

Charity registration number: 1153737

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Annual Report and Financial Statements

for the Year Ended 31 December 2018

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

Animal Rescue Cumbria (The Wainwright Shelter) CIO

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Animal Rescue Cumbria (The Wainwright Shelter) CIO

Reference and Administrative Details

Trustees	Mr K Whalley Mrs S Mawer Ms M Yates Miss C Upton Mr A Eze Mrs M A Hargreave
Senior Management Team	K Stazaker, General Manager R Knowles, Animal Care Manager
Principal Office	The Wainwright Shelter Kapellan Grayrigg Nr Kendal Cumbria LA8 9BS The charity is incorporated in England.
Charity Registration Number	1153737
Solicitors	Thomson Hayton Winkley 114-116 Stricklandgate Kendal LA9 4QA
Bankers	Charities Aid Foundation 25 Kings Hill West Malling Kent ME19 4TA
Independent Examiner	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 2018. 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).

Trustees

Mr K Whalley

Mrs S Mawer

Mrs A Sellar (resigned 9 May 2018)

Mrs K Hazelgrave (resigned 28 February 2018)

Mr G Smith (resigned 19 June 2018)

Ms M Yates

Miss C Upton

Mr A Eze

Mrs M A Hargreave (appointed 14 May 2019)

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 2018. Volunteer roles including dog walking, cat and dog cleaning and cat and dog morning routines contributed around 4,775 hours (2017: 4,610 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 2018. 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.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

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.

The main priority for 2018 was to deliver a robust Business Plan to support capital developments for the charity. 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. 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.

The Business Plan was completed during the year and adopted by the board of trustees. The purpose of the 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 are detailed, including analyses of income diversification possibilities. The plan also demonstrates the due diligence undertaken by the charity in considering a property acquisition in order to meet business needs.

Animal care

During 2018 123 dogs (2017: 123) and 210 cats (2017: 219) were received into the care of the charity for re-homing into carefully selected homes. Cat intake numbers vary quite considerably according to combinations of singles and pairs and also numbers of litters of kittens and sizes of litters.

Animal welfare is at the heart of everything we do. We firmly believe that every animal deserves to live its life free from distress and pain; and enjoy physical and psychological stimulation. There are too many domestic pets being bred, leading to vast numbers of abandoned and unwanted animals being placed into care and we are fully committed to the neutering of animals.

We ensure that whilst in our care, animals live in facilities which are designed and constructed to offer an environment that is appropriate to their needs and 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 offer support for animals and their owners when coming into care and once 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.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

Training programmes are developed for individual dogs aimed at getting them the best chance of being rehomed and to the right home with owners who will continue to work with and understand their needs. All dogs in care are exercised 4 times daily onsite as well as away from our site whenever possible. Cats spend time out of their pens. The conservatory area of the main cattery provides interest and stimulation for our cats, as well as providing them with different spaces to relax and sleep. Both cats and dogs are fed using a combination of puzzle and treat toys rather than bowls which encourages their natural instincts to forage for food. By providing as much physical and psychological stimulation as resources allow our animals are easier to home because their behaviour is more balanced making them attractive to potential adopters. This way we can move animals more quickly through the shelter allowing us to help more animals and people who need their animals to come in.

We continued our membership with the Association of Dogs and Cats Homes (ADCH) for the year. 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 2018, 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 attended.

Community engagement & education

The charity continued with its policy of education in responsible pet ownership, together with spaying and neutering the animals prior to re-homing in as many cases as possible.

Our community-based activities help to raise awareness of the work of the charity and this year we added a social dog walk to our events calendar with local dog owners joining a guided walk over the Helm at Oxenholme. We judged a local fun dog show, visited St Thomas's, Heron Hill and Stramongate Primary Schools and Dallam Boarding School to talk about responsible pet ownership. We also did a presentation to Staveley WI, Staveley Brownies, Kent Lune Division (Rainbows, Brownies and Guides) and held an information point and bucket collection in Kendal town centre in August. Our participation at the Westmorland County Show with Westmorland Veterinary Group and in the Torchlight Carnival in Kendal helps us to engage with thousands of local people and remind them of our work. We were delighted when our float won 'Best Charity' category in the carnival.

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 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 the number of followers of our page continues to steadily increase.

The charity website: www.animalrescuecumbria.co.uk

and email address for public use: enquiries@animalrescuecumbria.co.uk

Fundraising

This year, with the help of volunteers, we held our annual Open Shelter Day at Easter and the Family Fun Day which was in Kendal at Abbot Hall Park in September. The latter is the largest event of our fundraising calendar, and once again it was hugely successful with 950 people turning out to support us and join in the fun. We also took part in the Cross Bay Walk, held a Motown night, did bag packing in Morrisons supermarket and this month we're in the Pets at Home store in Kendal over 4 days to raise funds through their 'Santa Paws' event. We received another significant donation this year from the Wainwright Society from sales of David Johnson's "Encounters with Wainwright" book which has been very popular and is now almost sold out.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

A special mention goes to volunteer Kerry Hazelgrave who, during 2018, organised and delivered a Rock and Roll Bingo evening and a Coffee Morning bringing in much needed funds. Kerry's most notable accomplishment comes from the establishment of the 'Preloved for Pets' shop which she setup in a cabin in the car park at the shelter and opened one day per week throughout most of the year.

Once again we've had fantastic backing from lots of local businesses. We received financial support from Kentdale Jaguar Landrover, Barking Mad and Westmorland Veterinary Group. The Sun Inn at Kirkby Lonsdale are extremely dog friendly and they, with resident dog Charlie, have arranged social dog walks and are selling dog treats in the bar to raise funds. Closer to home the Station Inn at Oxenholme held their annual Dog Show with all proceeds from entries donated to help our animals.

We continue to be well supported by an anonymous local supporter who donates all of our dog food as well as lots of treats. And the Groom Room, in the Kendal Pets at Home store, treated many of the dogs in our care to a pamper session. Many other businesses have supported us financially or donated professional services, equipment, materials, advice and expertise and many have displayed our collection boxes.

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

Net income from fundraising activities in 2018 was £25,075 (2017 £15,307).

Income from donations decreased by 9.7% in the year but there was a one-off donation of £5,000 the year before. 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.

Financial review

Income decreased to £401,312 from £527,785 last year, largely due to lower legacy income received in the year. Donations also decreased by £7,497 and investment income decreased by £2,087. Income from fundraising activities increased by £9,597 due mainly to the launch of a shop on the premises through which donated pet items are sold. The charity received £4,070 (2017 £4,241) from the Petplan insurance scheme as part of its continuing promotion of responsible pet ownership.

Expenditure increased to £226,872 from £201,351 last year. Part of the increase is due to staff cost with a full year of the new shelter administrator post and salary/wage increments across the team. The cost of animal care also increased in the year.

The loss on investments was £108,117 compared with a gain of £96,104 in 2017. This is mainly due to the stock market valuations.

The Net Movement of Funds for the year showed an increase £66,323 which is essentially attributable to an operating gain for the year due to legacy income.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

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 2018 were just over £3m of which £2.8m 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.

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

The completion of the Business Plan marks 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, subject to a suitable property becoming available for acquisition in the locality.

In the meantime plans at the current site include investment in a new cabin from which to operate the pet shop thus enabling it to be open more often and increase turnover. A new play area for the dogs is also being developed with much of the equipment donated by local businesses.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

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.

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.

Induction and training of trustees

Newly appointed Trustees are familiarised with the workings of the charity and its policies through induction training, visits to the shelter and meetings with the Chairman, other Board members and key management. Ongoing training and support for all Trustees is provided through formal and informal briefings from the Chair, the General Manager, third-party specialists or external courses as appropriate.

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.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Trustees' Report

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.

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.

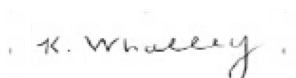
Cash flow risk

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 2019 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.

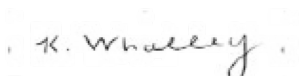
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing these financial 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 2019 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 2018 which are set out on pages 11 to 26.

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

22 October 2019

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Statement of Financial Activities for the Year Ended 31 December 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2018 £
Income and Endowments from:					
Donations and legacies	3	312,761	-	-	312,761
Other trading activities	4	29,145	-	-	29,145
Investment income	5	59,406	-	-	59,406
Total income		401,312	-	-	401,312
Expenditure on:					
Raising funds	6	(13,574)	-	(1,702)	(15,276)
Charitable activities	7	(211,596)	-	-	(211,596)
Total expenditure		(225,170)	-	(1,702)	(226,872)
Gains/losses on investment assets		(77,010)	-	(31,107)	(108,117)
Net income/(expenditure)		99,132	-	(32,809)	66,323
Net movement in funds		99,132	-	(32,809)	66,323
Reconciliation of funds					
Total funds brought forward		2,687,707	4,000	376,357	3,068,064
Total funds carried forward	20	2,786,839	4,000	343,548	3,134,387

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Statement of Financial Activities for the Year Ended 31 December 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2017 Comparatives	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £
Income and Endowments from:					
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>
Expenditure on:					
Raising funds	6	(10,086)	-	(1,711)	(11,797)
Charitable activities	7	(189,554)	-	-	(189,554)
Total expenditure		(199,640)	-	(1,711)	(201,351)
Gains/losses on investment assets		80,090	-	16,014	96,104
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
Reconciliation of funds					
Total funds brought forward		<u>2,283,472</u>	-	362,054	2,645,526
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>

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

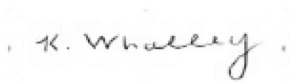
The funds breakdown for 2017 is shown in note 20.

Animal Rescue Cumbria (The Wainwright Shelter) CIO

(Registration number:) Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	14	270,216	275,700
Investments	15	<u>2,327,686</u>	<u>1,929,888</u>
		<u>2,597,902</u>	<u>2,205,588</u>
Current assets			
Stocks	16	10,112	3,158
Debtors	17	25,270	12,962
Cash at bank and in hand		<u>510,104</u>	<u>853,969</u>
		545,486	870,089
Creditors: Amounts falling due within one year	18	<u>(9,001)</u>	<u>(7,613)</u>
Net current assets		<u>536,485</u>	<u>862,476</u>
Net assets		<u>3,134,387</u>	<u>3,068,064</u>
Funds of the charity:			
Endowment funds		343,548	376,357
Restricted funds		4,000	4,000
Unrestricted income funds			
Unrestricted funds		<u>2,786,839</u>	<u>2,687,707</u>
Total funds	20	<u>3,134,387</u>	<u>3,068,064</u>

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on 22 October 2019 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 2018

1 Charity status

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

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 2019.

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 2018

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 2018

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.

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:

Asset class	Depreciation method and rate
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 2018

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 2018

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	Total	Total
	£	2018 £	2017 £
Donations and legacies;			
Donations from individuals	69,544	69,544	77,041
Legacies	235,717	235,717	359,703
Grants, including capital grants;			
Grants from other charities	7,500	7,500	10,000
	<u>312,761</u>	<u>312,761</u>	<u>446,744</u>

4 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2018 £	2017 £
Trading income;			
Petplan	4,070	4,070	4,241
Shop sales	10,219	10,219	1,592
Events income;			
Fundraising	14,856	14,856	13,715
	<u>29,145</u>	<u>29,145</u>	<u>19,548</u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

5 Investment income

	Unrestricted funds	Total 2018	Total 2017
	General £	£	£
Income from dividends;			
Dividends receivable from group undertakings	56,595	56,595	59,515
Dividends receivable from other unlisted investments	2,331	2,331	768
Interest receivable and similar income;			
Interest receivable on bank deposits	480	480	1,210
	<u>59,406</u>	<u>59,406</u>	<u>61,493</u>

6 Expenditure on raising funds

	Direct costs £	Total 2018 £	Total 2017 £
Costs of trading activities	3,189	3,189	496
Investment management costs	8,957	8,957	8,942
Fundraising costs	3,130	3,130	2,359
	<u>15,276</u>	<u>15,276</u>	<u>11,797</u>

a) Investment management costs

	Unrestricted funds	Endowment funds	Total 2018	Total 2017
	General £	Permanent £	£	£
Other investment management costs;				
Other portfolio management costs	7,255	1,702	8,957	8,942
	<u>7,255</u>	<u>1,702</u>	<u>8,957</u>	<u>8,942</u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total 2018 £	Total 2017 £
Staff costs	104,644	34,126	138,770	121,189
Rates and water	7,672	-	7,672	3,756
Insurance	1,730	-	1,730	1,629
Postage and stationery	-	2,304	2,304	2,703
Advertising	-	1,153	1,153	1,580
Repairs and renewals	1,037	-	1,037	5,710
Care of animals	42,218	-	42,218	35,109
Motor expenses	2,714	-	2,714	1,632
Payroll fees	-	2,865	2,865	2,361
Depreciation	5,485	-	5,485	5,280
Finance charges	-	445	445	415
Staff training	1,877	-	1,877	1,808
Sundry expenses	-	863	863	652
	<u>167,377</u>	<u>41,756</u>	<u>209,133</u>	<u>183,824</u>

£209,133 (2017 - £183,824) of the above expenditure was attributable to unrestricted funds and £Nil (2017 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,463 (2017 - £5,730) 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 2018 £	Total 2017 £
Independent examiner fees			
Examination of the financial statements	740	740	730
Trustees remuneration and expenses	193	193	-
Solicitors fees	1,530	1,530	638
Legal and professional fees	-	-	4,362
	<u>2,463</u>	<u>2,463</u>	<u>5,730</u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2018 £	2017 £
Depreciation of fixed assets	<u>5,485</u>	<u>5,280</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 other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	129,501	116,193
Social security costs	8,715	4,599
Pension costs	<u>554</u>	<u>396</u>
	<u>138,770</u>	<u>121,188</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:

	2018 No	2017 No
Full time	4	3
Part time	<u>8</u>	<u>8</u>
	<u>12</u>	<u>11</u>

4 (2017 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

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

The total employee benefits of the key management personnel of the charity were £52,078 (2017 - £Nil).

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

12 Independent examiner's remuneration

	2018 £	2017 £
Examination of the financial statements	740	730
Other fees to examiners		
Taxation compliance services	288	-

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 £
Cost				
At 1 January 2018	366,712	14,596	8,335	389,643
At 31 December 2018	366,712	14,596	8,335	389,643
Depreciation				
At 1 January 2018	93,975	12,374	7,593	113,942
Charge for the year	4,855	444	186	5,485
At 31 December 2018	98,830	12,818	7,779	119,427
Net book value				
At 31 December 2018	267,882	1,778	556	270,216
At 31 December 2017	272,737	2,222	742	275,701

15 Fixed asset investments

	2018 £	2017 £
Other investments	2,327,686	1,929,888

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2018	1,829,888	100,000	1,929,888
Revaluation	(108,117)	-	(108,117)
Additions	197,928	900,000	1,097,928
Disposals	(592,013)	-	(592,013)
At 31 December 2018	<u>1,327,686</u>	<u>1,000,000</u>	<u>2,327,686</u>
Net book value			
At 31 December 2018	<u>1,327,686</u>	<u>1,000,000</u>	<u>2,327,686</u>
At 31 December 2017	<u>1,829,888</u>	<u>100,000</u>	<u>1,929,888</u>

16 Stock

	2018 £	2017 £
Stocks	<u>10,112</u>	<u>3,158</u>

17 Debtors

	2018 £	2017 £
Trade debtors	24,910	12,602
Prepayments	<u>360</u>	<u>360</u>
	<u>25,270</u>	<u>12,962</u>

18 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	3,368	5,016
Other creditors	4,913	1,897
Accruals	<u>720</u>	<u>700</u>
	<u>9,001</u>	<u>7,613</u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

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 £554 (2017 - £396).

20 Funds

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2018 £
Unrestricted funds						
<i>General</i>						
General fund	858,476	401,312	(212,431)	(514,872)	-	532,485
<i>Designated</i>						
Fixed assets	275,700	-	(5,484)	-	-	270,216
Unrestricted investments	<u>1,553,531</u>	<u>-</u>	<u>(7,255)</u>	<u>514,872</u>	<u>(77,010)</u>	<u>1,984,138</u>
	<u>1,829,231</u>	<u>-</u>	<u>(12,739)</u>	<u>514,872</u>	<u>(77,010)</u>	<u>2,254,354</u>
Total unrestricted funds	2,687,707	401,312	(225,170)	-	(77,010)	2,786,839
Restricted funds						
Restricted capital project	4,000	-	-	-	-	4,000
Endowment funds						
<i>Permanent</i>						
Permanent endowment	<u>376,357</u>	<u>-</u>	<u>(1,702)</u>	<u>-</u>	<u>(31,107)</u>	<u>343,548</u>
Total funds	<u>3,068,064</u>	<u>401,312</u>	<u>(226,872)</u>	<u>-</u>	<u>(108,117)</u>	<u>3,134,387</u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2017 £
Unrestricted funds						
<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>
Total unrestricted funds	2,283,472	523,785	(199,640)	-	80,090	2,687,707
Restricted funds						
Restricted capital project	-	4,000	-	-	-	4,000
Endowment funds						
<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>
Total funds	<u><u>2,645,526</u></u>	<u><u>527,785</u></u>	<u><u>(201,351)</u></u>	<u><u>-</u></u>	<u><u>96,104</u></u>	<u><u>3,068,064</u></u>

21 Analysis of net assets between funds

	Unrestricted funds			Endowment funds	Total funds at 31 December 2018 £
	General £	Designated £	Restricted funds £	Permanent £	
Tangible fixed assets	-	270,216	-	-	270,216
Fixed asset investments	-	1,984,138	-	343,548	2,327,686
Current assets	541,486	-	4,000	-	545,486
Current liabilities	<u>(9,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,001)</u>
Total net assets	<u><u>532,485</u></u>	<u><u>2,254,354</u></u>	<u><u>4,000</u></u>	<u><u>343,548</u></u>	<u><u>3,134,387</u></u>

Animal Rescue Cumbria (The Wainwright Shelter) CIO

Notes to the Financial Statements for the Year Ended 31 December 2018

	Unrestricted funds			Endowment funds	Total funds at 31 December 2017
	General £	Designated £	Restricted funds £	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	<u>(7,613)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,613)</u>
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>

22 Related party transactions

There were no related party transactions in the year.