outgoing) resources before transfers	484,559	(9,198)	(9,974)	465,387	505,939	512,006
Gross transfers between funds	(174,828)	174,828	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds	309,731	165,630	(9,974)	465,387	6,067	512,006
Fund balances at 1 January 2020	1,401,813	-	115,003	1,516,816	108,936	1,004,810
Fund balances at 31 December 2020	1,711,544	165,630	105,029	1,982,203	115,003	1,516,816

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

All income and expenditure derive from continuing activities.

NORTH CLWYD ANIMAL RESCUE

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Group 2020 £	2019 £	Charity 2020 £	2019 £
Fixed assets					
Tangible assets	12	1,736,588	719,437	1,146,588	719,437
Investments	13	363	-	660,315	-
		1,736,951	719,437	1,806,903	719,437
Current assets					
Stocks	14	16,689	10,524	16,689	10,524
Debtors	15	130,060	892,247	132,040	892,247
Cash at bank and in hand		325,040	141,424	252,338	141,424
		471,789	1,044,195	401,067	1,044,195
Creditors: amounts falling due within one year	17	(126,764)	(143,768)	(125,994)	(143,768)
Net current assets		345,025	900,427	275,073	900,427
Total assets less current liabilities		2,081,976	1,619,864	2,081,976	1,619,864
Creditors: amounts falling due after more than one year	18	(99,773)	(103,048)	(99,773)	(103,048)
Net assets		1,982,203	1,516,816	1,982,203	1,516,816
Funds					
Restricted funds	19	105,029	115,003	105,029	115,003
<u>Unrestricted funds</u>					
Designated funds	20	165,630	-	165,630	-
General unrestricted funds		1,711,544	1,401,813	1,711,544	1,401,813
Total unrestricted funds		1,877,174	1,401,813	1,877,174	1,401,813
Total funds		1,982,203	1,516,816	1,982,203	1,516,816

The financial statements were approved by the Trustees on 15/3/2022



Mrs A D Owen - Treasurer
Trustee

NORTH CLWYD ANIMAL RESCUE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		44,166		(82,776)
Investing activities					
Purchase of tangible fixed assets		(30,180)		(91,659)	
Cash acquired with subsidiary companies		172,702		-	
Investment income received		203		665	
Net cash generated/(used in) investing activities			142,725		(90,994)
Financing activities					
Proceeds of new loans		-		30,000	
Repayment of bank loans		(3,275)		(6,168)	
Payment of obligations under finance leases		-		(250)	
Net cash (used in)/generated from financing activities			(3,275)		23,582
Net increase/(decrease) in cash and cash equivalents			183,616		(150,188)
Cash and cash equivalents at beginning of year			141,424		291,612
Cash and cash equivalents at end of year			325,040		141,424

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

North Clwyd Animal Rescue is a charity registered with the Charity Commission for England and Wales and the governing constitution was adopted on 9 May 1984. The principal address is Maes Gwyn Sanctuary, Glan yr Afon Road, Trelogan, Nr. Holywell CH8 9BD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". 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 consolidated accounts include the accounts of the charity, North Clwyd Animal Rescue, and its subsidiary entities, Worsteds Stud Farm Limited and Jaysea Enterprises (Investments) Limited. Both subsidiaries are non-trading and have negligible income and expenditure in the year ended 31 December 2020, and so only the balance sheets have been consolidated into the group accounts. The Statement of Financial Activities ('SOFA') presented for the group is therefore also the SOFA for the charity.

The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds 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.

1.4 Income

Income is recognised when the group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% on cost
Improvements to property	10% on cost
Plant and machinery	20% on cost
Fixtures and fittings	20% on cost
Computer and IT equipment	33% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

The trustees consider that the estimated residual value of freehold property is such that any accumulated depreciation charge would be immaterial. Consequently no depreciation has been provided for in the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity and group 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).

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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

1.10 Cash and cash equivalents

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

1.11 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 balance sheet when the charity and group become party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity or group's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

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

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

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the charity and group's accounting policies, the trustees may be 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.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	159,210	1,569	160,779	101,128	3,713	104,841
Legacies receivable	75,248	-	75,248	825,634	-	825,634
Grants	135,000	97,810	232,810	7,000	17,500	24,500
Abandoned Animals -gift of assets from merger	462,389	-	462,389	-	-	-
	<u>831,847</u>	<u>99,379</u>	<u>931,226</u>	<u>933,762</u>	<u>21,213</u>	<u>954,975</u>

On 4 February 2020 the trustees of the Abandoned Animals Association passed a resolution to merge with the charity and by way of a vesting declaration all property and assets of the Abandoned Animals Association have been transferred to North Clwyd Animal Rescue.

As part of the Abandoned Animal Association merger, a property, Little Pydew, was passed to the charity, and based on a subsequent professional valuation of this property the market value has been assessed at £450,000. Other assets and bank and cash balances are included in the gift value of £462,389.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

Legacies receivable	£	£	£	£	£	£
Doris Wells-Kendrew	2,830	-	2,830	793,217	-	793,217
Irene Clayden	-	-	-	13,730	-	13,730
Joan Williams	1,993	-	1,993	6,755	-	6,755
Frank and Joan Williams	-	-	-	5,000	-	5,000
Norah Anne Roberts	47,500	-	47,500	-	-	-
Sandra Cluett	11,019	-	11,019	-	-	-
Marjorie Heston	9,401	-	9,401	-	-	-
Other legacy income	2,505	-	2,505	6,932	-	6,932
	<u>75,248</u>	<u>-</u>	<u>75,248</u>	<u>825,634</u>	<u>-</u>	<u>825,634</u>

The legacy from Doris Wells-Kendrew in the prior year included two companies in the estate, Worsteds Stud Farm Limited and Jaysea Enterprises (Investments) Limited, and the assets within those companies. These assets included property and land within Worsteds Stud Farm Limited, which were stated at the probate value of £590,000 for the purposes of the legacy income in these financial statements.

The charity committed to managing the property and land within Worsteds Stud Farm Limited during the probate period, and the recoverable maintenance and other related costs of £20,694 incurred in doing this on behalf of the estate in the period to 31 December 2019 were included in accrued income at the prior year end, in addition to the legacy receivable of £793,217.

Sole ownership of both companies was transferred to the charity on 11 January 2020, and the balance of the estate was received from the solicitors in March 2020.

The trustees are in the process of transferring the remaining assets of the subsidiary companies into the charity and plan to complete the liquidation of both companies once that process is completed.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Grants receivable for core activities						
Jean Sainsbury Animal Welfare Trust	-	-	-	-	10,000	10,000
Battersea Dogs and Cats Home	-	-	-	-	7,500	7,500
Welsh Lottery	-	-	-	4,000	-	4,000
Charity Sterling Foundation	10,000	-	10,000	-	-	-
Kennel Club Charitable Trust	5,000	-	5,000	-	-	-
Denbighshire Council - Covid Support Grants	87,000	-	87,000	-	-	-
Flintshire Council - Covid Support Grants	19,000	-	19,000	-	-	-
Conwy Council - Covid Support Grants	14,000	-	14,000	-	-	-
Coronavirus Job Retention Scheme Grant Funding	-	97,810	97,810	-	-	-
Other Grants	-	-	-	3,000	-	3,000
	<u>135,000</u>	<u>97,810</u>	<u>232,810</u>	<u>7,000</u>	<u>17,500</u>	<u>24,500</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020 £	2019 £
Animal adoption fees	<u>73,106</u>	<u>92,757</u>

5 Activities for generating funds

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Sale of goods purchased, including cafe sales	43,431	-	43,431	81,494	-	81,494
Veterinary income	12,454	-	12,454	7,989	-	7,989
Fundraising events	26,125	5,504	31,629	32,227	5,215	37,442
Sale of donated items/charity shop	141,498	-	141,498	227,244	-	227,244
Pet insurance commission	25,979	-	25,979	27,583	-	27,583
Stray fees	13,017	-	13,017	12,445	-	12,445
Other income	6,393	927	7,320	3,506	-	3,506
	<u>268,897</u>	<u>6,431</u>	<u>275,328</u>	<u>392,488</u>	<u>5,215</u>	<u>397,703</u>
Activities for generating funds						

6 Investment income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	<u>203</u>	<u>665</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Raising funds

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £
<u>Fundraising and publicity</u>				
Direct fundraising and event costs	1,307	-	1,307	2,390
<u>Trading costs</u>				
Operating costs - shops and café	76,618	-	76,618	79,097
Cost of goods sold - shops and café	17,321	-	17,321	45,979
Staff costs	59,922	28,423	88,345	102,438
Share of governance costs	4,338	-	4,338	5,130
Trading costs	158,199	28,423	186,622	232,644
	159,506	28,423	187,929	235,034

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	2020 £	2019 £
Costs incurred in the care of domestic animals:		
Staff costs	392,444	447,138
Depreciation and impairment	58,738	59,293
Insurance	17,727	13,288
Light and Heat	11,819	13,312
Telephone	6,817	7,550
Veterinary Supplies	49,547	53,577
Veterinary Fees	2,700	8,995
Repairs and Maintenance	14,353	21,556
Rent and rates	4,669	-
Motor Vehicle Expenses, including Fuel	2,605	2,224
Clothing and Equipment	256	1,388
Cleaning and Bedding	3,649	6,448
Waste Disposal	5,361	5,348
Sanctuary Food	4,457	10,001
Lab Tests	3,358	3,408
Rates and Water	6,099	5,210
Other Expenditure	4,161	2,955
	<u>588,760</u>	<u>661,691</u>
Share of support costs (see note 9)	19,394	26,080
Share of governance costs (see note 9)	18,393	11,289
	<u>626,547</u>	<u>699,060</u>
Analysis by fund		
Unrestricted funds - general	529,988	
Unrestricted funds - designated	9,198	
Restricted funds	87,361	
	<u>626,547</u>	
For the year ended 31 December 2019		
Unrestricted funds - general		678,699
Restricted funds		<u>20,361</u>
		<u>699,060</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs	Governance costs	2020 Support costs	Governance costs	2019
	£	£	£	£	£
Printing, postage and stationary	1,922	-	1,922	2,981	2,981
Advertising, marketing and conferences	-	-	-	4,046	4,046
Computer and IT Expenses	4,753	-	4,753	6,123	6,123
Subscriptions / Employment Services	5,888	-	5,888	5,022	5,022
Just giving and admin fees	1,682	-	1,682	1,229	1,229
Photocopier	5,719	-	5,719	5,491	5,491
Profit/(loss) on disposal of fixed assets	(1,000)	-	(1,000)	-	-
Health and safety	430	-	430	1,188	1,188
Audit fees (2020 & 2019)	-	7,000	7,000	-	1,200
Auditors' fees for non-audit work	-	1,550	1,550	-	2,000
Legal and professional	-	5,269	5,269	-	6,000
Accountancy fees	-	2,201	2,201	-	-
Bank charges	-	2,373	2,373	-	1,717
Bank loan interest	-	4,338	4,338	-	5,502
	<u>19,394</u>	<u>22,731</u>	<u>42,125</u>	<u>26,080</u>	<u>42,499</u>
Analysed between					
Trading	-	4,338	4,338	-	5,130
Charitable activities	<u>19,394</u>	<u>18,393</u>	<u>37,787</u>	<u>26,080</u>	<u>37,369</u>
	<u>19,394</u>	<u>22,731</u>	<u>42,125</u>	<u>26,080</u>	<u>42,499</u>

10 Trustees

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

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	35	41
	<hr/>	<hr/>
Employment costs	2020	2019
	£	£
Wages and salaries	480,789	549,576
	<hr/>	<hr/>

No employees received emoluments in excess of £60,000.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets

Group

	Freehold property	Improvements to property	Plant and machinery	Fixtures and fittings	Computer and IT equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 January 2020	364,673	440,911	53,901	56,090	11,325	32,793	959,693
Additions	450,000	28,069	816	1,120	175	5,709	485,889
Freehold property held in subsidiary	590,000	-	-	-	-	-	590,000
At 31 December 2020	1,404,673	468,980	54,717	57,210	11,500	38,502	2,035,582
Depreciation and impairment							
At 1 January 2020	-	115,779	39,849	40,749	11,086	32,793	240,256
Depreciation charged in the year	-	44,735	6,751	6,011	194	1,047	58,738
At 31 December 2020	-	160,514	46,600	46,760	11,280	33,840	298,994
Carrying amount							
At 31 December 2020	1,404,673	308,466	8,117	10,450	220	4,662	1,736,588
At 31 December 2019	364,673	325,132	14,052	15,341	239	-	719,437

Charity

All of the above assets were held by the charity at the year-end, with the exception of the freehold property of £590,000 owned by the subsidiary company Worsteds Stud Farm Limited. This property was part of the Wells-Kendrew legacy and has been accounted for at probate value in the group accounts.

The carrying amount of tangible fixed assets in the charity at the year-end was £1,146,588.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets (continued)

Freehold property also includes the main NCAR Sanctuary site and the charity shops at Denbigh and Abergele. The addition in the year of £450,000 is the market value of the property at Little Pydew, which has been transferred to the charity from the Abandoned Animals Association as a result of the merger.

13 Fixed asset investments

	Group and Charity Listed investments £
Cost or valuation	
At 1 January 2020	-
Additions	363
	<hr/>
At 31 December 2020	363
	<hr/>
Carrying amount	
At 31 December 2020	363
	<hr/>
At 31 December 2019	-
	<hr/>

	Charity 2020 £	Charity 2019 £
Other investments comprise:	Notes	
Investments in subsidiaries	659,952	-
	<hr/>	<hr/>

In connection with the legacy from the late Doris Wells-Kendrew, sole ownership of two companies was transferred to the charity on 11 January 2020, and with effect from that date Worsteds Stud Farm Limited and Jaysea Enterprises (Investments) Limited have been wholly owned subsidiaries of the charity.

The subsidiaries are non-trading and hold property with a probate value of £590,000 and other assets to support the carrying value of the investment (see note 26).

14 Stocks

	Group and Charity 2020 £	2019 £
Finished goods and goods for resale	16,689	10,524
	<hr/>	<hr/>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Debtors

	Group		Charity	
	2020	2019	2020	2019
Amounts falling due within one year:	£	£	£	£
Trade debtors	9,484	16,386	9,484	16,386
Other debtors	16,898	13,338	18,878	13,338
Prepayments and accrued income	103,678	862,523	103,678	862,523
	<u>130,060</u>	<u>892,247</u>	<u>132,040</u>	<u>892,247</u>

Prepayments and accrued income at 31 December 2019 included all amounts receivable in respect of the Doris Wells-Kendrew estate of £813,911 (see note 3).

16 Loans and overdrafts

	Group and Charity	
	2020	2019
	£	£
Bank loans	106,387	109,662
Other loans	30,000	30,000
	<u>136,387</u>	<u>139,662</u>
Payable within one year	36,614	36,614
Payable after one year	99,773	103,048
	<u>136,387</u>	<u>139,662</u>

The bank loan relates to the purchase of the Denbigh charity shop in 2012. The carrying value of the asset is in excess of the amounts payable on the loan at the year end.

The other loan is from the Jean Sainsbury Animal Welfare Trust and is unsecured and interest free. Following the outbreak of the coronavirus pandemic the requirement to repay the loan was suspended but the loan balance is now being repaid in instalments.

17 Creditors: amounts falling due within one year

	Notes	Group		Charity	
		2020	2019	2020	2019
		£	£	£	£
Bank loans	16	6,614	6,614	6,614	6,614
Other borrowings		30,000	30,000	30,000	30,000
Other taxation and social security		6,085	11,212	6,085	11,212
Trade creditors		65,219	67,893	65,219	67,893
Other creditors		5,507	18,853	5,507	18,853
Accruals and deferred income		13,339	9,196	12,569	9,196
		<u>126,764</u>	<u>143,768</u>	<u>125,994</u>	<u>143,768</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Creditors: amounts falling due after more than one year

		Group		Charity	
	Notes	2020 £	2019 £	2020 £	2019 £
Bank loans	16	<u>99,773</u>	<u>103,048</u>	<u>99,773</u>	<u>103,048</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 December 2020 £
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	
Vets Development Fund	39,159	-	(8,725)	30,434	-	(8,725)	21,709
Doris's Bunker Cafe	33,867	-	(4,233)	29,634	-	(4,233)	25,401
Puppy Parlour	9,313	-	(1,164)	8,149	-	(1,164)	6,985
Scent Garden Fund	2,097	-	(2,097)	-	-	-	-
Drainage Fund	4,500	-	(450)	4,050	-	(450)	3,600
Paddock Refurbishment	20,000	17,500	(2,486)	35,014	-	(2,486)	32,528
Barn Roof	-	6,321	-	6,321	7,724	-	14,045
Cafe Extension	-	761	-	761	-	-	761
Drive Resurface	-	711	(71)	640	276	(916)	-
Rabbit Fund	-	400	(400)	-	-	-	-
Hafod Barn	-	735	(735)	-	-	-	-
Coronavirus job retention scheme	-	-	-	-	97,810	(97,810)	-
	<u>108,936</u>	<u>26,428</u>	<u>(20,361)</u>	<u>115,003</u>	<u>105,810</u>	<u>(115,784)</u>	<u>105,029</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Restricted funds

Vets Development Fund

This fund was used to construct and partially equip a new vet surgery building on NCAR's main site at Trelogan, the purpose of which was to enable certain types of operation to be performed on-site rather than transport animals to other vet practices off-site. Now completed, the fund will be reduced by an amount equal to the depreciation charge each year.

Doris Bunker Cafe Fund

The fund was used to construct and furnish a new cafe building at the main NCAR site in Trelogan. The cafe is normally open 7 days a week and provides a wide variety of refreshments and food to staff and volunteers and in so-doing represents an additional source of income to the rescue. The cafe also acts as a comfortable and pleasant venue for staff meetings and volunteer induction sessions. The cafe was named in memory of the lady whose legacy enabled the cafe to be built.

Puppy Parlour Fund

The fund was used to modernise part of an existing building used specifically to accommodate puppies and their mothers.

Scent Garden Fund

Monies received and spent to construct a Scent Garden at the centre.

Paddock Refurbishment Fund

This fund is to upgrade and fully modernise the secure exercise paddock used by our resident dogs with staff or volunteer handlers, dividing it into two separate areas and including the addition of agility and climbing apparatus to further stimulate and challenge the dogs, as well as to assess and/or advise on dog behaviour (with existing owners if applicable). Some fund-raising events can also be held within the paddock.

The £7,500 from Battersea Dogs and Cats Home in the prior year was to provide an exercise area behind the stray block, and the £10,000 from the Jean Sainsbury Animal Welfare Trust was an additional amount for the drainage and refurbishing of the paddocks and for the equipment.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 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 2020	Incoming resources	Movement in funds			Balance at 31 December 2020
			Resources expended	Transfers - fund income	Transfers - asset costs	
	£	£	£	£	£	£
Hafod development fund	-	-	(9,198)	203,217	(28,389)	165,630
	<u>-</u>	<u>-</u>	<u>(9,198)</u>	<u>203,217</u>	<u>(28,389)</u>	<u>165,630</u>

The Wells-Kendrew legacy included a property with a large indoor arena, stabling and 35 acres of land which we propose to use for rescued horses, ponies and donkeys. In 2020 the balance of the legacy income from this Estate of £203,217, excluding the property, has been designated to develop the indoor arena and site at Hafod Barn. Further details of this legacy are included in note 3.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:							
Tangible assets	1,070,857	-	75,731	1,146,588	624,867	94,570	719,437
Investments	660,315	-	-	660,315	-	-	-
Current assets/(liabilities)	80,145	165,630	29,298	275,073	879,994	20,433	900,427
Long term liabilities	(99,773)	-	-	(99,773)	(103,048)	-	(103,048)
	<u>1,711,544</u>	<u>165,630</u>	<u>105,029</u>	<u>1,982,203</u>	<u>1,401,813</u>	<u>115,003</u>	<u>1,516,816</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22 Operating lease commitments

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

	2020 £	2019 £
Within one year	46,176	51,453
Between two and five years	47,920	80,943
In over five years	1,455	10,308
	<u>95,551</u>	<u>142,704</u>

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>64,661</u>	<u>74,165</u>

Included in the above figure is a salary of £21,153 (2019: £23,572) paid to Nicky Owen, who is the daughter of Anne and Neill Owen, trustees of the charity.

Transactions with related parties

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

	Services received - cost		Services provided - income	
	2020 £	2019 £	2020 £	2019 £
Entities with control, joint control or significant influence over the company	399	4,839	205	1,360
	<u>399</u>	<u>4,839</u>	<u>205</u>	<u>1,360</u>

The transactions above are with Maes Gwyn Boarding Kennels, an entity related through Anne and Neill Owen, trustees of the charity. Services received above relate to amounts payable for the provision of a water supply, staff and other charges. Services provided to Maes Gwyn Boarding Kennels include the supply of animal food, advertising and vet services.

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2020 £	2019 £
Entities with control, joint control or significant influence over the company	-	6,400
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2020		Amounts owed by related parties 2019	
	Balance £	Net £	Balance £	Net £
Entities with control, joint control or significant influence over the company	348	348	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

24 Cash generated from operations

	2020 £	2019 £
Surplus for the year	465,387	512,006
Adjustments for:		
Investment income recognised in statement of financial activities	(203)	(665)
Depreciation and impairment of tangible fixed assets	58,738	59,293
Non cash based gift of assets on Abandoned Animals merger	(456,072)	-
Movements in working capital:		
(Increase) in stocks	(6,165)	(842)
Decrease/(increase) in debtors	255	(655,731)
(Decrease)/increase in creditors	(17,774)	3,163
Cash generated from/(absorbed by) operations	<u> </u>	<u> </u>
	<u>44,166</u>	<u>(82,776)</u>

NORTH CLWYD ANIMAL RESCUE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

25 Analysis of changes in net funds

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	141,424	183,616	325,040
Loans falling due within one year	(36,614)	-	(36,614)
Loans falling due after more than one year	(103,048)	3,275	(99,773)
	<u>1,762</u>	<u>186,891</u>	<u>188,653</u>

26 Subsidiary entities

On 11 January 2020 the shares of two non-trading subsidiary companies were passed to the charity as part of the Wells-Kendrew legacy. The combined assets and liabilities of these wholly owned subsidiaries and adjustments to fair value are as follows.

	Book Value	Adjustments	Fair Value
	£	£	£
Freehold property	328,740	261,260	590,000
Plant and equipment	93	(93)	-
Stock	200	(200)	-
Cash and cash equivalents	172,702	-	172,702
Trade and other payables	(2,750)	-	(2,750)
	<u>498,985</u>	<u>260,967</u>	<u>759,952</u>
Total identifiable net assets			
Payments to the charity post transfer			(100,000)
Carrying value of investment in subsidiaries			<u>659,952</u>