

Charity registration number: 1153737

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

Annual Report and Financial Statements

for the Year Ended 31 December 2017

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 8
Statement of Trustees' Responsibilities	9
Independent Examiner's Report	10
Statement of Financial Activities	11 to 12
Balance Sheet	13
Notes to the Financial Statements	14 to 25

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Reference and Administrative Details**

<b>Trustees</b>	Mrs S Mawer Mrs A Sellar (resigned 9 May 2018) Mr K Whalley Mrs A Jackson (resigned 20 May 2017) Mrs K Hazelgrave (resigned 28 February 2018) Mr G Smith (appointed 8 August 2017 and resigned 19 June 2018) Ms M Yates (appointed 8 August 2017) Miss C Upton (appointed 8 August 2017) Mr A Eze (appointed 8 August 2017)
<b>Principal Office</b>	The Wainwright Shelter Kapellan Grayrigg Nr Kendal Cumbria LA8 9BS  The charity is incorporated in England.
<b>Charity Registration Number</b>	1153737
<b>Solicitors</b>	Thomson Hayton Winkley 114-116 Stricklandgate Kendal LA9 4QA
<b>Bankers</b>	Charities Aid Foundation 25 Kings Hill West Malling Kent ME19 4TA
<b>Independent Examiner</b>	Stables Thompson & Briscoe Chartered Accountants & Statutory Auditor Lowther House Lowther Street Kendal LA9 4DX

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

The trustees are pleased to present their report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Objectives and activities**

#### ***Objects and aims***

The objects of the charity are:

- (1) to relieve the suffering of stray and unwanted animals that are in need of care and attention and to provide for sick or ill-treated animals;
- (2) to provide and maintain an animal shelter and other facilities for the reception and care of stray and unwanted animals, and to re-home or foster where appropriate; and
- (3) to educate the public in all aspects of animal care and welfare.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Use of volunteers***

Animal Rescue Cumbria greatly values the contribution of the many volunteers who worked with us throughout 2017. Volunteer roles including dog walking, cat and dog cleaning and cat and dog morning routines contributed around 4,609 hours (2016: 4,017 hours) which was essential in helping the staff team to deliver consistently high standards of animal care. Many volunteers were also vital in the delivery of fundraising activities during the year.

### **Achievements and performance**

This section of the report covers achievements and performance for the year to 31 December 2017. During the year the General Manager developed a Strategic Plan which was subsequently adopted by the Trustees.

The 4 strategic priorities identified in the plan for 2018-20 are:

**Priority 1: Care** - for the dogs and cats we take in.

Provide food, shelter, affection, respect and enrichment activities until they can be placed in a forever home which offers all of these things on a permanent basis.

**Priority 2: Communicate** - by continuing with our programme of education promoting responsible cat and dog ownership.

Talk to school groups, community groups, care home residents and individuals and families through a range of different channels.

**Priority 3: Develop** - plans to ensure the resilience and sustainability of Animal Rescue Cumbria.

Find suitable new premises and establish development plans with a supporting Business Plan and Fundraising Strategy. Move existing operations to the new premises to allow for growth and diversification of income streams.

**Priority 4: Invest** - in our team of staff and volunteers through training and inspirational leadership and management. Our success in achieving our strategic goals depends on the continued outstanding performance and contribution of all our team members.

#### **Animal care**

During 2017 123 dogs (2016: 117) and 219 cats (2016: 195) were received into the care of the charity for re-homing into carefully selected homes. Both intake figures follow a general trend of increase in recent years.

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

Animal welfare is at the heart of everything we do. We ensure that whilst in our care, animals live in facilities which offer an environment that is appropriate to their needs and are kept clean and sanitary. We ensure our dogs are able to enjoy exercise and enrichment activities. They get to socialise in off-lead groups, so that they can be walked and exercised with others when they go to their new homes. Cats in our care are given toys to play with, safe areas to climb and view the world, and are regularly groomed and petted by staff and volunteers. We maximise opportunities for our animals to spend time out of the kennel/cattery environment.

We routinely neuter, vaccinate, health check, micro-chip and administer flea/worm treatments to all animals in our care. All cats are also routinely tested for FIV and FeLV. All animals see a veterinary professional within 1 week of arriving at the shelter. Good quality food appropriate for kennel kept dogs and shelter cats is used, as well as food specifically developed for cats and dogs with dietary requirements including overweight animals or those with sensitivity.

We're people focussed too and offer support not only for animals but for their owners as well. We help people whose animals come into care and we also support new owners once the animals are re-homed. An empathetic rehoming service is available to people who are unable to keep their pets and we keep in contact with both previous owners (if requested) and new adopters.

During the year the Animal Care Manager continued work to enhance and expand the programme of care which we offer to cats and dogs whilst in temporary accommodation at our shelter. All the dogs in our care are now fed through a combination of slow feeding and Kong puzzles. A dog's natural instinct is to hunt and forage for food. It keeps their brain and body active and engaged and really helps kennelled dogs to feel happier in their temporary environment. We also play classical music into the kennels and the combined result is calm, quiet kennels. We made some positive changes in our catteries too. Our rigorous cleaning regimes were paired back to avoid the distress which may be caused by the daily removal of familiar smells and bedding. Cats work hard at scent marking their pens and the introduction of a spot cleaning approach ensures that this work is not undone on a daily basis by human intrusion! We also feed the cats in our care using puzzle balls; stimulating them to seek out and claim their meal just as they would if they were stalking prey in the outdoors.

At the start of 2017 we were assessed and delighted to be accepted as full members of the Association of Dogs and Cats Homes (ADCH). The ADCH promotes best practice in animal welfare for dogs and cats and all members adopt and adhere to a Code of Practice. The Code intends to raise standards across the animal rehoming sector and to reinforce professional credibility and confidence in ADCH members individually and collectively as 'trusted providers'. ADCH hold an annual conference which, for 2017, had an ambitious agenda over 2 full days aimed at further developing ADCH member services, bringing members closer together, creating shared learning and partnering opportunities and driving increased communications. Four members of our staff team and one volunteer attended.

### **Community engagement & education**

We met some amazing people from our local community during the year. We are passionate about animal welfare and are keen to share our knowledge and experience with people of all different age groups. We visited Stramongate, St. Thomas's and Heron Hill Primary Schools and we were welcomed at Kendal Unitarian Chapel by Brother Sean who conducted a pet service! We went along to a Young Farmers meeting and the Westmorland County Show and we visited local care homes with some of our animals for therapy sessions with their residents.

We also welcomed lots of school and college students for work placements throughout the year.

Our charity has a good following in the local community and some further afield too. We use our website, social media and the press to communicate with our users and increase their numbers. We launched a new website early in 2017 which is user friendly and attractive to our users. We've added content for potential adopters which informs and prepares them for pet ownership as well as an adoption enquiry form which can be completed and submitted online.

## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Trustees' Report**

We use Social Media to reach out to our users and pass on our knowledge and keep them updated on the achievements of our charity. Our Facebook page is particularly active with posts/links/videos/images and at the end of 2017 the number of followers of our page had increased from just over 7,500 to 10,000.

The charity website: [www.animalrescucumbria.co.uk](http://www.animalrescucumbria.co.uk)

and email address for public use: [enquiries@animalrescucumbria.co.uk](mailto:enquiries@animalrescucumbria.co.uk)

### **Fundraising**

During the year we held 2 seasonal Open Days (Easter and Halloween) and in September we held the annual Family Fun Day which was in Kendal at Abbot Hall Park; hugely successful once again with over 800 people turning out to support us and join in the fun.

We took part in the Cross Bay Walk and the Kendal Torchlight Carnival and Street Party. We held street collections in Ambleside, Keswick, Bowness and Kendal and took our buckets along to Booths in Windermere, ASDA in Kendal, and of course Pets at Home who continue to support us through their charity partner scheme.

Pupils of St Thomas's C of E Primary School held a cake stall for us and the Young Interpreters Group at Kirkbie Kendal School crafted cotton tote bags to sell to raise funds. We also received another significant donation from the Wainwright Society from sales of David Johnson's "Encounters with Wainwright" book which has been very popular. With the help of one of our Trustees we've ventured into fundraising trading with the 'Preloved for Pets' shop which operates from a cabin in our car park. And not forgetting our Coffee Morning at Kendal Town Hall and the brave volunteer who took the plunge and completed The Great North Swim!

Once again we've had fantastic support from local businesses too. The White Hart in Kendal hosted the annual Quiz Night and the Yorkshire Building Society covered the cost of new commercial event equipment. The Groom Room, in the Kendal Pets at Home store, treated many of the dogs in our care to a pamper session and Bennett Engineering manufactured and fit new trap doors for our kennel runs all without charge. Peter George Banks Jewellers held a Charity Evening and many other businesses have supported us financially or donated professional services, equipment, materials, advice and expertise and many have displayed our collection boxes.

Net income from fundraising activities in 2017 was £12,451 (2016 £14,244). The reduction in net income is due to an increase in investment in promotional equipment and materials.

All the support received is much needed and enables our charity to keep doing the work we do.

Income from donations increased by 20% in the year and trustees would like to thank everyone who contributed. We don't charge an adoption fee for animals but we do rely on donations which are often made when animals come into care and when they are adopted. Without such donations, we wouldn't be able to continue to help people and animals as we do now. The charity continues to make people aware that it stopped receiving royalties from the sale of Alfred Wainwright's books after his death in 1991. It is a commonly held misconception that all royalties come to the charity.

The trustees and staff remain always grateful to all those who remember Animal Rescue Cumbria in their wills. Legacy income is a fluctuating and unpredictable source of income and we are genuinely moved when people remember the charity in this way.

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

### **Financial review**

Income increased to £527,785 from £417,315 last year, largely due to more legacies received in the year. Donations were up by £13,187 and investment income increased by £3,927. The charity received £4,241 (2016 £3,947) from the Petplan insurance scheme as part of its continuing promotion of responsible pet ownership.

Expenditure increased to £201,351 from £181,948 last year. Part of the increase is due to staff cost with a full year of the new management team which was recruited part way through 2016 and also the creation of a Shelter Administrator post. The cost of animal care increased mainly due to the increase in animal numbers in care. And finally, there was expenditure on professional fees as the charity continued optioneering and investigative work as part of the options appraisal for our future development.

The gain on investments was £96,104 compared with a gain of £179,190 in 2016. This is mainly due to the stock market valuations.

The Net Movement of Funds for the year showed an increase £422,538 which is essentially attributable to an operating gain for the year due to legacy income, and investment gains.

### ***Policy on reserves***

The main features of the charitable company's reserves policy are as follows:

- the need for reserves will vary depending on the charity's financial position and continuous assessment of the many risks the charity faces at a particular time;
- the reserves will be assessed as part of the charity's mid-range planning process and the need to build reserves will also be taken into account in the annual planning and budgeting process;
- reserves exist either to provide short term protection against downward fluctuations in annual revenues or capital receipts – or to provide long term strategic financial support and development; and
- the reserves policy balances the need to build up long term reserves against the need for short term spending on core activities.

The current priority for the unrestricted general funds of Animal Rescue Cumbria is for the acquisition and development of new premises. Trustees have identified an urgent need to improve the animal accommodation and the overall presentation and welcome of facilities including increasing public access which is currently by appointment only. The current site poses many restrictions on activities and presents a number of business needs/deficiencies. Through a process of optioneering and detailed business planning trustees have identified property acquisition is a requirement.

The charity has been fortunate to receive substantial legacy income in recent years. Closing reserves at 31 December 2017 were just over £3m of which £2.7m were unrestricted. Trustees have not fixed a budget for acquisition and development of premises however they have agreed they wish to retain circa £1m in reserves (including the restricted endowment fund) in order to provide protection against downward fluctuations in annual revenues. Once a property has been acquired and subsequent developments are completed the priorities for unrestricted reserves of Animal Rescue Cumbria will be extended to include capital renewal funds for the premises.

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

### ***Investment policy and objectives***

The charity investments are intended to provide an income which, together with the capital, can be used to finance the long term running of the charity. The trustees recognise the risk associated with investment in mainstream financial markets and accept this risk in return for the prospect of additional returns over longer periods of time. Therefore, we wish to remain largely invested at all times, subject to cash reserves being held as part of the investment management process and to cover liabilities. The investments are well diversified and incorporate a range of assets including fixed interest stocks, UK shares and overseas shares. Although capital appreciation is not a primary objective, taking one year with another and excluding capital withdrawals, both the income and the capital value of the fund should increase in line with inflation. The total return is monitored against an appropriate index and the funds are fully benchmarked within the charity sector.

The investment policy is implemented by Rathbone Investment Management.

### **Plans for future periods**

At the start of 2018 trustees of Animal Rescue Cumbria adopted a Strategic Plan to cover 3 years from 2018 to 2020 which encompasses the charity's four strategic priorities; Care, Communicate, Develop and Invest.

The main priority for 2018 is to deliver a robust Business Plan to support capital developments for the charity. Over the past 18 months Trustees of Animal Rescue Cumbria have gone through a process of strategic planning and optioneering in relation to capital investment in the land, buildings and facilities which the charity holds as assets in pursuit of its main charitable objectives. Trustees have identified an urgent need to improve the animal accommodation and the overall presentation and welcome of facilities including increasing public access which is currently by appointment only. The charity's business model also requires testing in terms of risk and future resilience. Animal Rescue Cumbria currently funds its operations through a combination of donations, investment income, fundraising activities and legacy income. The charity currently generates an annual operational deficit of circa £60k (excluding legacy income) and aims to reduce this going forward.

The purpose of the Business Plan is to consider the future use of the charity's assets in achieving its charitable objectives. All options considered by the Trustees in relation to long term financial sustainability will be detailed, including analyses of income diversification possibilities. The charity has been fortunate to receive substantial legacy income in recent years. Closing reserves at 31 December 2017 were just over £3m of which £2.6m were unrestricted; equivalent to over 15 years' annual ordinary income. The Trustees accept that there are considerable constraints in running the charity at the present premises at Kapellan, and that the charity should seek to acquire and develop new premises, with a maximum investment of £2 million from reserves.

The Business Plan will also demonstrate the due diligence undertaken by the charity in considering a property acquisition in order to meet business needs. The desired outcome of the plan is to produce a new overarching business model that questions all previous assumptions about operations and activities, income and expenditure. Any new activities will be fully embedded in the charity's broader business model. The model will inform development plans plus essential and desirable requirements from new premises.

The development of the Business Plan will complete the first stage in an exciting new chapter for the charity. It is hoped a move to new premises will be achieved in the next 2 years.

### **Structure, governance and management**

#### ***Nature of governing document***

Animal Rescue Cumbria (the charity) is a charitable incorporated organisation (CIO) and is registered as a charity with the Charity Commission.



# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

### ***Recruitment and appointment of trustees***

As set out in the constitution, there shall be at least three trustees. Every trustee will be appointed for a term of three years by a resolution of the trustees passed at a properly convened meeting called under part 10 of the constitution document.

In selecting persons to be appointed, the trustees shall take into account the benefits of appointing a person who through residence, occupation, employment or otherwise has special knowledge of the area of benefit or who is otherwise able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or the management of the charity.

If for any reason trustees cannot be appointed in accordance with the foregoing provisions, the statutory power of appointing new or additional trustees shall be exercisable.

The trustees who have served during the year and since the year end are shown in the Reference and Administrative Details on page 1.

### ***Organisational structure***

The charity is administered and managed by the trustees. The trustees meet on a regular basis to manage such areas as risk, development, employment and all aspects of finance. Trustees appoint a full time General Manager to take overall responsibility for the management of the charity. Responsibility for the day to day animal care operations is delegated to the Animal Care Manager with assistance from a small and dedicated team of animal carers. New homes are sought for all animals and great care is taken to match the potential new owners to the right animal. The charity's first priority is always to the animal, which may already have had to overcome many difficulties before finding itself in our care.

### ***Risk management***

All significant activities undertaken are subject to a risk review as part of the initial project assessment and implementation. Major risks are identified and ranked in terms of their potential impact and likelihood. Major risks, for this purpose, are those that may have a significant effect on:

- Operational performance, including risks to staff, volunteers and visitors;
- Achievement of aims and objectives; or
- Meeting the expectations of beneficiaries or supporters.

The trustees review these risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by insurance. The following framework is central to ensuring adequate risk management:

- Regular monitoring of major risks;
- Embedding risk identification and assessment within operating procedures;
- A clear structure of delegated authority and control; and
- Maintaining reserves in line with set policies.

In assessing risk, the trustees recognise that some areas of work require the acceptance and management of risk if key objectives are to be achieved. The trustees have reviewed the major risks to which the charitable company is exposed and identified control and mitigation procedures, under the headings of:

- Governance;
- Operational;
- Financial;
- Environmental; and
- Compliance.

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Trustees' Report**

### **Financial instruments**

#### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments.

#### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in investment income due to market conditions over time. This is mitigated by the investments being managed by professional investment managers.

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables, however these are generally low risk as most of these relate to gift aid reclaims.

The annual report was approved by the trustees of the charity on 22 October 2018 and signed on its behalf by:

.....  
Mr K Whalley  
Trustee

## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Statement of Trustees' Responsibilities**

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

The law applicable to charities in England & 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 its incoming resources and application of resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 proper 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. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 22 October 2018 and signed on its behalf by:

.....  
Mr K Whalley  
Trustee

## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Independent Examiner's Report to the trustees of Animal Rescue Cumbria (The Wainwright Shelter) CIO**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2017 which are set out on pages 11 to 25.

#### **Responsibilities and basis of report**

As the charity's trustees of Animal Rescue Cumbria (The Wainwright Shelter) CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

#### **Independent examiner's statement**

Since Animal Rescue Cumbria (The Wainwright Shelter) CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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

.....  
Helen Holmes BSc FCA  
ICAEW

Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date:.....

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Statement of Financial Activities for the Year Ended 31 December 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	442,744	4,000	-	446,744
Other trading activities	4	19,548	-	-	19,548
Investment income	5	61,493	-	-	61,493
Total income		<u>523,785</u>	<u>4,000</u>	<u>-</u>	<u>527,785</u>
<b>Expenditure on:</b>					
Raising funds	6	(10,086)	-	(1,711)	(11,797)
Charitable activities	7	<u>(189,554)</u>	<u>-</u>	<u>-</u>	<u>(189,554)</u>
Total expenditure		(199,640)	-	(1,711)	(201,351)
Gains/losses on investment assets		<u>80,090</u>	<u>-</u>	<u>16,014</u>	<u>96,104</u>
Net income		<u>404,235</u>	<u>4,000</u>	<u>14,303</u>	<u>422,538</u>
Net movement in funds		404,235	4,000	14,303	422,538
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>2,283,472</u>	<u>-</u>	<u>362,054</u>	<u>2,645,526</u>
Total funds carried forward	20	<u><u>2,687,707</u></u>	<u><u>4,000</u></u>	<u><u>376,357</u></u>	<u><u>3,068,064</u></u>

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Statement of Financial Activities for the Year Ended 31 December 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Endowment funds £	Total 2016 £
<b>2016 Comparatives</b>	<b>Note</b>			
<b>Income and Endowments from:</b>				
Donations and legacies	3	340,194	-	340,194
Other trading activities	4	19,555	-	19,555
Investment income	5	<u>57,566</u>	<u>-</u>	<u>57,566</u>
Total income		<u>417,315</u>	<u>-</u>	<u>417,315</u>
<b>Expenditure on:</b>				
Raising funds	6	(8,062)	(1,623)	(9,685)
Charitable activities	7	<u>(172,263)</u>	<u>-</u>	<u>(172,263)</u>
Total expenditure		<u>(180,325)</u>	<u>(1,623)</u>	<u>(181,948)</u>
Gains/losses on investment assets		<u>152,422</u>	<u>26,768</u>	<u>179,190</u>
Net income		<u>389,412</u>	<u>25,145</u>	<u>414,557</u>
Net movement in funds		389,412	25,145	414,557
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,894,060</u>	<u>336,909</u>	<u>2,230,969</u>
Total funds carried forward	20	<u><u>2,283,472</u></u>	<u><u>362,054</u></u>	<u><u>2,645,526</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2016 is shown in note 20.

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## (Registration number: ) Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	14	275,700	279,073
Investments	15	<u>1,929,888</u>	<u>1,889,888</u>
		<u>2,205,588</u>	<u>2,168,961</u>
<b>Current assets</b>			
Stocks	16	3,158	-
Debtors	17	12,962	14,915
Cash at bank and in hand		<u>853,969</u>	<u>477,734</u>
		870,089	492,649
<b>Creditors: Amounts falling due within one year</b>	18	<u>(7,613)</u>	<u>(16,084)</u>
<b>Net current assets</b>		<u>862,476</u>	<u>476,565</u>
<b>Net assets</b>		<u>3,068,064</u>	<u>2,645,526</u>
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		376,357	362,054
<b>Restricted funds</b>		4,000	-
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,687,707</u>	<u>2,283,472</u>
<b>Total funds</b>	20	<u>3,068,064</u>	<u>2,645,526</u>

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on 22 October 2018 and signed on their behalf by:

.....  
Mr K Whalley  
Trustee

# **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

## **Notes to the Financial Statements for the Year Ended 31 December 2017**

### **1 Charity status**

The charity is a Charitable Incorporated Organisation (CIO) - Foundation registered with the Charity Commission.

The principal place of business is:

The Wainwright Shelter

Kapellan

Grayrigg

Nr Kendal

Cumbria

LA8 9BS

These financial statements were authorised for issue by the trustees on 22 October 2018.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

Animal Rescue Cumbria (The Wainwright Shelter) CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Income and endowments**

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



## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Notes to the Financial Statements for the Year Ended 31 December 2017**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Notes to the Financial Statements for the Year Ended 31 December 2017**

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land	is not depreciated
Freehold buildings	2% reducing balance
Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Animal Rescue Cumbria (The Wainwright Shelter) CIO**

### **Notes to the Financial Statements for the Year Ended 31 December 2017**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The permanent endowment funds represent amounts given by Alfred Wainwright in the years up to 1992, to create a permanent endowment fund which have been invested to create a secure financial base for the charity in the future.

Income on the endowment fund is credited to the general fund on receipt.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Animal Rescue Cumbria (The Wainwright Shelter) CIO

### Notes to the Financial Statements for the Year Ended 31 December 2017

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and legacies;				
Donations from individuals	76,041	1,000	77,041	63,854
Legacies	359,703	-	359,703	266,990
Grants, including capital grants;				
Grants from other charities	7,000	3,000	10,000	9,350
	<u>442,744</u>	<u>4,000</u>	<u>446,744</u>	<u>340,194</u>

### 4 Income from other trading activities

	Unrestricted funds		
	General £	Total 2017 £	Total 2016 £
Trading income;			
Petplan	4,241	4,241	3,947
Shop sales	1,592	1,592	-
Events income;			
Fundraising	13,715	13,715	15,608
	19,548	19,548	19,555

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Income from dividends;			
Dividends receivable from group undertakings	59,515	59,515	55,423
Dividends receivable from other unlisted investments	768	768	1,129
Interest receivable and similar income;			
Interest receivable on bank deposits	1,210	1,210	1,014
	<u>61,493</u>	<u>61,493</u>	<u>57,566</u>

### 6 Expenditure on raising funds

	Direct costs	Total	Total
	£	2017	2016
		£	£
Costs of trading activities	496	496	-
Investment management costs	8,942	8,942	8,321
Fundraising costs	2,359	2,359	1,364
	<u>11,797</u>	<u>11,797</u>	<u>9,685</u>

#### a) Investment management costs

	Unrestricted funds	Endowment funds		
	General	Permanent	Total	Total
	£	£	2017	2016
			£	£
Other investment management costs;				
Other portfolio management costs	7,231	1,711	8,942	8,321
	<u>7,231</u>	<u>1,711</u>	<u>8,942</u>	<u>8,321</u>

## Animal Rescue Cumbria (The Wainwright Shelter) CIO

### Notes to the Financial Statements for the Year Ended 31 December 2017

#### 7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total 2017 £	Total 2016 £
Staff costs	90,880	30,309	121,189	95,174
Rates and water	3,756	-	3,756	1,772
Insurance	1,629	-	1,629	1,498
Telephone	-	-	-	569
Postage and stationery	-	2,703	2,703	2,700
Advertising	-	1,580	1,580	1,585
Repairs and renewals	5,710	-	5,710	10,774
Care of animals	35,109	-	35,109	37,220
Motor expenses	1,632	-	1,632	1,729
Payroll fees	-	2,361	2,361	225
Depreciation	5,280	-	5,280	5,484
Credit card charges	-	415	415	339
Staff training	1,808	-	1,808	-
Sundry expenses	652	-	652	-
	<u>146,456</u>	<u>37,368</u>	<u>183,824</u>	<u>159,069</u>

£183,824 (2016 - £159,069) of the above expenditure was attributable to unrestricted funds and £Nil (2016 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £5,730 (2016 - £13,194) which relate directly to charitable activities. See note 8 for further details.

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds  General £	Total 2017 £	Total 2016 £
Staff costs			
Wages and salaries	-	-	6,029
Independent examiner fees			
Examination of the financial statements	730	730	630
Solicitors fees	638	638	456
Legal and professional fees	4,362	4,362	6,079
	<u>5,730</u>	<u>5,730</u>	<u>13,194</u>

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2017 £	2016 £
Depreciation of fixed assets	<u>5,280</u>	<u>5,484</u>

### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

In 2016 one trustee received fees for book keeping and secretarial services amounting to £6,029.

### 11 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
<b>Staff costs during the year were:</b>		
Wages and salaries	116,193	98,718
Social security costs	4,599	2,351
Pension costs	<u>396</u>	<u>134</u>
	<u>121,188</u>	<u>101,203</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Full time	3	2
Part time	<u>8</u>	<u>9</u>
	<u>11</u>	<u>11</u>

3 (2016 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

### 12 Independent examiner's remuneration

	2017 £	2016 £
Examination of the financial statements	<u>730</u>	<u>630</u>

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2017	293,168	770	2,344	296,282
Additions	-	1,907	-	1,907
At 31 December 2017	293,168	2,677	2,344	298,189
<b>Depreciation</b>				
At 1 January 2017	15,477	376	1,356	17,209
Charge for the year	4,954	79	247	5,280
At 31 December 2017	20,431	455	1,603	22,489
<b>Net book value</b>				
At 31 December 2017	272,737	2,222	741	275,700
At 31 December 2016	277,691	394	988	279,073

### 15 Fixed asset investments

	2017 £	2016 £
Other investments	1,929,888	1,889,888

### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2017	1,789,888	100,000	1,889,888
Revaluation	105,122	-	105,122
Additions	78,398	-	78,398
Disposals	(143,520)	-	(143,520)
At 31 December 2017	1,829,888	100,000	1,929,888
<b>Net book value</b>			
At 31 December 2017	1,829,888	100,000	1,929,888
At 31 December 2016	1,789,888	100,000	1,889,888



# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 16 Stock

	2017 £	2016 £
Stocks	<u>3,158</u>	<u>-</u>

### 17 Debtors

	2017 £	2016 £
Trade debtors	12,602	14,915
Prepayments	<u>360</u>	<u>-</u>
	<u>12,962</u>	<u>14,915</u>

### 18 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	5,016	2,880
Other creditors	1,897	12,334
Accruals	<u>700</u>	<u>870</u>
	<u>7,613</u>	<u>16,084</u>

### 19 Pension and other schemes

#### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £396 (2016 - £134).

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 20 Funds

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2017 £
<b>Unrestricted funds</b>						
<i>General</i>						
General fund	476,565	523,785	(194,360)	52,486	-	858,476
<i>Designated</i>						
Fixed assets	279,073	-	(5,280)	1,907	-	275,700
Unrestricted investments	<u>1,527,834</u>	<u>-</u>	<u>-</u>	<u>(54,393)</u>	<u>80,090</u>	<u>1,553,531</u>
	<u>1,806,907</u>	<u>-</u>	<u>(5,280)</u>	<u>(52,486)</u>	<u>80,090</u>	<u>1,829,231</u>
<b>Total unrestricted funds</b>	2,283,472	523,785	(199,640)	-	80,090	2,687,707
<b>Restricted funds</b>						
Restricted capital project	-	4,000	-	-	-	4,000
<b>Endowment funds</b>						
<i>Permanent</i>						
Permanent endowment	<u>362,054</u>	<u>-</u>	<u>(1,711)</u>	<u>-</u>	<u>16,014</u>	<u>376,357</u>
<b>Total funds</b>	<u>2,645,526</u>	<u>527,785</u>	<u>(201,351)</u>	<u>-</u>	<u>96,104</u>	<u>3,068,064</u>
	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2016 £
<b>Unrestricted funds</b>						
<i>General</i>						
General fund	175,982	417,315	(174,841)	58,109	-	476,565
<i>Designated</i>						
Fixed assets	284,557	-	(5,484)	-	-	279,073
Unrestricted investments	<u>1,433,521</u>	<u>-</u>	<u>-</u>	<u>(58,109)</u>	<u>152,422</u>	<u>1,527,834</u>
	<u>1,718,078</u>	<u>-</u>	<u>(5,484)</u>	<u>(58,109)</u>	<u>152,422</u>	<u>1,806,907</u>
<b>Total unrestricted funds</b>	1,894,060	417,315	(180,325)	-	152,422	2,283,472
<b>Endowment funds</b>						
<i>Permanent</i>						
Permanent endowment	<u>336,909</u>	<u>-</u>	<u>(1,623)</u>	<u>-</u>	<u>26,768</u>	<u>362,054</u>
<b>Total funds</b>	<u>2,230,969</u>	<u>417,315</u>	<u>(181,948)</u>	<u>-</u>	<u>179,190</u>	<u>2,645,526</u>

# Animal Rescue Cumbria (The Wainwright Shelter) CIO

## Notes to the Financial Statements for the Year Ended 31 December 2017

### 21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Endowment funds	Total funds
	General £	Designated £	£	Permanent £	£
Tangible fixed assets	-	275,700	-	-	275,700
Fixed asset investments	-	1,553,531	-	376,357	1,929,888
Current assets	866,089	-	4,000	-	870,089
Current liabilities	(7,613)	-	-	-	(7,613)
Total net assets	<u>858,476</u>	<u>1,829,231</u>	<u>4,000</u>	<u>376,357</u>	<u>3,068,064</u>