



Trustees' report and accounts 2021







Foreword from the Chair

I'm delighted to share our *Trustees' report and accounts* for 2021 with you.

Once again, 2021 was a year in which we saw the best of our people as they continued to be there for animals in need, despite the continuing pandemic. Against an ever-changing backdrop of lockdowns and restrictions, we kept adapting and innovating, kept safe and kept going. Day after day, our branches in local communities took in animals in desperate need, nurtured them, healed them and found them homes or released them into the wild. They saw the challenges facing animal owners in crisis and reached out to help in wonderfully creative, caring and thoughtful ways. Our Inspectorate continually adapted to the 'new normal', responding to many thousands of calls for help, day after day. And through it all, our fabulous supporters rose to every challenge, enthusiastically getting behind us at every stage, for example raising an amazing £1.17 million in response to our 2021 Christmas appeal.

Our core beliefs drive all of our work, and they are shared by compassionate people everywhere, inspiring and bringing together supporters from incredibly diverse backgrounds to make a real, practical difference to animals' lives.

We believe that:

- all animals deserve a good life
- animals have emotions, feelings and needs
- animals enrich and improve our lives
- all of us can and should help to make animals' lives better.

There are three pillars to our work:

- rescuing and caring for abused and neglected animals
- educating and inspiring people
- changing attitudes, behaviours and laws.

We have always had an important enforcement role too. As part of our strategy, we are reviewing our role as prosecutors and have begun exploring the potential for transferring this responsibility to the Crown Prosecution

In 2021, 15,023 wild animals were admitted to our wildlife centres.


Service and other agencies. Nevertheless, we are currently the primary prosecuting body for animal welfare and we're working with partners to ensure the best possible standards are followed. Since 2017, a review panel of volunteers – legal professionals from a variety of fields who are totally independent of the RSPCA – has examined our casework on a regular basis. They met twice in 2021, as usual, and identified areas of excellence in the way we handled our cases throughout the year, as well as making some useful suggestions about where we could improve. The panel is an incredibly valuable resource to us, helping ensure our prosecution work stands up to robust scrutiny and meets the standards of transparency and accountability expected in today's society.

As we move towards our 200th anniversary year in 2024, we're planning a monumental drive to engage as many people and communities as we can in an array of events, activities and important conversations that will really put humans' relationship with animals centre stage. We'll celebrate our charity's long, impressive history and its many successes, but – more importantly – we'll be focusing on why the RSPCA is still relevant today and will be for generations to come. By actively listening to our supporters, we'll make it possible for every single one of them to get involved in ways that excite and inspire them to do amazing things for animals. The big message we want everyone to be talking about is that animals are a vital part of all our lives and we each have a role to play in ensuring their wellbeing.

I would like to thank the trustees, our Patron, President, Vice-Presidents and Ambassadors, our branches, staff and volunteers for their tireless work and support over the last year. It is a testament to the commitment, drive and resourcefulness of our people – and to the continuing generosity of our wonderful supporters – that we are still making a difference to animals' lives and will continue to do so for many years to come.

After almost 200 years of unflagging achievement and innovation, the RSPCA is powering into its third century with a strong vision that will inspire the million-strong movement for animal welfare that we are beginning to build. Together, there will be no stopping us.

René Olivieri Chair, RSPCA



In 2021, 20,188 cats were taken in by our centres.



Foreword from the Chief Executive

This was a pivotal year for the RSPCA, being the first year of delivery of our bold and ambitious 10-year strategy, *Together for animal welfare*, a strategy that will drive us towards achieving our vision:

'to live in a world where all animals are respected and treated with kindness and compassion'.

As we approach our 200th anniversary in 2024, the strategy will ensure we remain a modern, sustainable, forward-looking and effective organisation that will continue to have a dramatic impact on animal welfare through to 2030 and beyond.

By 2030, our eight bold ambitions* are to:

- reduce cruelty to animals by half
- end illegal sales of puppies and kittens in the UK
- boost farm animal welfare
- end severe suffering for laboratory animals used in research
- secure legal protection for animals through an independent public body
- secure statutory powers for our inspectors to help them rescue animals more quickly
- get the United Nations (UN) on board for animals
- inspire a one-million-strong movement for animal welfare.

*You can read more on page 8.

We know that the key to achieving these ambitions is to work in partnership with others. We'll build on existing connections and forge new ones wherever we can with individuals, communities, businesses and organisations, because we know we're so much stronger together. Harnessing the natural connection people have with animals, we'll mobilise a powerful million-strong movement to advocate for animal welfare through our new community engagement programme. In 2021, we saw this mobilisation already starting to happen, for example with a huge increase in public involvement in our campaigns, such as #EndBSL and #CancelOutCruelty. With over 18 percent more people getting on board than in 2020, carrying out more than 161,000 actions, we know there's a huge compassionate public out there who can and will get behind our drive for changes in attitude and legislation. The 180,000+ active animal lovers in our campaign network in 2021 showed themselves very ready and willing to speak out for animals.

We saw signs of positive legislative change in 2021 too. Working within a coalition of 50 animal welfare charities, we released a report called *Act now for animals*, with 40 recommendations encouraging the UK Government to take a once-in-a-generation opportunity to redefine our relationship with animals, post-Brexit. On the back of that, we were delighted when Defra showed its commitment to animal welfare with its new *Action plan for animals*, in which it set out an ambitious agenda to act on a range of issues, such as banning live exports of animals for fattening and slaughter, legislation on puppy smuggling and increased protections for kept wild animals.

As the pandemic continued in 2021, we responded quickly to the lockdown-driven surge in low-welfare puppy imports, securing

bans on importing very young puppies and on importing dogs with cruelly cropped ears. In a big step forward for animals, we also got a commitment from Westminster to set up an independent Animal Sentience Committee, which will assess the impact on animal welfare of any public policies under consideration. And in a long-awaited victory for animals, the Animal Welfare (Sentencing) Act came into force in 2021, meaning that cruel animal abusers in England and Wales now face prison sentences of up to five years, instead of the previous maximum of only six months.

So many of the animal welfare challenges we face require us to work with international partners, and this is an important strand of our strategy. In 2021, I was proud to be invited to sit on the board of the World Federation for Animals, alongside my counterparts from many of the world's leading animal welfare organisations. Our international activity is framed around the concepts of One Health and One Welfare, which stress the links between the health and wellbeing of humans, other animals and our environment. One of our big ambitions is to see the UN pass a Universal Declaration on Animal Welfare, which will mean encouraging all member states to adopt shared principles around the sentience of animals and our responsibility towards them. As a step towards that goal, in 2021 we worked with other major organisations on a groundbreaking draft resolution on animal welfare to go before the UN Environment Assembly in 2022.

Another of our ambitions is to see – by 2030 – half of all farm animals in the UK reared to the comprehensive welfare-focused standards promoted by our RSPCA Assured food assurance scheme. The work towards that began in 2021 with an independent review of the scheme, which found that it 'has a positive and significant impact on improving the lives of 136 million animals in the UK per year, with the potential to assure more'. This is a strong platform from which to build and we'll be taking on recommendations from the review to extend the scheme to improve more animals' lives than ever before.

At an organisational level, 2021 was the year in which equality, diversity and inclusion were placed firmly on the RSPCA's agenda, with a commitment to being a more inclusive organisation. We introduced recruitment programmes to ensure diversity in our teams and drafted progressive family-friendly policies that will support our people through the most important changes in their lives. It's fair to say that the pandemic has changed the way we work for good – the success of our new 'Hello Hybrid' approach to home/office-based working for many of our desk-working staff removed the need for our headquarters building, which we decided to put on the market.

I'm delighted to say that we saw a phenomenal financial turnaround too, reversing the deficits of the previous three years, which will enable crucial investment in growing our income and funding the vital work to modernise and transform the RSPCA for the future. Our 2021 operating model does not reflect a design that will enable the bold ambitions in our strategy, and it will be through our transformation work that we set about the changes required over transitional years ahead. I'm proud that we kept going through the financial hardship the Society faced and that we can start 2022 on a much firmer footing.

We are justly proud of our values as an organisation, which we relaunched in 2021 and which are demonstrated every single day by our staff, our branches, our supporters and our volunteers. By epitomising those values of compassion, inspiration, commitment, expertise and integrity, I believe they are the proof that together we can – and will – achieve our ambitions.

Chris Sherwood RSPCA Chief Executive

Why the RSPCA matters

As part of the fabric of UK society, the RSPCA is recognised by many people as *the* charity for animals.

It was the first ever animal welfare organisation, formed nearly 200 years ago, at a time when cruelty to animals was part of everyday life. In 1824, a number of inspirational individuals, determined to bring about change, formed what was to become the RSPCA. Their vision went on to inspire a global movement that would continually transform attitudes, shape laws and protect animals' lives over the next 200 years – and beyond.

The RSPCA will always be here for animals. Why? Because animals matter – to us and to our future as a species.

Humans and animals are all part of the same fragile and complex ecosystem. Behaving responsibly towards animals – and indeed towards the planet – is in all our interests, as the world grapples with issues such as the climate emergency, habitat destruction, the risk of zoonotic disease transmission and species erosion. As champions of animal welfare, the RSPCA must be part of the solution to these problems, leading on the science and showing ordinary people, businesses, political leaders and legislators alike the way forward.

Compassion is vital too. We believe that a compassionate society that treats animals with kindness and respect is likely to be a fair and decent one that values all life – and that is something that benefits us all.

As we approach our 200th anniversary in 2024 and prepare to blast into our third century with typical energy and purpose, we are still rescuing, caring for and rehabilitating or rehoming animals in need and doing all we can to ensure people's interactions with animals are compassionate, caring and responsible.

Our vision

is a world where all animals are respected and treated with kindness and compassion.

Our mission

is to ensure animals have a good life by rescuing and caring for those in need, by advocating on behalf of all animals and by inspiring everyone to treat them with compassion and respect.

Our core beliefs

1. All animals deserve a good life
2. Animals' lives are important in themselves
3. Animals have emotions, feelings and needs
4. Animals enrich and improve our lives
5. All of us can and should help to make animals' lives better



Our values

We are **compassionate**:

- we care deeply about the lives of animals
- we have empathy for people
- we act with kindness and consideration at all times.

We are **inspirational**:

- we are life-changing
- we inspire by taking the lead
- we speak up when others don't
- we take brave decisions
- we change animals' lives for the better.

We are **committed**:

- we never give up
- we have energy and determination
- we rescue animals from cruelty and neglect
- we give animals a second chance at life
- we advocate for all animals at risk of harm.

We are **expert**:

- we have expert knowledge, which we willingly share
- we act on the basis of evidence
- we underpin our decisions and actions with science, data and experience.

We have **integrity**:

- we are honest and trustworthy
- we act with integrity
- we do what's right.



138,965 welfare incidents dealt with by our Inspectorate



1,081,018 calls to the RSPCA cruelty line



51,505 complaints of alleged cruelty investigated



25,651 welfare notices and advice given out to improve animal care



460 horses taken in by our centres



7,412 dogs taken in by our centres



20,188 cats taken in by our centres



2,731 rabbits taken in by our centres



15,023 wild animals admitted to our wildlife centres



37,497 animals microchipped



88,994 treatments dispensed (not including neutering)



46,806 animals neutered by the RSPCA family



751 convictions secured in the magistrates' or crown courts for animal welfare offences



350 people convicted for animal welfare offences



Our 2021–2030 strategy: Together for animal welfare

2021 was the foundational year of our bold new 10-year strategy, *Together for animal welfare*.

We're off to a strong start, but there is still much to achieve. Because we are ambitious for animal welfare, because we want to improve the lives of all animals and because our scope of activity is so great, we are determined to keep our priorities in sight and to measure our progress carefully through our performance dashboard. We also want to bring people with us – more and more people than ever before, from all parts of society. With such a groundswell of support and a society-wide shared understanding, we really believe we can make the incredible progress we're aiming to achieve.

Our ambitions

These eight bold ambitions, which will dramatically improve the lives of animals, will drive us through to 2030.

We will...

- 1. Reduce** neglect, abuse and cruelty to companion animals, including exotic animals, in England and Wales by 50 percent
- 2. End** the illegal puppy and kitten trade in the UK
- 3. See** more than half of all UK farm animals reared to RSPCA welfare standards, with more people choosing higher-welfare labels and people eating less meat, fish, eggs and dairy from low-welfare farms
- 4. Secure** a global commitment to developing, validating and accepting non-animal technologies to replace animal experiments and end severe suffering for laboratory animals
- 5. Establish** animal protection as a significant UK Government goal, supported by an Animal Protection Commission – an independent, legally established public body
- 6. Achieve** statutory powers for RSPCA inspectors in England and Wales under the Animal Welfare Act 2006
- 7. Secure** the adoption of a comprehensive Universal Declaration on animal welfare by the United Nations
- 8. Recruit** one million RSPCA animal champions by 2030 to maximise our impact on animal welfare





Ensuring a better life for animals in ‘the new normal’

COVID-19 continued to impact on everyone’s lives during 2021.

We’d moved swiftly to achieve key-worker status for our critical frontline teams early in 2020 so, despite the difficulties we faced in this ‘new normal’, we were still there for animals who needed us in 2021. We continued to rescue, rehabilitate, rehome and release many thousands of animals in need, just as we always have. At the same time, we found new ways of supporting communities, animal owners and our staff and volunteers through times of continuing hardship and unprecedented animal welfare challenges, while keeping up the pressure on policymakers to act to protect animal welfare.

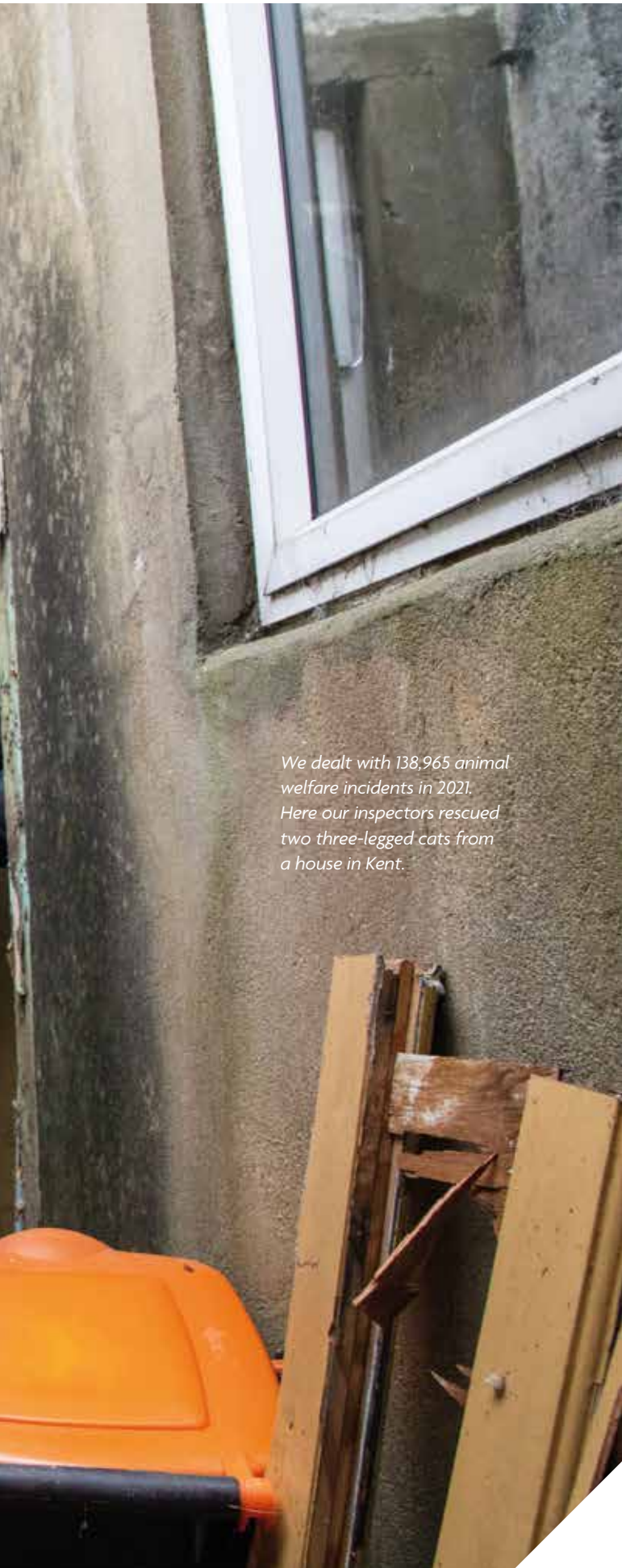
Alarming rise in puppy imports

As well as having to change our ways of working, the pandemic generated its own animal welfare concerns. For example, in response to a sudden huge demand for dogs – particularly puppies – during lockdown, we saw puppy imports from countries like Romania soar by 70 percent in 2021. Our covert teams investigated swiftly, and it was soon clear that organised criminal gangs were exploiting the demand by illegally trafficking puppies bred in poor conditions, often without proper health checks or vaccinations for serious diseases. Sadly, many buyers who thought they were getting much-loved family-bred dogs were in fact buying sick puppies sometimes just a few weeks old. Working with the government in Westminster, we secured a ban during 2021 on imports of puppies under six months old. We also urged prospective puppy owners to adopt, rather than shop, or to use our free *Puppy contract* toolkit to help them buy responsibly.

Practical help for pet owners during COVID

Like so many of her RSPCA colleagues, who all dug deep and found lots of ways to go the extra mile for animals despite COVID pressures, one RSPCA inspector helped make sure pets would not go hungry during the pandemic. The financial impact of the virus hit many pet owners, who struggled to afford food for their beloved pets. Inspired by the vital support to communities provided by food banks, Deputy Chief Inspector Alison Fletcher linked up with 35 food banks in the north of England, from Northumbria to Lancashire (the number has increased to 46 at the time of writing), to stock surplus pet food donated to local RSPCA branches by kind-hearted members of the public and by pet food brands Purina and Hills. At the same time, our inspectors and food bank volunteers were able to signpost people in crisis to get the support they needed to feed themselves, their families and their pets. “We set up this project as we understood what a strain the pandemic was having on people’s finances,” says Alison. “We wanted to ensure that loving pet owners who were struggling to make ends meet could still provide for their pets. The response from food banks across the north of England has been astounding and we have been so grateful for their support and for the support of all those who have donated food so far.”





We dealt with 138,965 animal welfare incidents in 2021. Here our inspectors rescued two three-legged cats from a house in Kent.

Rescue and care

When animals are in need, we're here to help.

Sounds simple enough. But we get about 3,000 calls to our cruelty and advice line every single day, as well as hundreds of interactions via our branches, centres and hospitals. We rescue and care for many thousands of animals every year – many of whom are physically, mentally and emotionally traumatised. In 2021 alone, our field officers were called out around 284,000 times to help animals – that's more than 700 incidents every single day. So, it's not simple at all. We aim to give every one of those animals the best possible chance of a new, safe and happy life. That means ensuring that, from the moment they come into our care, they get the right treatment and support, uniquely tailored to their individual situation. Once we've tended to any physical issues, they may need painstaking and expert rehabilitation, sometimes for many months. Infinite care must be taken to ensure their next move after leaving us will be the right one for them.

In 2021, we continued to adapt the way we worked, in response to fluctuating government guidelines around COVID-19. We were determined to carry on rescuing and caring for those animals who were most in need, but we had to balance that with safety for our teams and the public.

At the start of the year, COVID restrictions meant that people could not visit our centres and our rehoming figures were down. But the all-important rehabilitation work went on, including preparing our teams for an expected post-lockdown increase in workload. We invested in intensive training for staff, focusing on the behavioural needs of cats and dogs in our care. With staff wellbeing also in mind, we introduced special days for our teams during which they could share best practice and the lessons learned from difficult or distressing cases during another tough year.

An avian influenza epidemic hit the wild bird population at the end of 2021 (spreading to farmed birds later). We acted quickly to issue our teams with additional personal protective equipment (PPE) and guidance.

Table 1 RSPCA advice and prosecution statistics for England and Wales

	2021	2020
Telephone calls answered	1,081,018	1,016,455
Complaints of alleged cruelty investigated	51,505	57,848
Welfare improvement advice and notices dispensed	25,651	26,638
Cases reported to the RSPCA Prosecutions Department	642	744
Suspects reported to the RSPCA Prosecutions Department	922	1,045
Defendants convicted (youth offenders)	350 (4)	319 (3)
Convictions secured in the magistrates' or crown court (youth offenders)	751 (6)	629 (4)

Our rescue and care work in detail

AREA	WHAT WE SAID WE'D DO IN 2021	WHAT WE DID
Response	<ul style="list-style-type: none"> ● Improve the ways in which people can access help and reassurance ● Identify/prioritise animals whose welfare we are best placed to improve 	<ul style="list-style-type: none"> ● We answered 1,081,018 calls to our cruelty and advice hotline, 6.4 percent more than in 2020 ● We investigated 51,505 calls about cruelty, abandonment or neglect and dealt with 87,460 incidents involving sick or injured animals ● We piloted new technology at our National Control Centre (NCC) in 2020 that was subsequently introduced in 2021; among other things, it allows callers to share their location and photos ● We achieved an average customer satisfaction score of 7.42 out of a total possible score of nine, following customers' initial calls to our NCC ● We worked with our partners and volunteers to ensure animals got the best care from the right people, so we could focus on those we were best placed to help
Rescue	<ul style="list-style-type: none"> ● Provide effective, high-quality and consistent welfare intervention by our Inspectorate where it is most needed ● Deploy our Inspectorate resources efficiently 	<ul style="list-style-type: none"> ● From January to May, we used a COVID-19 operating model that allowed us to respond to animal welfare needs while also protecting the safety of officers and the public ● We deployed 376 Inspectorate officers to carry out our priority work ● We successfully handed over the investigation and prosecution of all farm animal welfare cases to the Animal and Plant Health Agency ● We introduced a new Inspectorate role, training 22 animal rescue officers (AROs) to support inspectors, undertake complaint investigations and collect sick and injured animals ● As part of the government flood rescue response, our Inspectorate flood teams responded to emergency calls from all over England and Wales during Storm Christoph and rescued animals in peril
Care	<ul style="list-style-type: none"> ● Protect and optimise the welfare of all the animals in our care ● Ensure consistent, timely and expert-led welfare interventions 	<ul style="list-style-type: none"> ● We recruited a new head vet for companion animals ● We sent out our new welfare standards, including an updated licensing agreement, to 11 private boarding establishments that had equines in their care, which will ensure that both RSPCA equine centres and partners' establishments follow the same robust welfare standards ● We began implementing the Practical Welfare Assessment Matrix (P-WAM) for equines in our care at our centres and boarding yards ● We introduced an online adoption process to safely match equines with potential adopters ● As part of our plan to ultimately reduce our use of private boarding establishments for all animals in our care, we began by reducing their use for equines by 15 percent ● We kept our animal hospitals open to the public and animals brought in by our Inspectorate throughout the pandemic, aligning the hospitals' operations with Royal College of Veterinary Surgeons advice
Rehoming and release	<ul style="list-style-type: none"> ● Have clear pathways from in-house care to any partners or rehoming/fosterers who are best placed to improve animals' welfare ● Base initial measures on successful outcomes 	<ul style="list-style-type: none"> ● Our behaviour team continued to prepare advice and practical information for adopters and pet owners ● Our centres and branches rehomed 26,945 animals in need ● We entrusted the care of 4,738 animals to partners or other organisations (including our branches), an increase of 20 percent on 2020 ● In order to continue our rehoming service, we made virtual home visits and allowed appointment-only visits to our centres during COVID-19 restrictions

Table 2 Number of animals taken in, treated, neutered and microchipped by the RSPCA in England and Wales in 2021

Taken in

Cats	Dogs	Wildlife and others	Total 2021	Total 2020
20,188	7,412	32,192	59,792	55,170

Animal treatments: hospitals and clinics (excluding neutering)

Outpatients 36,403	Inpatients 10,626	Operations 2,753
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Neutered

Cats	Dogs	Other animals	Branch animals*	Total 2021	Total 2020
3,330	906	629	41,941	46,806	49,093

Microchipped

Cats	Dogs	Other animals	Branch animals*	Total 2021	Total 2020
3,667	572	718	32,540	37,497	33,197

* Number of animals neutered and microchipped by RSPCA branches

Animal welfare impacts

Many of the changes in 2021 involved realigning our resources to improve our capacity to help more animals. For example:

- with additional veterinary capacity, expertise and experience, we'll be able to deliver on our veterinary strategy, which aims to ensure every animal that comes into our care – including those with complex needs – will receive a consistent standard of care and treatment that will give them the best chance at life
- care plans and welfare assessments ensure the animals in our care – and those being looked after by trusted kennels, catteries and stables – have the best welfare outcomes; they also allow us to track and assess their progress
- the new COVID-driven approaches we adopted for rehoming (virtual home visits and getting-to-know-you sessions with potential adopters for animals with specific needs) actually allowed us to make better matches between animals and adopters.

Tailored care helps Felix and Albert to new lives

Two very traumatised horses in our care for most of 2021 now have happy forever homes, thanks to excellent partnership working, using scientific knowledge and patiently focusing on the individual animals' needs.

When Felix* and Albert* were seized from the same owner in 2020, they both had problems, but their problems weren't the same. There was Felix, a 19-year-old who had been kept tethered and was not used to being outdoors – he was a dream to handle indoors, but was very stressed by open spaces. And then there was Albert, a much younger horse who was aggressive with his handlers and didn't take well to being indoors. Added to this, while their case was pending, their owner refused to consent to castration or to allow them to mix with other horses, which was particularly difficult for feisty Albert.

Using our new Practical Welfare Assessment Matrix (P-WAM) tool, we worked with a behaviourist to look at everything that might be having an impact on Felix and Albert – their environment, their diet, their ability to express natural behaviours, their relationships with people and other horses, their health and overall quality of life. This science-based approach allowed us to come up with individually tailored plans for their care.

Both horses went to one of our trusted boarding stables, where their needs could best be met, and we worked closely with Blue Cross – a charity that cares for sick, injured and abandoned pets – which later continued the behavioural work we'd started.

For Felix, a temporary outdoor 'pen' was created around a tree in a field, using large fencing hurdles to reassure him that he wasn't too exposed to open space. There was a hay net and treat balls for him to play with, and the tree acted as a scratching post. The hurdles were gradually moved outwards over time, allowing Felix to overcome his agoraphobia.

Albert was much happier being outside and was put on a training programme to help him cope with his hormonal changes and get used to handling. Both horses could socialise freely with each other and interact with horses on the other side of the fence.

Originally, the two horses would have been very hard to rehome because of their behavioural problems. But they improved dramatically with this individualised care and were both successfully rehomed by Blue Cross after their case had been concluded. The P-WAM assessment tool is now being used for all equines in RSPCA care and is being rolled out more widely to other animals.

* Horses' names have been changed.

Working in partnership

Ensuring limited resources are used where they are most needed and can do the most good is vital to the success of our 10-year strategy, *Together for animal welfare*. One of the ways in which we will do this is by working in partnership with our network of local branches and with other animal welfare organisations. Here are just a few examples of our partnership working in 2021.

- We linked up with **Battersea**, securing an agreement for our Inspectorate to take animals directly to **Battersea London** for detailed analysis and veterinary treatment. This has given our local teams insights and access to treatment opportunities previously unavailable, freeing up resources for us to increase our reach into local communities. .
- **The Dogs Trust** increased its kennel capacity and reduced the number of dogs in its sites, providing new opportunities for both charities to work together. We worked with the Dogs Trust to explore ways in which we could tap into this resource.
- We worked with **Blue Cross** on a number of joint initiatives, including analysis of opportunities in areas such as procurement, logistics and behaviour services, as well as in rehoming equines.
- We met with **Cat's Protection** to begin exploring collaborative ways of working.
- Through the Second Chance scheme, we were able to place 60 horses into **British Horse Society**-approved riding schools.





One of four Shetland ponies we rehomed after being part of a multi-agency rescue in 2021.

Advocacy

We will always speak up for animals. By campaigning for laws and behaviours that keep them from harm and by leading big conversations about animal welfare and our relationship with animals, we continually drive societal change to protect them.

For almost two centuries, we've championed their needs and spearheaded groundbreaking change on animals' behalf. But there's still so much to do. Our strategy to 2030 has eight bold ambitions to tackle the most urgent animal welfare issues over the coming years. Every year in this decade will see us making more progress against those ambitions and really changing animals' lives for the better.

For example, after around 100 years of tireless campaigning by the RSPCA, 2021 finally saw a government commitment to ban live farm animal exports from England and Wales for further fattening and slaughter. Once this comes into force, no farm animals reared in the UK will ever again suffer the torment of live export for fattening or slaughter.

In a typical year, we can expect to see one or two advances in legislation, but 2021 was a record year for us, with nine pieces of legislation in discussion or agreed in England and Wales. Improvements in 2021 included:

- tougher sentences introduced for animal crimes under the Animal Welfare (Sentencing) Act 2021
- a third-party ban on the sale of puppies in Wales and Scotland
- a GB-wide agreement to raise the minimum age for imported puppies to six months
- an agreement to ban the import of cropped-eared dogs (there has been a 1,243 percent increase in reports to the RSPCA of this cruelty over the past seven years and 10 prosecution cases) and to stop the import of pregnant bitches
- agreements to enshrine the concept of animal sentience in legislation, to set up an independent Animal Protection Committee and to introduce an animal impact test to balance animal welfare issues against public policy considerations
- agreements on animal sanctuary and rescue licensing in Scotland and consultation on measures in England and Wales
- dog theft legislation introduced under the Kept Animals Bill
- an agreement to introduce compulsory microchipping for cats
- an agreement to ban the private keeping of primates (albeit via a licensing system)
- maintenance of the ban on hunting with dogs, with trail hunting now banned on National Trust and National Resources Wales land, and Wales looking at a potential trail-hunting ban on all government land.

As well as legislative change, we encourage a compassionate society by working with the public to promote behaviours that everyone can adopt to change animals' lives for the better. In 2021, we've seen that our campaigns are having a direct impact on people's interactions with animals with, for example, more people buying products – such as non-caged eggs – from animals reared to higher welfare standards. However, continuing lockdowns prompted an alarming rise in imports of puppies raised in substandard conditions, so we moved quickly to change legislation and warn the public.

Our advocacy work in detail

AREA	WHAT WE SAID WE'D DO IN 2021	WHAT WE DID
<p>Attitudes and behaviours</p>	<ul style="list-style-type: none"> ● Increase the public reach of our key campaigns ● Increase public engagement in our key campaigns 	<ul style="list-style-type: none"> ● Over 18 percent more people participated in our campaigns than in 2020, with 161,298 actions carried out (exceeding our target of 150,000), including such things as 15,256 people writing to the makers of ITV's <i>I'm a Celebrity...Get Me Out of Here</i> about the use of live animals and 17,068 writing to their local authorities about the impact of fireworks on animals ● Our social media following grew to nearly 1.5 million and our messaging reached feeds more than 392 million times across social media platforms, with more than 17 million views of our videos ● We recruited 50,329 supporters to our campaign network, an increase of 38.4 percent ● We worked with more than 100 partner organisations, including more than 50 outside the animal welfare sector, making the case that animal welfare and human welfare are intrinsically linked ● Our stories reached around 75 percent of adults each month, making us one of the most talked-about charities in the UK media ● Sales of free-range eggs passed the £1 billion mark in 2021 for the first time ever, meaning more people chose eggs from birds reared to higher welfare standards ● We saw evidence of changes in behaviour towards animals, including a 33 percent reduction in calls about dogs left in hot cars after campaigns to remind people to ring the police – not the RSPCA – for this ● Working as part of a coalition of NGOs to encourage higher-welfare chicken supply in the UK through the Better Chicken Commitment (BCC), in 2021 we saw five percent of supermarkets being BCC-compliant and 25 percent of UK chicken suppliers being committed to meeting the BCC by 2026: notable 2021 sign-ups were Burger King UK, Friday's (formerly TGI's), GLH Hotels (owners of the Hard Rock chain) and Pieminister – with a partial pledge from Morrison and a commitment from M&S to meet their existing BCC pledge by autumn 2022, using only RSPCA Assured fresh chicken (reared to RSPCA welfare standards)
<p>Laws</p>	<ul style="list-style-type: none"> ● Advocate for better animal welfare laws, specifically on recognition of sentience, protecting standards through trade deals, ending the keeping of primates as pets and ending the live exports of farm animals ● Lobby governments in the UK, England and Wales to keep animal welfare on their agendas, and take every opportunity to make progress for animals ● Advocate for policy change at institutional, corporate and intergovernmental levels 	<ul style="list-style-type: none"> ● 10 percent more MPs supported animal welfare issues compared with 2020 ● We achieved strengthened legislation in four areas ● We achieved commitments on nine long-campaigned-for issues, such as the banning of live exports for further fattening or slaughter ● We achieved the following new laws: <ul style="list-style-type: none"> ● Sentencing Act 2021 ● Licensing of Activities Involving Animals (Wales) Act 2021 ● Two new laws began their progress through parliament: <ul style="list-style-type: none"> ● Sentience Bill ● Kept Animals Bill (which will include dog-theft legislation)

Animal welfare impacts

By working with legislators and the public, we can make things happen that will improve animals' lives forever. For example:

- more consumers moving away from the purchase of animal products from lower welfare standards will gradually reduce the financial viability of such farming methods
- more people changing their behaviour towards animals – and sharing good welfare messages publicly – will generate wider change
- more MPs engaging with animal welfare issues will ultimately mean better legislation to protect animals
- the nine pieces of animal welfare legislation agreed or under discussion in England and Wales in 2021 – the highest number achieved in the past two decades – will improve the lives of millions of animals.

Winning hearts and minds to drive change

During a hectic year of campaigning on many fronts, we really boosted our ability to influence change in 2021, recruiting more than 73,000 willing supporters to our campaign network.

They showed they were right behind us on a multitude of issues, such as our campaign to bring in the Kept Animals Bill, which encompasses the ending of live exports of farm animals, the private keeping of primates and the puppy import trade. More than 19,000 people wrote to their MPs to help push this Bill along, making it one of our most popular campaigns in 2021. The Bill is now progressing through parliament.

More than 16,000 people also contacted their MPs in support of our #EndBSL campaign, calling on the UK Government to remove breed-

specific legislation that unjustly prohibits the ownership of four types of dogs, based on the erroneous belief that they are more dangerous than other dogs. The thousands of comments about this on social media included this one, which sums up the groundswell of support for our campaigns to achieve better animal welfare: 'Keep fighting and keep pushing, RSPCA. If there's one law that grinds my gears the most, this is it. I have signed every petition I've found, and engaged in campaigns on same. Innocent souls have died thanks to this legislation. I do understand the need for dog control, but there has to be another way'.

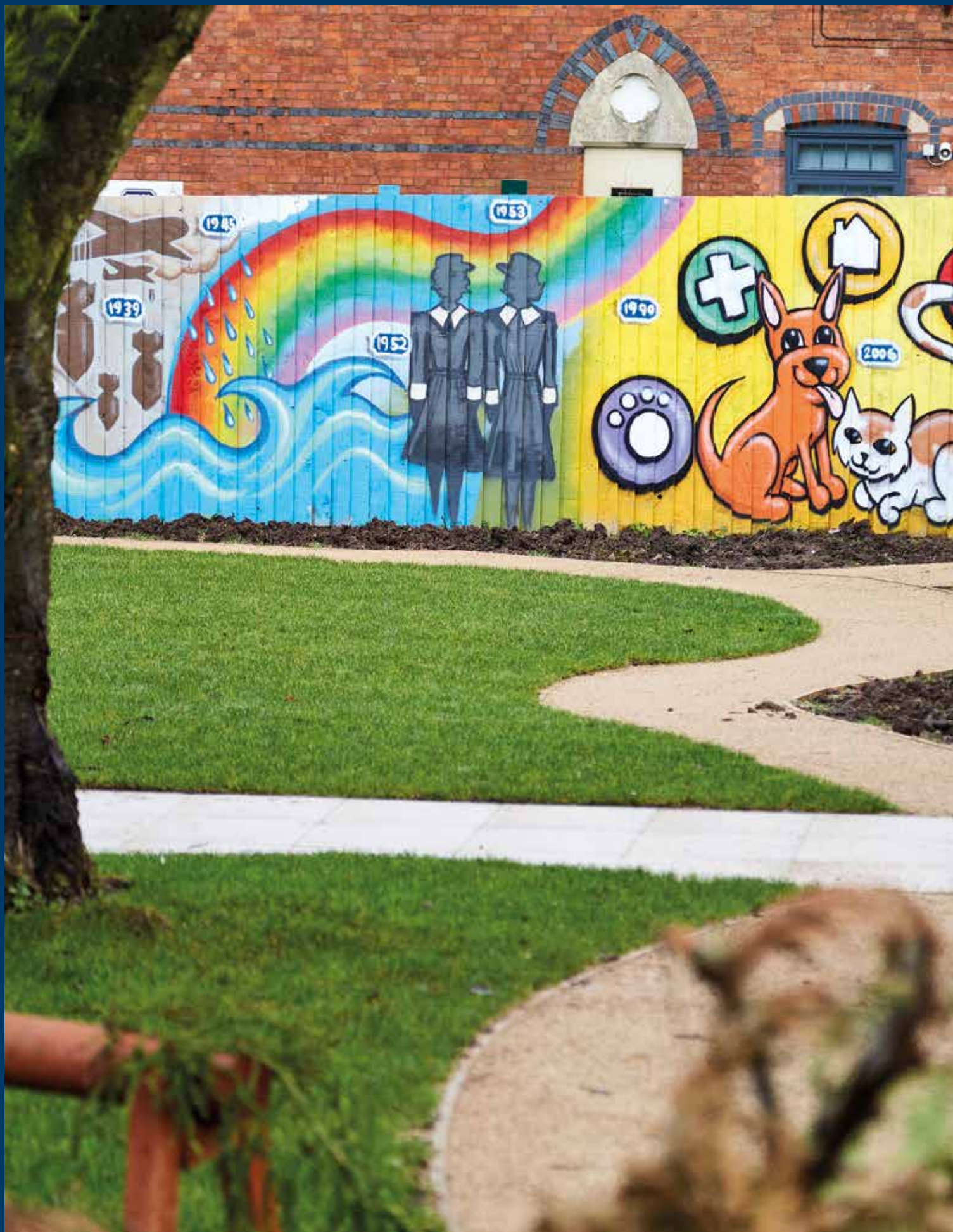
After we highlighted the possible suffering involved, more than 15,000 people sent letters to Ofcom to complain about the use of live animals on the TV programme *I'm a Celebrity...Get Me Out of Here*. 'I stopped watching the programme because of this...it's time the producers listened! Thank you RSPCA for highlighting this to all,' said one supporter on our Facebook page.

With our supporters taking hundreds of thousands of campaign actions around our many campaigns in 2021 – such as writing to MPs or supermarkets and signing petitions – we are making change happen by winning hearts and minds.

But we are keen to understand whether our campaigns are actually achieving behaviour change as well as legislative change. According to an RSPCA survey, our most recognised campaign is our annual *Dogs die in hot cars* one. Though we received 33 percent fewer calls about dogs in hot cars in 2021, we intend to work with the police to see whether people reported incidents to them instead (as per our advice), or whether there was also a reduction in the numbers of dogs actually being left in hot cars.

Rescue puppy Sasha was hand-reared at RSPCA Great Ayton Animal Centre.







Prevention

Preventing cruelty is in our name and it's something we strive to do on multiple fronts: indeed, it's one of the main pillars of our 10-year strategy.

In 2021, the first year in which we began implementing the strategy, we looked more deeply into the root causes of cruelty, instigated groundbreaking research into the issue of cruelty through neglect and established – or built on existing – academic and community partnerships. At the same time, we reviewed and updated the information we provide online, making it more accessible and relevant to the actual animal welfare situations our frontline teams regularly face in communities.

Of course, an important part of our work has always been to prevent cruelty by educating young people. Although the pandemic has had a hugely disruptive impact on our young people's education, our community engagement managers (CEMs) worked tirelessly to support very grateful teachers and youth workers throughout England, delivering animal welfare messages through exciting and thought-provoking lesson plans. Working online, we engaged primary schools in our Compassionate Class activities and more than 300 secondary schools took part in our Great Debate, with some seven- to 11-year-olds also getting involved for the first time. Topics covered all animals (companion, farm, wild and those used in research), ranging from the pros and cons of dog licensing to the penalties handed down for animal cruelty and the sentience of crustaceans.

At our four education hubs based at RSPCA animal centres, our CEMs worked with social care providers and charities in disadvantaged neighbourhoods to really embed compassion for animals in those communities.



Left: A graffiti project at RSPCA Newbrook Farm Education Centre in Birmingham celebrates nearly 200 years of our history including the formation of the Society and the first two female inspectors.

Above: A wide range of animals – including crustaceans – are sentient beings. This means they have the capacity to experience positive and negative feelings such as pleasure, joy, pain and distress.

Our prevention work in detail

AREA	WHAT WE SAID WE'D DO IN 2021	WHAT WE DID
Community engagement	<ul style="list-style-type: none"> ● Begin work to recruit one million people by 2030 to support the RSPCA and our animal welfare work through our new community education programme 	<ul style="list-style-type: none"> ● We began the foundational work on this project to understand where public and community engagement can have the greatest impact on animal welfare, in relation to our prevention work, campaigning, volunteering and fundraising ● In parallel, we entered a discovery phase to determine what people are most interested in doing and how to engage them
Information, education and support	<ul style="list-style-type: none"> ● Conduct a review of the information, education and support we provide 	<ul style="list-style-type: none"> ● Working with our Inspectorate, who are uniquely aware of animal welfare issues in communities, we re-worked 410 information and advice pages for our website, recognising both the needs of animals and the potential concerns of their owners, who may be facing issues such as money worries, mental health problems or relationship breakdowns ● New polling and tracking systems helped us understand people's unique needs, and the focus on neglect led us to create new resources for people facing financial hardship
Focus on children and young people	<ul style="list-style-type: none"> ● Provide information, education and support to children and young people to encourage them to play an active role in our activities 	<ul style="list-style-type: none"> ● 586,578 children and young people engaged in our education activities due to the introduction of more virtual activities ● We added an interactive outdoor learning area to our Birmingham education hub to help young people appreciate the needs of both animals and people in economically and socially challenging situations ● Our four education hubs reached more than 40,000 young people, an increase from 25,000 in 2020 ● We expanded our programmes of online and hybrid learning
Review all prevention work across the RSPCA	<ul style="list-style-type: none"> ● Produce a model framework and review our prevention activities 	<ul style="list-style-type: none"> ● We began working with Kent University on a new piece of in-depth research into the causes of neglect, questioning frontline experts such as vets, other animal charities, and our own Inspectorate, while also examining 250 of our prosecution cases



Animal welfare impacts

We want everyone to understand that – whatever their age or circumstances – they have the power to change animal welfare for the better. Our education programmes, advice and information give people the tools they need, and by better understanding the causes of neglect or cruelty, we can prevent them from happening in the first place.

- Building a groundswell of public support that includes all parts of society and difficult-to-reach groups who might not usually engage with us will help us promote important animal welfare messages and drive change.
- Providing people with useful and relevant information using a non-judgemental tone of voice will help them take the right steps for their own animals' welfare.
- Providing multiple, engaging ways to encourage young people to question their beliefs about animals and their place in the world will help them understand animals' crucial role, appreciate their needs and grasp what they can do to protect them.
- Our in-depth research into the root causes of neglect will help us develop tools for preventing this common form of cruelty.



Students taking part in our Wild Things projects at RSPCA Newbrook Farm in Birmingham. The projects deliver amazing experiences and bring essential animal welfare education to communities who have few opportunities to connect with nature, pets and wildlife.

How caring for animals changed young lives

Finding common ground with animals at our Birmingham education hub has had a dramatic impact on the wellbeing and ambitions of a group of young people who had been struggling with severe mental health issues – and now it's being used to help more young people on a regular basis.

The group was being supported by Forward Thinking Birmingham (FTB), which contacted us after one young person – who had not felt able to leave their house for over a year – had said that something to do with animals might help them re-engage with education and the wider world.

We signed the young person up to our Paws for Change dog training and care course, designed specifically for vulnerable young people, which became a life-changing experience for them. Two of the therapists at FTB were so impressed, they worked with us to develop a bespoke individual programme for the young person in question, which went on to provide a framework for a six-week programme now being run throughout the year for other groups of young people.

Key to the course is helping participants to understand animal sentience and behaviour, exploring what makes both humans and animals feel safe and carrying out practical activities and other learning.

The comments below from two of the young people involved say it all.

Mollie, who now volunteers with the RSPCA and wants to become an inspector one day, says: "This course has helped me so much with my confidence and wellbeing. Before this programme, I couldn't leave the house, but this course pushed me to leave the front door and get past my fear of going outside...I met a lot of new people and it really helped with my anxiety. I used to find it hard making friends, but being in a group of supportive individuals where everyone was treated equally, no matter their background, really helped to build up my confidence...If you are a person that struggles, it could help and benefit you so much".

Harry says: "This course was such an enjoyable experience and gave me something positive to do when I was in a low place. It helped to increase my confidence in talking to new people and gave me a chance to have my voice heard".

The COVID-19 pandemic saw an increase in demand for mental health support for young people. Our education hubs adapted quickly to help meet that need – working with agencies such as the NHS, Barnardos and local authorities – to provide programmes for young people suffering from exclusion or mental health difficulties.





Supporters

All of the achievements we've set out in these pages – all of the ways in which we are helping animals in desperate need and all of the ways in which we contribute to a kind and compassionate society – are made possible entirely by the generosity of our supporters.

Without them, we would not be able to do what we do. In 2021, we received more than 500,000 donations from the public – a humbling indication of the strength of the desire to see a better deal for animals and of people's trust in us to make it happen.

We did all we could to reach as many people as possible with our communications, and our fundraising efforts were very successful in 2021, notably in response to our two big campaigns: Cancel Cruelty and Join the Rescue. As always, people supported us in a multitude of ways – they gave us their energy, time and money, organised events, pledged gifts in their Wills, bought our products and added their voices to ours in calling for change.

Thanks to that unwavering support – still freely given, even though we were all living through an extremely challenging pandemic – we were able to continue to rescue, care for, rehome or release animals in trouble, speak out for them on the world stage and influence changes in attitudes and actions.



Our supporter work in detail

AREA	WHAT WE SAID WE'D DO IN 2021	WHAT WE DID
Engagement	<ul style="list-style-type: none"> ● Deepen our relationship with our supporters and inspire more people to support us ● Deepen our supporters' and members' understanding of our brand 	<ul style="list-style-type: none"> ● We saw a four percent increase in enquiries and pledges for legacies ● 45,184 new people committed to donating to our work regularly, and 55,583 additional people made one-off donations ● More of our regular donors chose to stay with us throughout 2021 than in the previous year ● We inspired our members and around 50,000 supporters with stories covering all areas of our work in <i>Animal life</i> magazine, focusing on the animals we helped ● Our <i>Animal action</i> magazine engaged around 60,500 young supporters under 12 years old, developing their understanding of animal welfare and what we do through rehabilitation and rehoming stories, animal fact files, quizzes and competitions ● We were the fourth and sixth most talked-about charity in traditional and social media (fourth and sixth among all charities, respectively, and top animal charity), generating an average of 130 mentions a day in printed, online and broadcast media ● We launched on the video-sharing app TikTok and enjoyed viral success with two videos
Partnerships	<ul style="list-style-type: none"> ● Partner with people and organisations that share our ambition to improve animal welfare 	<ul style="list-style-type: none"> ● We managed and stewarded 29 corporate partners, raising more than £1 million in cash and gifts in kind ● Our Pets at Home partnership has resulted in the RSPCA rehoming more than 335 cats through in-store adoption centres, promoting responsible pet ownership and reaching two million customers through the VIP lifelines scheme ● Nestle Purina helped 101 rescue dogs start their new lives by funding the expert behaviourist care and support they needed to be rehomed; they also donated pet food to our centres and branches ● RSPCA Pet Insurance, underwritten and provided by Covea Insurance, allowed our supporters to insure their pets and help them in their time of need, while raising vital funds to support our frontline rescuers
Commercial	<ul style="list-style-type: none"> ● Develop and grow our commercial activities 	<ul style="list-style-type: none"> ● Our commercial activities are driven through retail trade partnerships, our branch and animal centre network and directly with customers via our digital platforms; during 2021 our ecommerce shop received more than 121,000 visitors, with more than five percent of those making a purchase and donating ● We began a comprehensive review of all our commercial activities, which will determine growth opportunities and a clear roadmap for our commercial strategy for the future
Membership	<ul style="list-style-type: none"> ● Grow our membership and retain more members 	<ul style="list-style-type: none"> ● At 31 December 2021 we had 16,622 members (2020: 17,022), which represents a slight drop in the number of members year on year ● However, we were successful in recruiting 876 people as new members – more than in the previous year (2020: 745) ● The overall number of members dropped due to a higher number of people cancelling their membership (2021: 15,742 vs 2020: 16,277)



Toby at RSPCA Ashley Heath Animal Centre is following a behaviour and welfare plan – here he’s becoming familiar with a home environment ready for rehoming.

Making compassion count

Vital support for the most traumatised dogs in our care is now provided in many of our centres, thanks to the kind-hearted support of some of our key partners. In 2021, this funding enabled life-changing interventions for dogs who have experienced terrible cruelty, preparing them for new lives in happy, forever homes.

Year by year, we match the interests of key partners – companies, philanthropists and trusts – to particular aspects of our work so that they can see the impact their donations have on the lives of the animals we rescue and care for.

In 2021, some of our key partners enabled us to provide home-from-home rooms in two of our centres for dogs who were the subjects of prosecution cases. These dogs often have to stay in kennels for longer than we’d like while their cases are brought to trial. They may never have lived indoors before, so the rooms are designed to help them adjust to a home-like environment, with all the items, textures and noises they might experience in a typical home. They get time out from their kennel and a chance to become familiar with normal domestic life, so they are more prepared for eventual adoption.

Thanks to key partnership giving, we were also able to recruit behaviour and welfare advisors at eight of our centres in 2021. They are experts in recognising and addressing the difficult behaviours some dogs can display as a result of psychological trauma. Each dog is assessed and a plan created for behavioural training and welfare improvements. Again, this work is vital in ensuring dogs can adjust to and enjoy their new lives in safe, caring homes.

We are also continuing to invest in key partner relationships, which generates funding for specialist rescue equipment and essential equine-related work in 2021.

Animal welfare impacts

All of our work with supporters is about ensuring they know how their efforts and donations are used to make a difference to individual animals now, through our rescue and care work, and to all animals in the future, through our campaigns.

What some of our amazing supporters say about the RSPCA

“We support the RSPCA because the welfare of animals has always been of major concern to us, particularly that of dogs, whose love and loyalty is often repaid with appalling cruelty and neglect. Our decision to leave a legacy to the RSPCA in our Wills is because we appreciate the extent and harsh reality of their work and the fact that they receive no government funding.”

Eileen

“I support the RSPCA because I think the work you do is amazing – my passion is for all the animals. But my love is mainly for dogs and horses. I am leaving a gift in my Will so your work can go on after I have gone.”

Susan

“I have always cared a great deal about the welfare of all animals, even since I was a child – my spirits are uplifted by simply watching the gulls using the wind to fly effortlessly over the sea – or the antics of the birds on my garden bird table. I also have a couple of cats at any one time and have adopted from you in the past. In a world seemingly full of human cruelty your work is vital, and when my time comes I will part this life knowing that I’ve done my best to help... that will comfort me.”

GB

“I have been an animal lover all my life and I am horrified to see some of the suffering and neglect suffered by animals. Fortunately, the RSPCA has always been there to address these problems.”

Robert

“To all my friends with or without fur on, I wish the best of everything. Keep up your good work looking after the animals. Bless every one of you.”

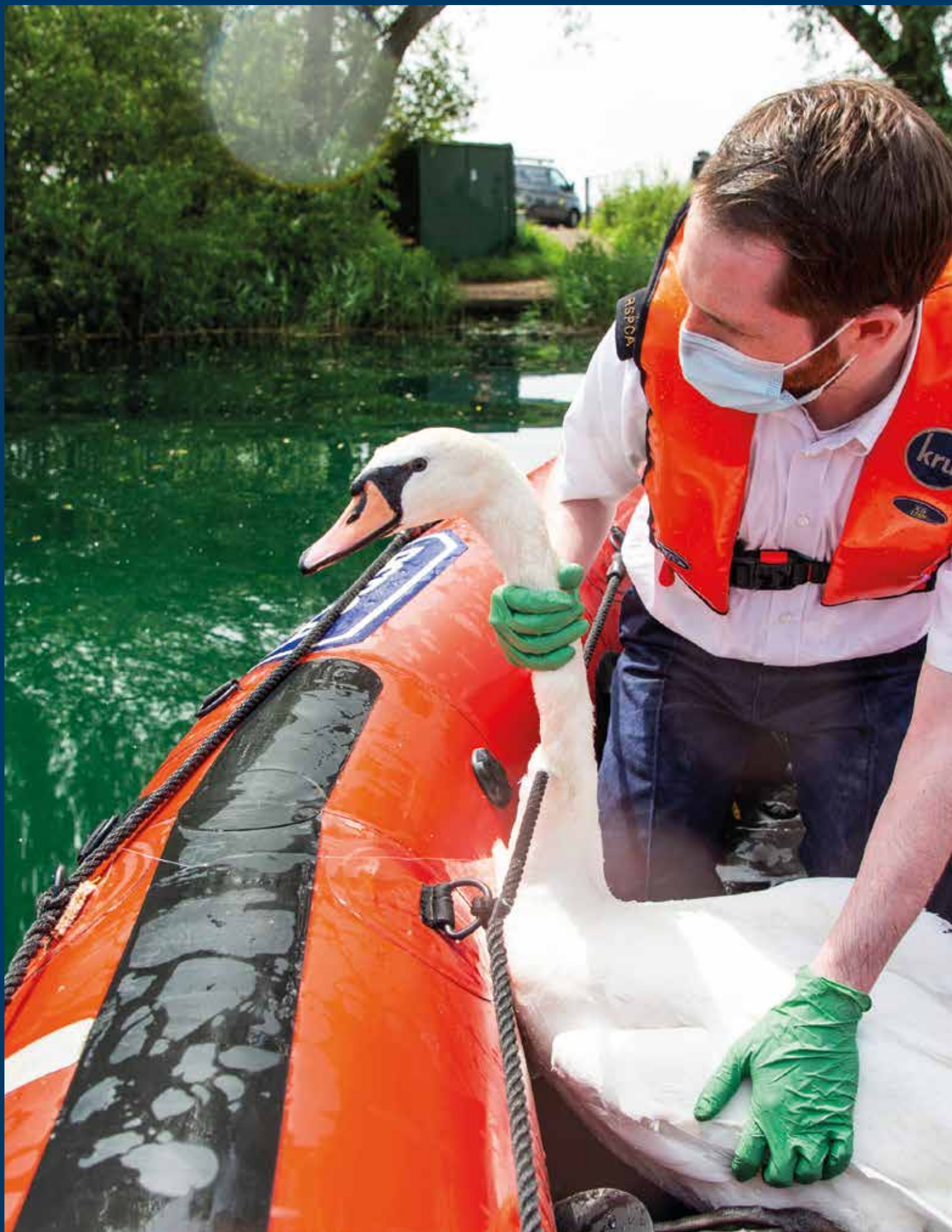
Wendy

“Many thanks for your news about all the ways in which you are working to improve the lives of the animals with whom we share our lives and our world. I am very pleased to be able to support you in some small way.”

Margaret

“I’m very happy to contribute to anything else which our inspectors need as they are the link between life and death for so many animals.”

Wanda





Organisational effectiveness

People and culture

The pandemic has been a strain for many people and, throughout 2021, we focused on supporting our staff and volunteers through uncertain and unusual times, for example with flexible working hours and our furlough scheme. Making their wellbeing a priority, we developed a strategy to promote physical and mental health, wellness activities and a safe working culture. This includes a range of initiatives, such as mental health training and support for people working with vulnerable people in communities and/or dealing with trauma.

As a well-established, much-loved and respected part of UK society, the RSPCA should reflect all of society, so that it can be relevant to everyone. In 2021, working with the company Cadence, we started building our diversity and inclusion strategy, to ensure better representation across our workforce and volunteer base. We revised our dignity and respect policy, introduced equality, diversity and inclusion (ED&I) training for all staff, became a Disability Confident employer and introduced initiatives around Black History Month and LGBTQ+ History Month. We introduced a new work-in-confidence platform, a leadership development programme and training for all staff on safeguarding, cyber security and health and safety (H&S).

We modernised our working culture by introducing our 'Hello Hybrid' scheme, offering many of our office-based staff flexibility over where and when they work. We developed a new set of family-friendly maternity/paternity/adoption policies and benefits and also successfully introduced a new performance contribution system, which allows priorities to be aligned to both the RSPCA strategy and individual development.



Left: Our water rescue specialists rescued a swan with fishing wire bound around its leg from a fishing lake.

Above: We introduced 'Hello Hybrid' – a scheme offering many of our office-based staff flexibility over where and when they work.

Table 3 Key people data 2021

Headcount (as at 31 December 2021)	<ul style="list-style-type: none"> ● Total: 1,505 workers ● 1,404 employees (93%) ● 54 casuals (4%) ● 47 contractors (3%) ● 2.81% declaring a disability
Employee turnover January–December 2021	<ul style="list-style-type: none"> ● Voluntary (permanent employees only): 11.48% (which compares favourably to the UK third-sector average of 16% in 2020)* ● Overall turnover: 11.62% ● Voluntary (permanent and fixed terms employees): 13.05% ● Overall turnover: 13.19%
Average days lost to sickness 12 months to 31 December 2021	<ul style="list-style-type: none"> ● 9.16 days (the median number of sick days taken per employee in the UK third sector in 2020 was 9.1)* ● Average employee headcount for 2021 was 1,465 including casuals
Gender split (as at 31 December 2021)	<ul style="list-style-type: none"> ● Female: 1,058 (72.5%) ● Male: 400 (27.5%)
Gender split as identified by the employee (as at 31 December 2021)	<ul style="list-style-type: none"> ● Female: 59.5% ● Male: 24.5% ● Transgender: <1% ● Prefer not to say: 3% ● Blank response: 12
Ethnic origin (as at 31 December 2021)	<ul style="list-style-type: none"> ● English/Welsh/Scottish/Northern Irish/British: 81% ● BAME: 2% ● Other: 3% ● Prefer not to say: 3% ● Blank response: 11%

*Source Agenda Consulting

Chief executive's remuneration

The chief executive's remuneration was benchmarked and reviewed in May 2021.

The RSPCA chief executive is paid a total cash payment (including base pay and car allowance) of £157,639. This is towards the lower end of the scale for chief executives of charities of a similar size.

Financial sustainability

We came into 2021 having suffered three years of operating deficits, which we had funded by drawing down on our reserves. The underlying deficit had been compounded by further challenges caused by the pandemic, and in 2020 we took the difficult decision to restructure the organisation to reduce our costs. We are pleased to report that this contributed to a significant financial turnaround in 2021. We ended the year with a net operating surplus and could start 2022 on a much firmer footing. Our legacy income in 2021 was the highest ever, partly the result of a catch-up in the process for granting probate after the delays of the previous two years. We made some savings too – the pandemic continued to impact some of our operational and fundraising work – and the benefit of our organisational restructure and other cost-management actions played their part. The operating surplus means we can now rebuild our reserves and set aside funds for critical strategic investment, allowing us to be more resilient in the future. This will include the evaluation, planning and implementation of the necessary change to our current operating model against the ambition in our strategy.

Common seal Callisto came into our care having been found underweight and alone. After rehabilitation, he was released back to the wild by the team at RSPCA Mallydams Wood Wildlife Centre.



Our organisational work in detail

AREA	WHAT WE SAID WE'D DO IN 2021	WHAT WE DID
People and culture	<ul style="list-style-type: none"> ● Foster a modern, inclusive and entrepreneurial culture so the RSPCA is a great place to work that drives forward our vision, mission and strategy ● Carry out a staff survey to establish a benchmark within the sector ● Pursue accreditation and charter mark standards to demonstrate what a great a place the RSPCA is to work 	<ul style="list-style-type: none"> ● We appointed Cadence to support us with our ED&I strategy ● We introduced a work-in-confidence platform to allow staff to speak freely and in confidence ● We surveyed staff over new working arrangements in offices and the field, and introduced 'Hello Hybrid' for our office-based workers ● We became a Disability Confident employer ● We signed up to The Big Promise – Race Equality Matters, and supported Black History and LGBTQ+ Months ● We introduced trauma resource management support for our frontline staff ● We provided mental health training for managers ● We ensured staff completed mandatory training on ED&I, safeguarding, H&S and cyber security ● We introduced much improved family-friendly policies, which will help us become a great place to work ● We began improving H&S standards across the organisation ● We used technology to develop more efficient and effective HR processes ● We moved our pension provision to a master trust with Legal & General
Financial sustainability	<ul style="list-style-type: none"> ● Ensure we are a financially sustainable organisation that lives within its means and can invest in the future 	<ul style="list-style-type: none"> ● We delivered a surplus for the year of £70.5m (2020: deficit £28.8m) ● Our free reserves increased by £13.6m (2020: decreased by £4.1m) ● We generated a net cash outflow of £2.1m (2020: inflow of £4.7m)
Technology	<ul style="list-style-type: none"> ● Embrace technology across the RSPCA to drive efficiency, allow informed decision-making and a better experience for our people, supporters and, ultimately, for animals 	<ul style="list-style-type: none"> ● We began a multi-year digital transformation programme to upgrade our IT ● We improved our Inspectorate tasking system ● We expanded our use of supporter relationship management (SRM) solutions to include partnerships and philanthropy
Governance and leadership	<ul style="list-style-type: none"> ● Demonstrate the highest standards of governance and leadership, ensuring they are fit for purpose for a charity of our standing 	<ul style="list-style-type: none"> ● We reviewed and updated our scheme of delegation ● We completed a Board performance review and skills-gap audit ● We approved a new Board of Trustees' appraisal procedure ● We completed individual performance reviews/appraisals for all Board members ● We reviewed and updated all our governance policies to ensure that they remain fit for purpose
Branch network	<ul style="list-style-type: none"> ● Develop and strengthen our partnership with our branch network ● Reduce the number of branches in national administration to less than five percent ● Make sure our branch network is sustainable for the future with a modernised governance 	<ul style="list-style-type: none"> ● We developed a new approach for managing branches in national administration (i.e. the Branch Affairs Committee may appoint temporary trustees to manage the affairs of a branch) ● 13 branches were in national administration – this is the same figure as in 2020, but it applies to different branches ● Three branches returned to local control ● Two branch mergers were completed ● Five branches entered national administration ● We conducted a review of the financial relationship between the national Society and our branches


Branch network (continued)		<ul style="list-style-type: none"> ● Our branches participated in an RSPCA-wide animal welfare survey, conducted by our veterinary team, which will show us how we can better support branches on clinical and welfare matters ● We assessed branches' needs and priorities for online resources and identified development options with an action plan for 2022 ● We developed and introduced a senior branch partnership manager (BPM) role ● We reviewed branches' requirements and developed revised roles for BPMs ● We developed and introduced a branch trustee recruitment toolkit ● We developed a suite of management information reports charting essential indicators for branch health
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Family life matters

The RSPCA is all about building a truly compassionate world, and that includes making sure our own people are properly supported throughout their time with us. In 2021, we wanted to look at how we could better support them in their family lives, particularly in those big moments that matter so much to all of us – moments like birth, adoption, the loss of a loved one.

As a result, we now have a set of supportive, family-friendly policies – see the table below. All go beyond statutory requirements and – particularly in the areas of maternity, paternity, adoption, shared parental benefits and bereavement – some are very progressive and better than those offered by many other organisations.

For example, one of the new benefits is that staff members who are partners of a birth parent can attend antenatal appointments without losing pay. Couples can attend appointments for IVF treatments too.

 Family-friendly initiatives			
PROVISION	STATUTORY	CURRENT RSPCA	NEW RSPCA FROM JANUARY 2022
 Maternity pay	Weeks 1–6: 90% of week pay Weeks 7–39: Statutory maternity pay (SMP)	Weeks 1–6: full pay Weeks 7–39: SMP	Weeks 1–14: full pay Weeks 15–28: half pay Weeks 29–39: SMP
 Adoption pay	Weeks 1–6: 90% of week pay Weeks 7–39: Statutory adoption pay (SAP)	Weeks 1–6: full pay Weeks 7–39: SAP	Weeks 1–14: full pay Weeks 15–28: half pay Weeks 29–39: SAP
 Shared parental leave	Weeks 1–6: 90% of week pay Weeks 7–39: SMP	Weeks 1–6: full pay Weeks 7–39: SMP	Weeks 1–14: full pay Weeks 15–28: half pay Weeks 29–39: SMP
 Paternity leave	2 weeks of Statutory paternity pay (SPP) rate	2 weeks at SPP rate	4 weeks at full pay
 Antenatal (Partner)	2 appointments unpaid	2 appointments unpaid	5 appointments paid
 Adoption (Partner)	2 appointments unpaid	2 appointments unpaid	5 appointments paid
 Bereavement leave (relating to childbirth)	2 weeks at statutory rate	2 weeks at statutory, to include 5 days paid, then unpaid as required	Up to 10 days paid
 Compassionate leave	No statutory requirement	5 days paid, then unpaid as required	Up to 10 days paid
 IVF	No right for paid time off for IVF treatments	No right for paid time off for IVF treatments	5 appointments paid

All the policies are gender-neutral and anyone on our old system who was on maternity leave at the end of 2021 was transferred to the new system when it was introduced in 2022.

These moves will mean we can attract the best people when we're recruiting, and keep those amazing people we already have in our teams. Whatever is going on for them outside work, we want them to feel secure and to know we value them.

Animal welfare impacts

Having an effective organisation is about being fit for purpose in the 21st century, so that we can continue to make a difference to animal welfare as we head into our own third century. In particular:

- a more representative workforce will allow us to better engage with the whole of society, so we can influence changes in attitudes and behaviour and attract more support, ultimately improving more animals' lives
- happy, nurtured, supported staff will mean we will be able to keep the best talent in our organisation
- improved H&S standards for our people also result in improved H&S standards for the animals in our care
- financial sustainability will allow us to go on protecting animals for many years to come
- our digital transformation programme will allow us to drive efficiencies and improve our interactions with the public, whose support we need in our animal welfare work
- better tasking allows us to get our inspectors on the road to animals in need as quickly as possible
- a focused, effective Board allows us to plan and deliver on the bold animal welfare goals set out in our 2021–2030 strategy, *Together for animal welfare*
- effective branches that are properly supported can continue the vital animal welfare work they conduct in our communities.

The year ahead

As we move into year two of our strategy, with our eight bold ambitions in mind (see page 8), we know there are both challenges and opportunities ahead.

The COVID-19 pandemic is still affecting us to some extent. As well as dealing with its impact, we are assessing its implications for the future of the RSPCA and – most importantly – how it might affect animal welfare in the short and long terms. For example, there was a greatly increased public demand for pets during the lockdowns. This COVID-driven rise in pet ownership has been followed by an economic downturn, which could lead to more animals suffering neglect, cruelty or abandonment. This will put our Inspectorate, centres, hospitals and branches under more strain than ever. Our science and lobbying teams are also stretched, being in great demand to supply advice and guidance to governments and competent authorities. And with the traditional, office-based working model turned on its head, there are both exciting opportunities and new challenges for us in terms of remote working and ensuring digital excellence.

Meanwhile, animal welfare is very much in the spotlight in the political and business arenas. The government has adopted many of our campaign issues in its own *Action plan for animal welfare*, and many corporate bodies are making more – and more visible – commitments around animal welfare.

Nevertheless, post-Brexit, we need to work harder than ever to keep the focus on protecting, enhancing and sharing the UK's world-leading animal welfare standards.

The Free Trade Agreement (FTA) reached with Australia and the Agreement in Progress with New Zealand have no conditionality relating to animal standards. This is a poor model for the FTAs being negotiated in 2022 with Mexico, Canada and India, and we must ensure animal welfare is properly safeguarded.

So, 2022, will see us constantly changing and adapting in line with our business plan, in order to stay on track and keep our sights on those all-important animal welfare gains we are determined to bring about by 2030.



Our focus in 2022

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Rescue and care	Response	<ul style="list-style-type: none"> ● Enhance our National Control Centre (NCC) service offering in order to improve customer experience and the success of our rescue and care work ● Set performance expectations for continuously improved call handling, scheduling and onward action ● Implement multiple channels for the public to reach our NCC ● Begin to deliver savings of £9 million over eight years ● Improve data quality ● Develop customer satisfaction surveys ● Introduce webchat ● Establish automated animal outcomes ● Look at introducing incident prioritisation functionality ● Implement animal custody tracking 	<ul style="list-style-type: none"> ● Improved efficiency will allow us to ensure we get to the animals most in need quickly ● Better customer satisfaction will contribute to our reputation and encourage the public to report instances of animal cruelty, neglect or abandonment ● Webchat will help us work with the public to ensure resources are diverted where they can help the most 	<ul style="list-style-type: none"> ● Enhanced customer satisfaction ● Improved success in rescue and care work ● Improved data quality ● More emergencies reached, more quickly
	Rescue	<ul style="list-style-type: none"> ● Continue working towards achieving statutory powers for inspectors ● Continue the roll-out of the animal rescue officer (ARO) role ● To free up more time for frontline officers, a campaign to recruit more wildlife casualty volunteers is underway; their remit will be extended to include transportation of some domestic animals 	<ul style="list-style-type: none"> ● A more efficient Inspectorate service will be able to respond quickly where most needed ● Nurturing inspectors and protecting their wellbeing will allow them to cope with the most difficult and distressing rescue situations ● AROs will conduct rescues where animals are in danger or distress, investigate complaints and conduct initial investigations in the case of suspected crimes, which will allow us to reach more animals in need 	<ul style="list-style-type: none"> ● Improved response times ● Improved staff wellbeing

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Rescue and care (continued)	Care	<ul style="list-style-type: none"> ● Complete the design phase of the Animal Journey transformation programme and begin to transition to a new model ● Begin implementing our new veterinary strategy, which we'll deliver alongside the Animal Journey programme ● Standardise fee structure and maximise savings around laboratory provision 	<ul style="list-style-type: none"> ● These measures will ensure all animals in our care receive the best care possible, tailored to their situation, while also rationalising expenditure so that we can care for more animals 	<ul style="list-style-type: none"> ● Design phase of Animal Journey transformation workstream complete
	Prosecution	<ul style="list-style-type: none"> ● Continue working with government on handing over our prosecution programme 	<ul style="list-style-type: none"> ● Moving all of our prosecution work over to the Crown Prosecution Service (CPS) will allow us to redistribute our resources more effectively to help deliver on our strategy 	<ul style="list-style-type: none"> ● Options for handing over prosecution cases to the CPS piloted
Advocacy	Attitudes and behaviours	<ul style="list-style-type: none"> ● Join campaign activity up by organising our work into major themes to give a sense of narrative across our campaigns ● Underpin our advocacy work with a new policy book that sets out the principles on which our policies are founded, and our vision for animal welfare ● As part of foundational work for an ambitious thought-leadership programme, we'll publish a book of essays by high-profile thinkers drawn mainly from outside the animal welfare sector ● Launch our annual <i>Wilberforce Lecture</i> series, modelled on the BBC <i>Reith Lectures</i>, to reach new audiences ● Begin the foundational work on a commission on challenges and opportunities for animal welfare to 2050 and beyond, focusing on the links between animal and human welfare, environmental sustainability and how we can move to a cruelty-free future; results to be published in 2023 and 2024 ● Begin creating an annual communications 'moment' for the RSPCA with a Kindness Index, which will report on the question 'how kind are we?' ● Reflect on the 200th anniversary of the first animal welfare legislation anywhere in the world, the Richard Martin Act 1822, as part of the build-up to the RSPCA's 200th anniversary in 2024 	<ul style="list-style-type: none"> ● Keeping animals and animal welfare at the centre of public discourse will ensure it has the same recognition and focus as topics like social inclusion, fairness, equity and community ● Taking questions about animals and their welfare into the public domain will encourage people to think about their own responsibility and the nature of the relationship between humans and animals, as well as positioning us as the drivers of the debate on animal welfare ● The Kindness Index will focus the nation's attention on how compassionately we interact with animals and on how important they are to us ● Building up to the RSPCA's 200th anniversary will encourage public respect, support for our work and a desire to get involved 	<ul style="list-style-type: none"> ● The level of media coverage and social media interest around thought leadership and Kindness Index activities ● Increase in financial support ● Increase in volunteer base ● Four campaign initiatives underway with non-animal-welfare organisations ● 25 percent increase in campaigners ● 150,000 actions achieved with individual campaigns achieving 6,000 on average ● More young campaigners


PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
<p>Advocacy (continued)</p>	<p>Laws</p>	<ul style="list-style-type: none"> ● Work with our Eurogroup for Animals and World Federation for Animals partners to drive forward our UN work to secure a declaration or convention on animal protection ● Take a significant step towards this early in 2022, by securing a groundbreaking resolution at the United National Environment Agency Programme (UNEAS) – the equivalent of a COP – establishing that animals are sentient and that their welfare should be protected ● See increased sentencing on illegal hare coursing ● See agreement on the Sentience Act, bringing in a new government Sentience Committee ● Advise on negotiations for a Free Trade Agreement (FTA) with New Zealand and four other countries, with an FTA with Australia coming into force ● Agree a new production-labelling approach ● Revise our farmed animal standards, raising welfare requirements and investing in analysis of salmon standards ● Deliver a campaign on antimicrobial resistance 	<ul style="list-style-type: none"> ● Establishing global standards for animal welfare will mean that all animals will have the protection they need ● The new laws introduced will mean: <ul style="list-style-type: none"> ● no more live farm animals will suffer by being exported for slaughter/further fattening from the UK ● no more puppies reared to poorer welfare standards will be imported, halting this trade ● dogs with cruelly cropped ears will no longer be imported, reducing demand ● fewer primates will be kept privately and the standards in which primates are kept privately will improve ● reports of hare-coursing incidents will reduce ● fewer hare-coursing dogs will be abandoned when no longer deemed useful ● there will be fewer dog thefts ● fewer dogs will be bred and sold under sub-standard welfare conditions in Wales ● more chickens will be reared to RSPCA welfare standards ● farm animals transported within GB will experience better transport conditions ● consumers will have greater awareness of how their food is produced 	<ul style="list-style-type: none"> ● Achievement of the resolution ● Agreement/implementation of six new laws in England and Wales
<p>Prevention</p>	<p>Information, education and support</p>	<ul style="list-style-type: none"> ● Streamline and optimise our online information, advice and guidance ● Maximise our reach into communities by exploring collaborations with existing services that are already in touch with our audiences 	<ul style="list-style-type: none"> ● Finding more effective ways to communicate with all our audiences, including hard-to-reach groups, will help us spread our animal welfare messages more widely 	<ul style="list-style-type: none"> ● Advice pages reviewed and updated ● Links with other services to deliver messages

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Prevention (continued)	Focus on children and young people	<ul style="list-style-type: none"> ● Continue our education work in schools and in community settings ● Pilot new operating models and scale up the most successful ● Develop a theory of change for getting animal welfare into the National Curriculum, with the intention of launching this in 2023 	<ul style="list-style-type: none"> ● Teaching animal welfare as part of the National Curriculum will mean all children are taught about animal welfare and will grow up with an understanding of animals' needs – this will help drive down cruelty to animals over the next decade and more 	<ul style="list-style-type: none"> ● Theory of change developed ● Progress towards delivery in 2023 – all the building blocks in place to support the increased reach of our education work ● Two pilots underway testing new ways of working
	Review all prevention work across the Society	<ul style="list-style-type: none"> ● Move from the strategic planning stage to implementation of our transformation programme for prevention of cruelty to animals, focusing on three dimensions: the scale of intervention; the type of harm to animals; and the reason for the harm caused ● Establish a prevention, knowledge and insights group – a forum bringing together people from across the RSPCA to horizon-scan for upcoming animal welfare issues and suggest preventative actions 	<ul style="list-style-type: none"> ● An effective prevention strategy will allow us to prioritise and target where we can have the greatest impact, and will mean millions of animals will not suffer from cruelty, neglect or abandonment in the future ● The new prevention, knowledge and insights group will allow us to intercept and mitigate emerging or existing animal welfare trends to minimise the impact on our frontline services 	<ul style="list-style-type: none"> ● Implementation under way ● Knowledge and insights group established ● Reduction in cruelty based on stats
Supporters	Engagement	<ul style="list-style-type: none"> ● Deliver our new audience strategy, build understanding of our audiences and use those insights to review and refresh ways in which they can get involved ● Develop plans to grow our income over the next few years ● Increase the number of business and high-impact strategic partnerships ● Initiate a review of the brand to ensure it represents the RSPCA in the modern world and its vision for the future ● Analyse and benchmark current social media work and create a plan to increase audience interaction ● Ensure we have a strong pool of ambassadors and influencers who appeal to the people we are trying to reach ● Deliver a volunteering manifesto outlining a single strategic approach to volunteering, which will attract, inspire and retain a diverse volunteer base that reflects local communities and modern society 	<ul style="list-style-type: none"> ● Engaging more people in fundraising, volunteering and campaigning will significantly enhance our resources for improving the lives of animals ● Working hand in hand with businesses and high impact partners, we can improve knowledge and understanding of animal welfare as well as increasing our income and reach ● A brand that is clear about our impact and the role of the RSPCA in animal welfare will encourage more people to get involved and will ensure the public recognises, understands and is inspired by what we stand for ● Our RSPCA Ambassadors will help us attract the attention of more people and build understanding about animal welfare 	<ul style="list-style-type: none"> ● Quality and quantity of people engaging with us ● Loyalty of people engaging with us ● An increase in the diversity of people who volunteer ● Reduction in attrition of volunteers ● Increase in volunteer super campaigners ● Increased social media interaction ● Better brand recognition

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Supporters (continued)	Engagement (continued)	<ul style="list-style-type: none"> ● Map the lifetime journey of supporters to improve engagement and commitment ● Develop plans for our 200th anniversary celebrations in 2024, using an audience-centric approach ● Outline an approach to onboarding new supporters, linked to our audience strategy, brand review work, communities strategy and advocacy work, which will celebrate our past and our successes, while focusing on why we are relevant today and will be for years to come ● Develop overarching messaging and a schedule of key events to engage different audiences ● Develop our communities strategy and advance our work to create a million-strong movement for animal welfare 	<ul style="list-style-type: none"> ● With a diverse volunteer base, all communities will have the opportunity to help us deliver on our strategy to improve animals' lives by 2030 ● By improving the experience of people who engage with us, we build their commitment to do more ● Our 200th anniversary is an opportunity to assert our vision for animal welfare in the future and invite others to join with us in achieving it ● Creating a million-strong movement for animal welfare will support us in reducing the amount of preventable animal neglect that currently drives a disproportionate amount of our work 	
	Innovation	<ul style="list-style-type: none"> ● Enhance our product offering for target audiences through the use of audience insights, allowing us to design new ways to engage 	<ul style="list-style-type: none"> ● Products with the right features and benefits will be more attractive to the people we are trying to engage in raising money, volunteering and campaigning activities – all of which allows us to help more animals and prevent cruelty and neglect 	<ul style="list-style-type: none"> ● The number and performance of new products
	Partnerships	<ul style="list-style-type: none"> ● Introduce six new business partnerships ● Implement partnership development plans, detailing the stewardship actions required to maintain or grow income from our existing partnerships 	<ul style="list-style-type: none"> ● Business partnerships can have multiple benefits across the organisation ranging, for example, from income and reach through to gift-in-kind support for branches and pro-bono support, all of which enable us to provide better care for animals 	<ul style="list-style-type: none"> ● Quality and quantity of new business partners ● Movement of business partners through their development plans

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Organisational effectiveness	People and culture	<ul style="list-style-type: none"> ● Implement a new ED&I strategy to mobilise activity to improve our equality, diversity and inclusion record, reflecting the communities in which we operate ● Appoint dedicated leadership to design and implement a roadmap for change ● Focus on leadership and management development opportunities for employees ● Deliver total reward modernisation, focusing on employees' pensions, benefits, pay and recognition ● Implement year one of a three-year wellbeing strategy ● Implement a new system to improve applicant tracking, candidate experience and recruitment diversity ● Develop a new three- to five-year People and Culture strategy and implementation plan 	<ul style="list-style-type: none"> ● A diverse, fully supported and valued employee base with opportunities for development will be more likely to stay with the RSPCA and help shape it to be a modern, relevant organisation that harnesses public support to improve animal welfare 	<ul style="list-style-type: none"> ● Applicant tracking system in place ● Improved diversity in the workforce ● Reduced staff absences ● Employees using support services ● Learning management system in place ● Employees advancing through training and development ● Leadership and development programme in place ● Moved DC pension scheme to a master trust
	Financial sustainability	<ul style="list-style-type: none"> ● Diversify our income streams ● Continue to invest in our strategy and the 10 workstreams in our strategic transformation programme ● Complete the sale of our Southwater head office building as we transition to more flexible ways of working 	<ul style="list-style-type: none"> ● A more diverse income portfolio will increase our overall revenue and reduce the risk to our longer-term income, ensuring we can more confidently make decisions about how to improve animal welfare into the future ● Delivery of the strategy will improve lives for animals in the future ● Transitioning to hybrid working without the need for large office sites will release funds and reduce outlay, improving our financial sustainability and ability to invest in our transformation programme 	<ul style="list-style-type: none"> ● Year-on-year income growth ● Delivery of the strategic milestones for 2022 ● Completion of the sale of our Southwater head office building
	Commercial	<ul style="list-style-type: none"> ● Review our procurement strategy and implement changes to deliver increased value for the RSPCA 	<ul style="list-style-type: none"> ● More consistent approaches will secure stabilisation of our lead initiatives for 2022, maximise the benefits of our commercial arrangements and reduce inefficient processes, reducing costs and ensuring more of our focus is on animal welfare 	<ul style="list-style-type: none"> ● The new procurement strategy is approved

PRIORITY	AREA	WHAT WE'LL DO IN 2022	ANIMAL WELFARE IMPACT	HOW WE WILL MEASURE OUR PROGRESS
Organisational effectiveness (continued)	Technology	<ul style="list-style-type: none"> ● Transform our technology into cloud-based solutions to remove our dependency on fixed locations ● Deliver some key IT equipment for our Inspectorate, including replacing essential communications equipment ● Implement a planning tool to monitor and coordinate all our change activity, ensuring it remains aligned with our strategy and delivers the required benefits ● Implement a new H&S system 	<ul style="list-style-type: none"> ● Better Inspectorate communications will keep them on the road and able to safely receive and update their animal welfare tasks ● Prioritisation of strategic outcomes ensures progress in delivery of the strategy for animal welfare 	<ul style="list-style-type: none"> ● Tech delivered ● Planning tool implemented ● Digital transformation started ● H&S system in place
	Governance and leadership	<ul style="list-style-type: none"> ● Launch an internal governance review to improve our efficiency and the quality of decision-making at all levels ● Prepare for externally benchmarking our governance against the highest standards of charity governance and leadership 	<ul style="list-style-type: none"> ● Better decision-making will improve our efficiency as an organisation ● Continued good, effective monitoring of our governance ensures our efficiency as an organisation 	<ul style="list-style-type: none"> ● Review launched/completed ● Project work started to implement external governance benchmarking
	Branch network	<ul style="list-style-type: none"> ● Improve support and communication with and among branches ● Continue transformation activity to strengthen the network and its relationship with the national RSPCA with a stakeholder engagement plan and roadmap ● Introduce revised governance with a new partnership agreement ● Begin implementing our action plan for branch resources 	<ul style="list-style-type: none"> ● Strengthening the sustainability of our branch network will allow branches to continue to rescue, care for and rehabilitate animals locally, with all animals receiving the best levels of care and outcomes that are right for them 	<ul style="list-style-type: none"> ● Stakeholder engagement results ● Partnership agreement in place



Waiting for the right moment to release four seals back into the wild after rehabilitation at RSPCA West Hatch Wildlife Centre.

Financial review

The consolidated statement of financial activities (SOFA) on page 51 reports net income for the year of £44.4 million (2020: deficit £24.5 million) while the Society-only surplus for the year, as reported on page 50, was £43.6 million (2020: deficit £12.8 million).

The surplus represents a significant turnaround from the result in 2020 and preceding years, reflecting a number of different factors. It was an extraordinary year for legacy income; resolution of the delays at the Probate Registry; (sadly) a higher death rate as a result of the pandemic; the economic recovery and buoyant property market leading to higher average legacy values; and a single legacy of £9.8 million further added to the income in the year. Charity income totalled £146.8 million (2020: £111.9 million).

The restructure in late 2020 was successful in delivering a reduction in our costs, in addition to which the pandemic continued to affect our frontline activities through 2021. Veterinary treatment, vet drugs and animal boarding costs were all lower than in pre-pandemic years. Our prosecution rate was also slowed by the pandemic and so reduced related costs, and continued restrictions on travel resulted in further savings. As a result, expenditure on charitable activities in the Society reduced significantly, to £111.2 million (2020: £124.2 million). It is expected that costs will return to more 'normal' levels in future years.

We experienced an actuarial gain on the pension scheme of £26.1 million compared to a loss in 2020 of £4.3 million.

Funds in the charity increased by £69.8 million (2020: reduction of £17.1 million).

Financial sustainability is a key priority for the RSPCA and we have reviewed our reserves policy to give consideration to the current financial risks we face. The exceptional result in 2021 will allow us to designate funds to support the delivery of our ambitious strategy; to grow income, modernise the Society and maximise the impact for animal welfare.

Response to COVID-19 in 2021

We continued to rescue, care for and protect animals throughout the ongoing pandemic in 2021 and adapt our ways of working to keep our colleagues, members of the public and the animals we support safe.

We saw an easing of the delays impacting grants of probate, which contributed to an increase in legacy income in the year, and we continued to enjoy the success of our special appeals to raise donations in support of our work. While our work in some areas was able to return to more normal levels, some activities were still impacted by the pandemic and so our expenditure on charitable activities was reduced as a result.

We have learned much from the enforced changes and will continue some of these practices even when the restrictions no longer require us to do so; for example, flexible working for our office-based staff and increased use of virtual meetings to reduce the need for travel and improve accessibility. Our virtual AGM in 2021 proved to be a great success and we plan to run a virtual AGM again in 2022.

Impact of the war in Ukraine

We are monitoring the tragic events in Ukraine in 2022 carefully, in particular the impact on animal welfare, and have provided support through partner organisations working on behalf of animals in the region.

We are also tracking any financial impacts on the RSPCA. Market volatility has impacted our investments and we are working with our advisers to consider whether we need to make any changes to our investment strategy as a result. We are also feeling the effects of the inflation pressures, compounded by the war, and are undertaking a high-level forecast based on the first quarter's results to analyse the impact. We had built in some inflation contingencies into our budget for 2022 but current expectations exceed that for which we planned. We are confident that, despite these challenges, we will continue to provide our critical services for animals in need.



Structure, governance and management

Charity constitution

The RSPCA was founded in 1824, was incorporated by an Act of Parliament (the RSPCA Act) in 1932 and is a charity registered in England and Wales (no. 219099).

Its charitable objects are to promote kindness and to prevent or suppress cruelty to animals and to do all such lawful acts as the Society may consider to be conducive or incidental to the attainment of those objects.

RSPCA Board of Trustees' statement

of responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and

In 2021, 7,412 dogs were taken in by our centres.

integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

RSPCA branches

This report does not include the RSPCA branches, which are separately registered charities that manage their own affairs, subject to rules made by the Society. At the end of 2021 there were 145 separately registered RSPCA branches managed by their own locally elected charity trustees. Each branch is responsible for publishing its own annual trustees' report and accounts.

The RSPCA Acts, the Society's rules and the branch rules regulate the relationship between the Society and the branches. Each branch is established as an unincorporated charitable association, but the Board of Trustees has delegated to the Branch Affairs Committee powers to intervene in a branch's affairs in certain circumstances, for instance where the number of local trustees falls below the required minimum. Once temporary officers have been appointed to the branch board, all further decision-making and management of the branch rests with those temporary officers until the branch can be returned to local control.

As set out below, at the 2019 AGM the rules on appointments to and membership of the RSPCA Board of Trustees changed.

Among others, the Board has established a Branch Affairs Committee. Under the RSPCA rules this committee comprises three trustees with one of them acting as chair and 10 regional chairs elected from the 10 regions. The committee has delegated authority to determine, monitor and evaluate strategic direction and performance. This includes, but is not limited to, appointment of trustees to branches in national administration in certain circumstances, monitoring their affairs and overseeing their return to local trusteeship.

In light of the changes to the Society's governance in 2019, the Board of Trustees does not believe it is correct to consolidate the accounts of branches in national administration. As the changes described were made during the course of 2019, the year was one of transition. The Board took the view that, as such, it was appropriate to consolidate the branches in national administration in the 2019 Trustees' report and accounts. The branches are no longer consolidated from January 2020.

The 2021 *Trustees' report and accounts* have been prepared on the basis that the governance changes agreed in 2019 were fully implemented by the end of that year.

Much of the RSPCA's direct animal welfare work is carried out through its branches, such as subsidised veterinary care and rehoming in their local areas. In total there are 47 branch animal establishments (domestic and wildlife), including catteries, there are also 30 clinics run by branches. The national Society works closely with the RSPCA branches in delivering animal welfare aims and strategy, and provides financial and other support to the branches.

Grants policy

We provide various grants to our network of branches. Our grants, resulting from our donor recruitment activities, are agreed in advance of the fundraising activity and we allocate a share of actual income to our branch network. Other grants are allocated by our Branch Affairs Committee from applications for activities such as neutering and improvements to facilities. These grants are assessed against various criteria by the committee including the financial need and the impact on animal welfare.

The RSPCA Board of Trustees

The Board of Trustees has a maximum of nine members plus up to three co-opted members who, as charity trustees, have the legal responsibility for the effective use of the Society's resources in accordance with the objects of the RSPCA and for providing effective leadership and direction. Trustees have a maximum term of nine years.

Nine members of the Board of Trustees are elected by the membership of the RSPCA on a democratic one-member-one-vote basis. All candidates for election to the Board of Trustees must have been members of the RSPCA for not fewer than two consecutive years immediately preceding nomination.

Trustees are not remunerated for their role but they are reimbursed for reasonable expenses incurred in carrying out their duties. A list of trustees who served in 2021 together with other statutory information is given on page 82 and forms part of this report.

The Society has a well-established induction programme for all trustees following election (either new or re-elected), which provides them with a comprehensive introduction to the key personnel and functions of the charity, together with information about their own duties and obligations. Trustees are also supported during their term of office in attending trustee training courses as part of their continuing development.

The Board's Governance and Nominations Committee is overseeing the consideration of a National Council for Voluntary Organisations (NCVO) report on developing a trustee training strategy for the RSPCA. The Board is carrying out a skills audit and trustees' appraisals are being held by the Chair as part of reviewing the Board's performance as a whole and the contribution of individual members. The Board of Trustees meets at least six times a year, with additional meetings if required, and is responsible for the finance, governance and overall strategic aims of the RSPCA. It has delegated more detailed discussion on the work of the RSPCA to a Finance, Audit and Risk Committee (FARCOM), an Investment Committee, an Animal Welfare Committee, a Governance and Nomination Committee and the Branch Affairs Committee. The Branch Affairs Committee has been established under the RSPCA rules comprising three trustees (including the chair of the committee) and 10 regional chairs elected from our 10 regions. These committees determine, monitor and evaluate the RSPCA's strategic direction and performance as delegated by the Board of Trustees. In addition, a Remuneration Committee has been established to review the chief executive's remuneration each year.

Public benefit

The RSPCA trustees pay due regard to Charity Commission guidance on public benefit and meet the requirements of the Charities Act 2011 through the programme of preventing cruelty and promoting kindness to animals, as this promotes humane sentiment in humans towards animals, which gives a moral benefit to the human community as a whole. We work with legislators and the public to change behaviour

and improve outcomes for animal welfare as well as providing direct support through operating our emergency helpline at our National Control Centre and responding to requests for help via our Inspectorate and animal rescue service.

Safeguarding

The RSPCA continues to work with The Social Care Institute of Excellence to further refine our safeguarding policy. A revised policy was signed off in 2020 and has been published alongside a managers' guide and a documented code of conduct.

A Google safeguarding site has been created, along with information published on the RSPCA's intranet, to make it easy for both national and branch RSPCA employees and volunteers to access information and report safeguarding concerns. A Google form has been produced for consistent safeguarding reporting and regular reports will be provided to the Board on safeguarding. A safeguarding e-learning course has been launched and will be mandatory for all RSPCA employees. A version for volunteers was launched in 2019. Employees are required to refresh their knowledge every two years.

The RSPCA Inspectorate continues to partner with the NSPCC, sharing information about child safeguarding concerns.

Risk management

The Board of Trustees is responsible for ensuring that there is an appropriate risk-management system in place. They are supported in this by the Finance, Audit and Risk Committee (FARCOM), and the Executive Leadership Team (ELT), who manage risk on a day-to-day basis.

The Board has agreed a review of the risk-management system at the RSPCA, and the risk policy and risk framework are being updated, with a step-by-step process and timeline agreed by FARCOM and the Board early in 2022.

In the interim, FARCOM has commenced a series of 'deep-dive' reviews into key areas of strategic and operational risk to add depth to the assurance process.

The principal risks and uncertainties facing the RSPCA in 2021 and the measures in place to mitigate them were as follows:



RISK	MITIGATION
Financial sustainability	<p>The RSPCA has had significant deficits in recent years due to the high dependency on volatile legacy receipts and individual giving.</p> <ul style="list-style-type: none"> ● restructure and other cost-control initiatives completed in late 2020 resulted in significant savings ● the 2021 surplus has enabled the Society to rebuild its reserves ● a new director of engagement and income generation was appointed in March 2021 to maximise income generation ● new three-year business-planning and budget-setting process to give visibility to return on investment ● improved financial controls and analysis enabling more informed decisions
Failure to meet health and safety requirements and standards	<ul style="list-style-type: none"> ● the action plan developed following the Finch Consulting Review in 2020 is now being implemented ● a new head of health and safety was appointed in June 2021 ● health and safety training programme rolled out
Failure to meet employment legislation, legal and regulatory requirements and standards	<ul style="list-style-type: none"> ● professional legal, HR and compliance functions with access to specialist external advisers as required ● ongoing review and update of policies and procedures ● data protection team in place with appropriate skills, knowledge and expertise, and mandatory training in this area for all staff
Technology and cyber resilience	<ul style="list-style-type: none"> ● information security group established to maintain regular oversight of risks as they are identified ● dedicated information security officer ● annual security testing – network pen test and website security assessment ● multi-factor authentication in place to protect key services ● backup and recovery processes in place for systems hosted in house ● mandatory cybersecurity training for all staff
Fraud, collusion, bribery and theft	<ul style="list-style-type: none"> ● anti-fraud, bribery and corruption code of conduct, anti-money laundering and gifts and hospitality policies in place
Dependency on third-party suppliers and supply chain	<ul style="list-style-type: none"> ● the call-handling contract with Capita was renegotiated in 2021 and includes updated key performance indicators ● a new head of procurement was appointed in late 2021 and will review the procurement strategy and related policies

RISK	MITIGATION
Reputation and geopolitical issues	<ul style="list-style-type: none"> ● strong communications and press teams work with the advocacy team to manage potential reputational risks
Animal welfare	<ul style="list-style-type: none"> ● zoonotic and other disease outbreaks compliance with Royal College of Veterinary Surgeons (RCVS) guidance and regulations ● major incident procedure with communication lines into Defra and other government agencies ● complaints procedure in place ● health and safety procedures now approved by the Board and mandatory training rolled out
Pension deficit	<ul style="list-style-type: none"> ● deficit has reduced since the last valuation ● increased inflation and interest rate hedging ● derisking strategies being explored with the pension trustee
Failure to attract, inspire, empower and retain talent in the delivery of the strategy	<ul style="list-style-type: none"> ● new people and culture strategy under development ● working with Cadence to develop our ED&I strategy ● new flexible working and family-friendly policies approved in 2021 ● learning and development programmes in place ● employee benefits market comparison undertaken regularly
Failure to deliver key programmes	<ul style="list-style-type: none"> ● the £15 million strategy implementation programme is a key initiative focused on both modernising the RSPCA and increasing the impact for animal welfare ● new director of strategy and transformation appointed in August 2021 ● strategy delivery unit in place for the governance of transformation and for monitoring cost and benefit realisation across the transformation programme
Failure to engage externally in the delivery of the strategy	<ul style="list-style-type: none"> ● joined-up approach across engagement and income generation directorate has commenced ● strategy for increasing engagement agreed ● audience analysis work underway
Failure to manage disruption due to pandemic or other major incidents	<ul style="list-style-type: none"> ● business continuity recovery group and business continuity steering group established as a result of COVID-19 ● process in place to address IT failure and facilitate remote working ● successful trial of hybrid working

Slavery and human trafficking

The RSPCA has a statement on its website setting out the steps we are taking to combat slavery and human trafficking in our supply chain. See: rspca.org.uk/utilities/modernslavery

Fundraising governance

The RSPCA is committed to responsible fundraising complying with the regulatory standards for fundraising, and to ensuring that our fundraising is delivered in a manner consistent with our values. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. Any third-party agencies we use for the purpose of our fundraising are contractually obliged to adhere to the relevant codes of practice.

When the COVID-19 pandemic hit our shores in 2020 all face-to-face fundraising activity ceased. We have observed the revised guidelines for face-to-face fundraising activity as set out in the fundraising code of practice; however, as yet the Society has not made any plans to restart this activity. Should activity resume in the future, there will be a requirement to review all training material. This will reflect changes to existing rules, to protect our supporters and our professional fundraisers. Potentially, we will appoint a new third-party provider to conduct face-to-face activity.

We complete an annual complaints return for the fundraising regulator of fundraising complaints reported. Our latest return shows that the RSPCA received 64 fundraising complaints. The complaint numbers for the previous reporting period was 403.

The reduction in number of complaints this year is due to the lack of face-to-face fundraising activity. This activity created 322 of the 403 fundraising complaints reported in the last reporting period. The reporting period is 31 March–1 April.

In 2021, out of a total of 77 incidents reported to the data protection team we recorded 36 actual breaches which were independently investigated on a case-by-case basis from the time we became aware of the breach. Our standard is to complete investigations within three to five days of receiving the breach notification; however, it might extend beyond that depending on the complexity of the incident.

Out of 36 breaches, 35 cases were recorded as low risk according to the data protection team's scoring tool. One of the breaches was reported and investigated by the Information Commissioner's Office (ICO) – the investigation was closed with no regulatory actions from ICO. Follow-up advice and resolution was provided for all.

In comparison to 2020, there was a very slight increase in total breach incidents recorded (76 cases reported in 2020, versus 77 cases reported in 2021) as well as in actual breaches (34 in 2020, versus 36 in 2021).

The RSPCA does not share any of its supporter data with other charities or companies unless we have a data-sharing agreement allowing us to do so. In October 2020, we revised the legal basis on how we gain supporters' consent across the Society. Our legal basis is 'legitimate interest' for new supporters who have provided the RSPCA with an address or telephone number. We regularly review supporter journeys to ensure we protect potentially vulnerable supporters and to address process improvements following supporter feedback.

Performance

Fundraising costs for 2021 were £22.2 million (2020: £19.2 million). Income from fundraising, excluding legacies, increased by £0.4 million in 2021 to £43.4 million (2020: £43.0 million). This reflects new regulatory constraints and increasing costs of compliance.

Financial position of trading subsidiaries

The RSPCA has two wholly owned subsidiaries that operated during the year. The results of these entities are presented in note 18. RSPCA Trading Limited undertakes non-primary purpose trading and the profit from its activity is transferred to the RSPCA at year end. In 2021, RSPCA Trading had income of £1.2 million (2020: £1.3 million). Outgoing resources were £0.9 million (2020: £1.1 million) and £0.3 million of profit was Gift-Aided to the RSPCA (2020: £0.2 million).

Freedom Food Limited, which trades as RSPCA Assured, promotes RSPCA-approved welfare standards in livestock farming. RSPCA Assured activities generated income of £4.5 million (2020: £3.6 million) and incurred costs of £3.8 million (2020: £3.4 million).

Investments

The RSPCA holds investments to support fluctuations in its cash flow and to fund structural growth. The value of the RSPCA's investments at 31 December 2021 was £115.2 million (2020: £77.7 million). Net gains of £8.0 million are reported in the group statement of financial activity (SOFA) for 2021 (2020: losses of £0.5 million). The Board has delegated overall responsibility for the RSPCA's investment strategy to the investment committee, which continues to refine this. The investment committee consults with its investment professionals to help maximise the overall return within acceptable risk parameters, while ensuring that the strategy remains fit for purpose.

Investment strategy review

Financial performance in 2021 was very strong and therefore it was possible to invest an additional £27.5 million in the portfolio during the last quarter of the year.

Market overview

Markets started the year well, supported by the rapid roll-out of COVID-19 vaccines and continued support from governments and central banks around the world. Towards the end of 2021 the emergence of the Omicron variant caused some investor uncertainty with fears that it could derail the global economic recovery, though most markets were able to look through the potential impacts as investors focused on economic resilience and corporate earnings. There was however a divergence in market performance, with emerging markets, notably China, struggling to keep pace with western markets given increased regulatory scrutiny in certain sectors as well as renewed COVID-19 outbreaks, leading to new lockdowns in some major Chinese cities.

At the start of 2022 Russia's invasion of Ukraine caused a global shock. In addition to the tragic human implications, there were also impacts on markets, with equities declining and bond yields rising (meaning prices fell). Commodity prices soared given Russia is a key producer of several important commodities including oil, gas, and wheat. This amplified existing concerns over inflation pressures, which could force central banks to raise interest rates quicker than initially anticipated.

Rising inflation and weak consumer sentiment have the potential to feed through to lower consumer demand, which has resulted in a weaker outlook for global growth in 2022 than previously forecast. We believe inflation is likely to remain elevated in the near term and could prove to be more persistent as a result of supply disruption in commodity markets caused by the Russia-Ukraine conflict. Recent developments have therefore raised the risk of stagflation – a period of high inflation and low or negative growth, which will make it a more challenging period for investing.



Above: One of 13 cats we rescued from a house in Kent after their owner was admitted to hospital. RSPCA Leybourne Animal Centre and RSPCA Canterbury and District Branch found the cats loving new homes.



Left: Gulls were released from a beach in East Sussex, after rehabilitation at RSPCA Mallydams Wood Wildlife Centre. One of the gulls had been rescued from a car's grille.

Fund performance

The portfolio achieved a return of +11.2% in the 12 months to 31 December 2021, compared to the return target (CPI+4.0%) of 9.6%. Over the past five years the portfolio has returned 5.9% pa. The ARC Balanced Index remains the peer group comparator for this portfolio. This index represents the average performance of a large sample of other charity portfolios with a similar risk remit. The ARC Balanced Index return has been 7.6% over the previous 12 months. Over a five-year annualised basis, the figure is 4.9%.

Ethical and socially responsible investment

The RSPCA has an agreed ethical investment policy. This states that the RSPCA will take all reasonable steps to ensure that its corporate investments are consistent with its animal welfare policies. We also have a requirement for investment managers/funds to be signatories to the UN's six principles for socially responsible investment.

We are currently undertaking a review of our existing policies and look to enhance them where possible.

Pension arrangements

The Society operates a pension arrangement which is held separately under the RSPCA Pension Scheme (the Scheme) and has defined benefit and defined contribution sections. The Scheme has a trustee board which includes an independent trustee. Based on financial reporting standard (FRS102), the amount by which the liabilities exceed the assets of the defined benefit section of the pension scheme decreased by £27.6 million in 2021 to £11.1 million (2020: £38.7 million). The improvement in scheme funding is mostly due to returns on the Scheme's assets being significantly higher than had been expected over the period.

In December 2021, following a 60-day consultation with all employees, the Society introduced a new defined contribution (DC) pension provision through a master arrangement with Legal & General. A strategic review of current pension arrangements concluded that the benefits of transitioning the DC section of the pension scheme towards a master trust were the best outcome for all key stakeholders:

- **Members** – optimise member experience and reduced investment costs for members
- **RSPCA** – significant cost savings identified which supports financial sustainability
- **Pension Trustee** – can focus on the closed DB section of the pension scheme moving forward.

Reserves

The RSPCA holds three types of reserve – restricted reserves, designated funds and free reserves. The group reserves additionally include restricted and unrestricted reserves held in the subsidiary companies.

Restricted reserves is the balance on endowment funds and restricted funds; these are held pending their application to the activity specified by the donor. As at 31 December 2021, the balance of restricted reserves was £20.4 million (2020: £16.3 million).

Designated funds are set aside for fixed assets and investment in strategic projects. The funds represent the RSPCA's intangible and tangible fixed assets, approved capital expenditure, and allocations to strategic investments; income generation and the organisational transformation programme (see note 17). As at 31 December 2021, the balance of designated funds was £142.4 million (2020: £90.3m).

Free reserves are calculated as total funds, less restricted reserves and designated funds. This definition takes full account of the pension liability.

The Board reviewed the reserves policy during the year and reserves will be held for the following reasons:

- to meet working capital requirements
- to protect the RSPCA against income fluctuations
- to fund strategic initiatives over the three-year planning period
- as an 'adversity' or continuity reserve – to protect the RSPCA's operations against unplanned adverse events.

Consideration has been given to the level of reserves required to meet the risk in each of these categories and the following levels have been agreed:

- a working capital reserve of between £15 million and £25 million
- holding a reserve to protect against falls in legacy income of £10 million
- holding a continuity reserve of £60 million
- a total free reserve of between £85 million and £95 million.

It was agreed that the funds previously designated for field and branch operations would be re-designated to support the organisational transformation programme, along with a further designation to bring this fund to the total expected investment in transformation over the next three years, of £15 million. £20 million of funds will also be designated for the investment in growing our income over the next three years. Given the geo-political uncertainty and resultant volatility in investment values, trustees felt it prudent to designate a further £30 million as a contingency against market fluctuations affecting investment valuations and the pension scheme liability.








The Board will review this policy annually.

At 31 December 2021, our free reserves stood at £95.3 million (2020: £81.7 million).






Summary financial report

Our income 2021 £151.8m

	Legacy income	£90.9m
	Contributions and donations	£43.2m
	Charitable activities	£7.6m
	Other income	£4.7m
	Furlough income and fees	£0.7m
	FA disposals	£2.7m
	Investment income	£2.0m



Our expenditure 2021 £115.5m

	Field animal welfare	£76.1m
	Cost of raising funds	£22.2m
	Support to branches	£7.0m
	Campaigns, communication, publications	£3.5m
	Prosecutions – legal	£2.6m
	Education	£2.0m
	Science	£1.4m
	International	£0.7m

Signed on behalf of the RSPCA Board



René Olivieri
Chairperson,
RSPCA Board of Trustees

27 May 2022



Karen Harley
Treasurer,
RSPCA

Independent auditor's report to the trustees of the RSPCA

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and RSPCA Rules.

We have audited the financial statements of The Royal Society for the Prevention Of Cruelty To Animals ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2021 which comprise the consolidated and charity statement of financial activities, the consolidated and parent charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Board of trustees statement of responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

As part of the audit we gained an understanding of the legal and regulatory framework applicable to the Group and the sector in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error, the Group's compliance with laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011, RSPCA Rules and other laws and regulations applicable to the group such as employment law, taxation legislation, data protection, health and safety legislation and the Animal Welfare Act 2006. We considered financial performance, key performance indicators and other performance targets. We also considered the risks of non-compliance with requirements imposed by the Charity Commission, and other regulators, and we considered the extent to which non-compliance might have a material effect on the group financial statements.

We also communicated relevant identified laws and regulations, potential fraud risks and that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members including internal specialists audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of these procedures we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: donations, legacy recognition and changes to supplier or employee bank account data.

Our tests included:

- agreeing the financial statement disclosures complied with applicable legislation
- enquiries of the Finance and Audit Committee, management and Senior Management Team, review of minutes of meetings of those charged with governance
- reviewing correspondence with HMRC
- audit testing a sample of Gift Aid claims and ensuring these have been made in accordance with the regulations

- audit of the donor system to accounting records reconciliation
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the legacy accrual and defined benefit pension scheme liability
- enquiries of third parties, where information from that third party has been used by the Group in the preparation of the financial statements
- reviewed Serious Incident Reports submitted to the Charity Commission, other correspondence with the Charity Commission and performed an assessment of any Whistleblowing matters and
- performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluations, whether there was evidence of bias in accounting estimates by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

BDO LLP
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**BDO LLP, statutory auditor, London, UK
27 May 2022**

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Charity statement of financial activities

YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2021	Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2020
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:									
Donations and legacies	2a	130,381	3,884	0	134,265	92,902	4,306	0	97,208
Charitable activities	2b	3,109	0	0	3,109	3,637	42	0	3,679
Other trading activities	2c	3,661	0	0	3,661	3,916	0	0	3,916
Investments	2d	1,793	80	112	1,985	1,691	80	9	1,780
Gains on disposal of tangible fixed assets	2e	2,698	0	0	2,698	1,918	0	0	1,918
Other	2f	1,096	0	0	1,096	3,429	0	0	3,429
Total income		142,738	3,964	112	146,814	107,493	4,428	9	111,930
Expenditure on:									
	3								
Charitable activities		88,365	1,248	0	89,613	103,948	2,335	0	106,283
Raising funds		21,582	0	16	21,598	17,893	9	26	17,928
Total expenditure		109,947	1,248	16	111,211	121,841	2,344	26	124,211
Net gains/(losses) on investments		6,712	0	1,330	8,042	(541)	(14)	50	(505)
Net income/(expenditure)		39,503	2,716	1,426	43,645	(14,889)	2,070	33	(12,786)
Transfers between funds	15	0	0	0	0	3,385	(1,754)	(1,631)	0
Other recognised gains:									
Actuarial gain/(loss) on defined benefit pension scheme	23	26,140	0	0	26,140	(4,283)	0	0	(4,283)
Net movement in funds		65,643	2,716	1,426	69,785	(15,787)	316	(1,598)	(17,069)
Reconciliation of funds:									
Fund balances brought forward at 1 January:		172,058	7,840	8,435	188,333	187,845	7,524	10,033	205,402
Fund balances carried forward at 31 December:		237,701	10,556	9,861	258,118	172,058	7,840	8,435	188,333

All amounts relate to continuing operations. All gains and losses recognised in the current and preceding financial year are included in the statement of financial activities.

The notes on pages 55 to 80 form part of these accounts.

Consolidated statement of financial activities

YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2021	Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2020
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:									
Donations and legacies	2a	130,125	3,884	0	134,009	92,701	4,306	0	97,007
Charitable activities	2b	7,633	0	0	7,633	7,272	42	0	7,314
Other trading activities	2c	4,712	0	0	4,712	5,077	0	0	5,077
Investments	2d	1,793	80	112	1,985	1,691	80	9	1,780
Gains on disposal of tangible fixed assets	2e	2,698	0	0	2,698	1,918	0	0	1,918
Other	2f	728	0	0	728	3,429	0	0	3,429
Total income		147,689	3,964	112	151,765	112,088	4,428	9	116,525
Expenditure on:									
	3								
Charitable activities		91,965	1,248	0	93,213	107,053	14,299	0	121,352
Raising funds		22,219	0	16	22,235	19,156	9	26	19,191
Total expenditure		114,184	1,248	16	115,448	126,209	14,308	26	140,543
Net gains/(losses) on investments		6,712	0	1,330	8,042	(541)	(14)	50	(505)
Net income/(expenditure)		40,217	2,716	1,426	44,359	(14,662)	(9,894)	33	(24,523)
Transfers between funds	15	0	0	0	0	3,392	(1,761)	(1,631)	0
Other recognised gains:									
Actuarial gain/(loss) on defined benefit pension scheme	23	26,140	0	0	26,140	(4,283)	0	0	(4,283)
Net movement in funds		66,357	2,716	1,426	70,499	(15,553)	(11,655)	(1,598)	(28,806)
Reconciliation of funds:									
Fund balances brought forward at 1 January:		173,684	7,840	8,435	189,959	189,237	19,495	10,033	218,765
Fund balances carried forward at 31 December:		240,041	10,556	9,861	260,458	173,684	7,840	8,435	189,959

All amounts relate to continuing operations. All gains and losses recognised in the current and preceding financial year are included in the consolidated statement of financial activities.

The notes on pages 55 to 80 form part of these accounts.

Consolidated and charity balance sheets

YEAR ENDED 31 DECEMBER 2021


		GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	4	8,691	9,791	8,691	9,791
Tangible assets	5	61,312	65,590	61,296	65,590
Investments	6	115,165	77,741	115,165	77,741
Programme related investments	6c	34	1,389	34	1,389
Total fixed assets		185,202	154,511	185,186	154,511
Current assets					
Stocks	7	545	386	0	0
Debtors	8	79,967	64,965	79,994	64,723
Cash at bank and in hand		23,396	25,465	21,005	23,352
Total current assets		103,908	90,816	100,999	88,075
Creditors					
Amounts falling due within one year	9	(16,902)	(15,857)	(16,417)	(14,742)
Net current assets		87,006	74,959	84,582	73,333
Total assets less current liabilities		272,208	229,470	269,768	227,844
Creditors					
Amounts falling due after more than one year					
Provisions for liabilities and charges	10	(646)	(792)	(546)	(792)
Defined benefit pension liability	23	(11,104)	(38,719)	(11,104)	(38,719)
Total net assets		260,458	189,959	258,118	188,333
The funds of the Charity:					
Endowment funds	15	9,861	8,435	9,861	8,435
Restricted income funds	15	10,556	7,840	10,556	7,840
Unrestricted income funds:					
Pension reserve	15	(11,104)	(38,719)	(11,104)	(38,719)
Other charitable funds		108,775	122,069	106,435	120,443
Designated funds	15	142,370	90,334	142,370	90,334
Total funds		260,458	189,959	258,118	188,333

The notes on pages 55 to 80 form part of these accounts. These accounts were approved by the Board of Trustees and signed on its behalf by:



René Olivieri
Chairperson, RSPCA Board of Trustees

27 May 2022



Karen Harley
Treasurer, RSPCA

Consolidated cash flow statement

YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£'000	£'000
Cash flows from operating activities:			
Net cash provided by operating activities	A	21,528	(6,224)
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,967	1,718
Interest received		18	62
Proceeds from the sale of property, equipment and motor vehicles		4,692	2,230
Purchase of intangibles		(55)	(1,604)
Purchase of property, plant and equipment		(2,192)	130
Proceeds from sale of investments		13,316	25,862
Purchases of investments		(42,698)	(17,147)
Disposal/(Addition) of programme related investments		1,355	(340)
Net cash provided by investing activities		(23,597)	10,911
Change in cash and cash equivalents in the reporting period		(2,069)	4,687
Cash and cash equivalents at the beginning of the reporting period		25,465	20,778
Cash and cash equivalents at the end of the reporting period	B	23,396	25,465
Notes to the consolidated cash flow statement			
A) Reconciliation of net income to net cash flow from operating activities			
Net expenditure for the reporting period		44,359	(24,523)
Depreciation charges		5,631	5,440
(Gains)/losses on investments		(8,042)	505
Dividends, interest and rents from investments		(1,985)	(1,780)
Profit on disposal of fixed assets		(2,698)	(1,918)
Non cash branch disposals		0	8,152
(Increase)/decrease in stocks		(159)	(891)
(Increase)/decrease in debtors		(15,002)	10,349
Increase/(decrease) in creditors		1,045	57
(Decrease)/increase in provisions		(146)	461
Other adjustments including pension funding		(1,475)	(2,076)
Net cash provided by operating activities		21,528	(6,224)
B) Analysis of cash and cash equivalents			
Cash in hand		23,396	25,465
Loans and overdraft		0	0
Total cash and cash equivalents		23,396	25,465

Consolidated cash flow statement (continued)

YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021	Cash flows	At 31 December 2021
	£'000	£'000	£'000
Analysis of change in net debt			
Cash and cash equivalents:			
Cash in hand	25,465	(2,069)	23,396
Total	25,465	(2,069)	23,396

Net cash flow change in the year is (£2,069k). The notes on pages 55 to 80 form part of these accounts.

Notes to the accounts

YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

The particular accounting policies adopted are described below.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments to market value. The accounts (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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Charities Act 2011, UK Generally Accepted Practice and the RSPCA Rules. The charity is a public benefit entity.

b) Going concern

The trustees assess the reasonableness of the assumption of the Charity to continue as a going concern for a period of 12 months from the date the financial statements are signed.

A combination of exceptional legacy receipts, cost savings achieved through the restructure in late 2020 and other cost-saving initiatives, and a reduction in costs due to the pandemic continuing to restrict activity in some areas, resulted in a significant surplus for 2021. This has allowed trustees to designate funds to support the investment in growing engagement and income generation, and transforming the Society to ensure it is able to deliver the impact set out in our strategy in a sustainable way.

Trustees have approved a budget for 2022 that targets a small operating surplus, reflecting the one-off nature of some of the events contributing to the high surplus achieved in 2021, and have reviewed the forecast of cash flows for the period to June 2023. The budget takes into consideration any ongoing impact of the COVID-19 pandemic and includes some contingency against inflation. The planned sale of property during 2022 will enable the Society to transfer further funds into its investment portfolio.

Trustees revised the Reserves Policy, taking into consideration the key financial risks the Society faces, and reserves at the year end 2021 are at the upper end of the range considered appropriate. So a combination of a healthy level of reserves, designations to support key strategic investments, a cautious budget and sufficient cash to meet the Society's needs means that the trustees consider it appropriate for the accounts to be prepared on a going concern basis.

c) Key judgements and estimates

In the application of the Charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The significant estimates are:

Income recognition – The Charity recognises income on a receivable basis where the amount is reliably measurable and there is adequate probability of receipt. Income recognition policies are detailed in the accounting policy for income. When it is considered that the key criteria of entitlement, probability and measurement for income recognition are not fulfilled for a transaction, income recognition is delayed until these have been judged to have been met.

Fixed assets – The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life. The useful economic life of an asset is determined at the time the asset is acquired or brought into use and reviewed annually for appropriateness. The lives are based on historical experience together with anticipation of future events. Depreciation policy is detailed in the accounting policy for depreciation.

Accruals, provisions and contingencies – Expenditure incurred in the reporting period where it has not yet been paid at the year end date is accrued for. Where there exists a present obligation for a probable outflow of economic resources at the year end date, and payment can be reliably measured, a provision is made based on the estimated payment. For example, where settlement fees of known legal cases can be reliably estimated at the end of the reporting period, a provision is made.

Matters that are either possible obligations or do not meet the recognition criteria for a provision are disclosed as contingent liabilities. If the possibility of transferring economic benefit is considered to be remote no reference is made.

Defined Benefit Pension Scheme – The Society operates a pension arrangement called the RSPCA Pension Scheme (the Scheme) which has defined benefit and defined contribution sections. Although closed for further accrual, the position of the defined benefit element of the Scheme at 31 December each year is calculated by actuarial valuation. By nature, the actuarial valuation includes estimates and assumptions which include: discount rate,

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

inflation rates (CPI and RPI), post-retirement mortality rates, commutation, retirement ages and withdrawal rates.

Legacies – Legacies are recognised following a grant of probate.

All pecuniary legacy cases have an estimated value based on the amount expected to be received as identified by the Will. All residuary legacy cases have an estimated value which is calculated based on the information available, including the value of the estate and the contents of the Will. Early stage estimates will include a deduction for administration costs, estimated at 5%. Valuations on cases which are contentious include a further deduction of 20% to take into account the risk. Estimates are regularly updated based on information available at the time.

d) Consolidation

The financial statements consolidate the results of the RSPCA and its wholly owned subsidiaries (see note 18). The consolidation is prepared on a line-by-line basis. A separate Statement of Financial Activities for the Charity is also presented in accordance with Charities SORP (FRS 102).

The Group accounts do not consolidate the results of the 150 branches of the RSPCA which are independent charities, registered separately with their own independent charity trustees and charitable objects and are therefore not controlled by the Society.

Where a branch ceases to be under active management, the Branch Affairs Committee may appoint temporary trustees to ensure that the affairs of the branch continue to be administered. The Society's Board of Trustees does not have the right to appoint (or remove) trustees nor to determine the day-to-day and longer-term affairs of the down branches. This means that they do not have any control of these branches at this time in accordance with Charities SORP (FRS 102), and the branches are not consolidated.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably. Bank interest and dividend income from listed investments is accrued. Other investment income is recognised when the Society's entitlement is measurable.

Legacies are deemed receivable from the date of probate, provided that sufficient information has been received to enable the Society to reliably measure the amount receivable. Receipt of a legacy, in whole or part, is only

considered probable when the amount can be measured reliably. The amount included within income is the probate value for pecuniary legacies although a provision for fees of 5% is made against residual legacies. Additional provisions are made for contested legacies.

Life interest legacies are not valued until conditions are met which bring these within the control of the Society to be valued as receivable. Pecuniary legacies are valued at the amount notified to the Society. The Society has been informed of the existence of a number of properties in which it holds a reversionary interest. However, it is not practicable to quantify the value of such assets.

Donated goods for sale are included when those goods are sold, as it is impractical to value them on receipt. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and more information about their contribution is included in the *Trustees' report and accounts*. Donated professional services and donated facilities are recognised at the estimate of the value to the charity and recognised on receipt.

Legacy income received, where the will stipulates that it is for the use of a branch, is treated as income of the branch regardless of whether or not the charity number quoted in the will is that of the branch. The Society does not ordinarily receive government grants but did claim furlough support under the CJRS during the year. This income has been classified as other income and recognised when conditions for entitlement were met. Where cases are notified but not reliably measured they are treated as a contingent asset, see note 20.

f) Expenditure on charitable activities

The analysis of expenditure by charitable activities to further animal welfare in this report identifies the direct operational costs and the support and governance costs described above.

g) Expenditure on raising funds

Fundraising costs include the salaries and overheads of the staff who directly undertake fundraising activities, plus allocated support and governance costs.

h) Governance and support costs

Governance costs include the direct costs of administering the Society. Support costs represent the central services of the Society, including the cost of maintaining facilities shared by all or most aspects of the Society. In 2020 and 2021, this includes furlough support which has been shown within other income in the trading statement. Governance and support costs, net of incidental income, have been allocated across the Society's activities according to the

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

use made of those services. Individual support cost centres assessed their workloads, which were then used as a basis to allocate costs to user activities using numbers of staff or other more appropriate bases.

Further detail of support costs is shown in note 3. Costs of premises occupied solely for the use of one activity are charged to that activity.

i) Grants payable

Grants to other organisations for animal welfare purposes and for scientific research into animal welfare matters are accounted for on the basis of approved allocations. The value of grants approved and communicated, but still to be paid as at the balance sheet date, are included in the balance sheet as current liabilities.

j) Prosecutions

Prosecution costs are based on costs incurred during the period. We incur some of these costs when cases go to trial. These are shown as costs recovered within income from charitable activities and refer to cash received during the period.

k) Operating leases

Rental costs under operating leases are included in total expenditure in annual instalments over the period of the leases.

l) Financial assets and liabilities

The Charity holds both financial assets and financial liabilities which are accounted for in accordance with Section 11 of the Charities SORP (FRS 102).

Basic financial assets held by the Charity include cash in hand and debtors. Cash is held at the cash amount of the deposit. Debtors are recognised at the amount receivable, and are carried at amortised cost.

Other financial assets held by the Charity include investments in equity shares, property trusts, unit trusts and alternatives.

Investments are re-valued at the end of the reporting period to their fair value. The arising unrealised gain or loss is charged to the SOFA.

Basic financial liabilities held by the Charity include trade and other creditors. Trade and other creditors are recognised at the amount payable, and are carried at amortised cost.

m) Properties

Freehold and leasehold properties are shown at cost. Equity Housing Properties are owned by the Society, which grants a lease at a peppercorn rent to any inspector wishing to take advantage of the scheme. The inspector purchases an

investment in the equity of the property and any future change in the value is shared between the Society and the inspector in proportion to their shares in the property.

The inspector's share in an existing Society property, or an additional investment in an equity property, is treated by the Society as sale proceeds for that proportion of the property sold. Depreciation is charged on the cost of the Society's equity share of the property using a 40-year useful life. The inspector is entitled to purchase the remaining equity owned by the Society in the property at market value at date of sale.

The Society undertakes an annual Impairment Review, and where significant impairment is incurred, unrealised losses are recognised in the SOFA representing the write-down of the net book value (depreciated historical cost) of the property to the revalued estimate.

n) Computers and other equipment

The Society capitalises any computers, computer software, equipment and motor vehicles, if they have a cost price above £5,000 and fulfil the recognition criteria as per FRS102. Assets hired as part of an operating lease arrangement are not capitalised.

o) Depreciation

Provision for depreciation is made on cost in respect of:

- (i) leasehold interests in land over the terms of the leases in equal annual instalments except those in excess of 40 years, which are not depreciated;
- (ii) completed freehold and leasehold buildings at the rate of 2.5% per annum;
- (iii) computers, other equipment and motor vehicles on a straight line basis over their estimated useful lives, when new, of between three and 10 years. This equates to a rate of between 10% and 33% per annum.

p) Intangible assets

Intangible assets are shown at cost. Any expenditure fulfilling the recognition criteria of an intangible asset as per FRS102 and the SORP with a cost price of above £5,000 is capitalised as such. Costs in respect of the research phase of a project are expensed as they arise. Costs in respect of the development phase of a project are capitalised when there are adequate technical and financial resources to complete and it is probable that future economic benefits will arise. Development projects are amortised, on a straight line basis, when available for use, over their useful economic life of between three and 10 years. They are included as Intangible Fixed Assets.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

q) Investments

Stocks and shares are measured at bid value at the balance sheet date. Included in investments is portfolio cash held within the investment portfolios which fluctuates with purchases and disposals of investment holdings.

Donated and legacy investment properties consist of land where development approval is being sought or the property is being held in anticipation of increased value and are held at their estimated fair value at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are, together with the realised gains and losses arising on the sales of investments, shown in the consolidated statement of financial activities as net gains/(losses) on investments.

r) Programme related investments

Where appropriate, the Society will provide funds to downed branches to give liquidity. These are shown as investments and then valued each year at the net realisable value. Provisions are made against programme related investments if a default against repayment is deemed probable.

s) Stocks

Stocks are stated at the lower of cost and the net realisable value. Provision is made for slow moving or obsolete items.

t) Fund accounting

Endowment, restricted and unrestricted funds are disclosed separately in the financial statements. Endowment and restricted funds are subject to specific restrictions imposed by the donor or by the nature of the appeal or grant. Funds formally held as restricted are transferred to unrestricted funds (General Fund) as the original restrictions are met in accordance with the Charities SORP (FRS 102). Where the donor restrictions are for revenue purposes for activities normally carried out within the General Fund, transfers are made from the restricted fund to the General Fund to offset the costs as they are incurred. Further details are given in notes 15 and 16.

Designated funds are part of the General Fund set aside for a specific purpose by the Board. Details of designated funds are set out in note 17.

u) Pension costs

For the defined benefit section and defined contribution section of the pension scheme, the amounts charged to expenditure in the statement of financial activities are the current service costs and gains and losses on settlements

and curtailments. Service costs are shown separately as part of staff costs, settlements and curtailments. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown net of other finance costs or credits adjacent to interest.

Actuarial gains and losses are recognised immediately in other recognised gains and losses. The defined benefit pension section is funded, with the assets of the scheme held separately from those of the Group, in a separate trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. The resulting pension scheme asset or liability is presented separately after other net assets on the face of the balance sheet. Key assumptions that have been used to estimate the pension scheme liability include a discount rate of 2.0%; RPI inflation of 3.20% and CPI inflation of 2.90%.

v) Taxation

As a charity, the Society benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid, and partial recovery is also made of tax credits on UK dividend income. The Society is also able to partially recover Value Added Tax (VAT). Expenditure subject to VAT that is not recoverable by the Society is recorded in the accounts inclusive of the VAT.

The Society is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the Society is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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.

The subsidiary trading companies make qualifying donations of taxable profit to the Society to the full extent allowable. Unless material, any corporation tax liability arising in the subsidiaries is included within the resources expended by the Group.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2021	TOTAL 2020
	£'000	£'000	£'000	£'000	£'000
2. Income and endowments					
a) Donations and legacies					
CHARITY					
Legacy income	87,574	3,276	0	90,850	54,253
Contributions and donations	42,807	608	0	43,415	42,955
Total charity donations and legacies	130,381	3,884	0	134,265	97,208
GROUP					
Legacy income	87,574	3,276	0	90,850	54,253
Contributions and donations	42,807	608	0	43,415	42,955
Total donations and legacies	130,381	3,884	0	134,265	97,208
Less Gift Aid	(256)	0	0	(256)	(201)
Total group donations and legacies	130,125	3,884	0	134,009	97,007

The income from the donations and legacies in 2020 was £97,007k of which £92,701k was unrestricted and £4,306k was restricted.

b) Income from charitable activities					
CHARITY					
Sale of goods	930	0	0	930	928
Rehoming, veterinary and boarding income	1,090	0	0	1,090	1,476
Costs recovered	1,045	0	0	1,045	999
Other fees and charges received	44	0	0	44	276
Total charity income from charitable activities	3,109	0	0	3,109	3,679
GROUP					
Sale of goods	930	0	0	930	928
Rehoming, veterinary and boarding income	1,090	0	0	1,090	1,476
Costs recovered	1,045	0	0	1,045	999
Other fees and charges received	44	0	0	44	276
Total income from charitable activities	3,109	0	0	3,109	3,679
Freedom Food's welfare assessment and licence fees	4,524	0	0	4,524	3,635
Total group income from charitable activities	7,633	0	0	7,633	7,314

The income from charitable activities in 2020 was £7,314k of which £7,272k was unrestricted and £42k was restricted. Costs recovered include £665k awarded to the RSPCA in successful prosecutions (2020: £596k).

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds	Restricted funds	Endowment funds	TOTAL 2021	TOTAL 2020
	£'000	£'000	£'000	£'000	£'000
2. Income and endowments (continued)					
c) Other trading activities					
CHARITY					
Charity income (from social lotteries)	3,661	0	0	3,661	3,916
GROUP					
Income (from social lotteries)	3,661	0	0	3,661	3,916
Sale of goods	645	0	0	645	726
Income from royalties and sponsorship	406	0	0	406	435
Total Group income from other trading activities	4,712	0	0	4,712	5,077

The income from other trading activities in 2020 was £5,077k of which £5,077k was unrestricted and nil was restricted.

d) Investment income					
CHARITY AND GROUP					
Income from listed investments	1,775	80	112	1,967	1,718
Bank and other interest	18	0	0	18	62
Total investment income	1,793	80	112	1,985	1,780

The income from investments in 2020 was £1,780k of which £1,691k was unrestricted, £80k was restricted and £9k was in respect of endowment funds.

e) Gains on disposal of tangible fixed assets					
CHARITY AND GROUP					
Disposal of fixed assets	2,698	0	0	2,698	1,918
Total RSPCA gains on disposal of tangible fixed assets	2,698	0	0	2,698	1,918

The gains on disposal of tangible fixed assets in 2020 was £1,918k, of which £1,918k was unrestricted and nil was restricted.

f) Other income					
CHARITY					
Other fees and charges	688	0	0	688	287
Furlough income	408	0	0	408	3,142
Total Charity other income	1,096	0	0	1,096	3,429
GROUP					
Other fees and charges	320	0	0	320	287
Furlough income	408	0	0	408	3,142
Total Group other income	728	0	0	728	3,429

Total other income in 2020 was £3,429k of which £3,429k was unrestricted and nil was restricted.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds			Restricted funds	Endowment funds	TOTAL 2021	TOTAL 2020
	Direct	Support costs	Total				
	£'000	£'000	£'000				
3. Expenditure							
a) Charitable activities							
CHARITY							
Field animal welfare:							
hospitals and animal centres	23,226	8,348	31,574	859	0	32,433	36,776
Inspectorate	31,694	6,118	37,812	9	0	37,821	46,691
prosecutions – animal care	1,862	260	2,122	0	0	2,122	2,886
Support to branches	6,494	507	7,001	0	0	7,001	7,038
Prosecutions – legal	2,431	181	2,612	0	0	2,612	2,730
Campaigns, communications, publications	2,761	768	3,529	0	0	3,529	4,837
Science	1,021	353	1,374	69	0	1,443	1,853
Education	1,358	495	1,853	132	0	1,985	2,291
International	456	32	488	179	0	667	877
Charity total costs of charitable activities	71,303	17,062	88,365	1,248	0	89,613	105,979
GROUP							
Field animal welfare:							
hospitals and animal centres	23,226	8,348	31,574	859	0	32,433	36,776
Inspectorate	31,694	6,118	37,812	9	0	37,821	46,691
prosecutions – animal care	1,862	260	2,122	0	0	2,122	2,886
Support to branches	6,494	507	7,001	0	0	7,001	7,038
Prosecutions – legal	2,431	181	2,612	0	0	2,612	2,730
Campaigns, communications, publications	2,761	768	3,529	0	0	3,529	4,837
Science	1,021	353	1,374	69	0	1,443	1,853
Education	1,358	495	1,853	132	0	1,985	2,291
International	456	32	488	179	0	667	877
Charity total costs of charitable activities	71,303	17,062	88,365	1,248	0	89,613	105,979
Deconsolidation of branches/branch charitable activities	0	0	0	0	0	0	11,964
Freedom Food charitable expenditure	3,600	0	3,600	0	0	3,600	3,409
Group total costs of charitable activities	74,903	17,062	91,965	1,248	0	93,213	121,352

Expenditure on charitable activities in 2020 was £121,352k of which £107,053k was unrestricted and £14,299k was restricted.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	TOTAL 2021	TOTAL 2020
	£'000	£'000
3. Expenditure (continued)		
a) Charitable activities (continued)		
CHARITY AND GROUP		
Support to branches		
Branch support officers	1,409	1,431
Shared fundraising income grant*	3,993	4,175
Grants**	149	12,020
Cost of sales	672	861
Other support	778	515
Total support to branches	7,001	19,002

*The shared fundraising income is a fixed-rate payment to all branches based on the income collected by the Society in the previous year from the door-to-door campaign.

**Grants includes nil (2020: £11,969k) arising in the deconsolidation of branches.

	Unrestricted funds			Restricted funds	Endowment funds	TOTAL 2021	TOTAL 2020
	Direct	Support costs	Total				
	£'000	£'000	£'000				
b) Raising funds							
CHARITY							
Total RSPCA fundraising activities	20,131	1,451	21,582	0	16	21,598	18,077
GROUP							
Total RSPCA fundraising activities	20,026	1,451	21,477	0	16	21,493	18,077
RSPCA Trading Limited expenditure	742	0	742	0	0	742	1,114
Total costs of raising funds	20,768	1,451	22,219	0	16	22,235	19,191

Expenditure on raising funds in 2020 was £19,191k of which £19,156k was unrestricted and £9k was restricted and £26k was in respect of endowment funds.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	TOTAL 2021	TOTAL 2020
	£'000	£'000
3. Expenditure (continued)		
c) Support, governance and administration costs		
CHARITY AND GROUP		
Governance	918	780
Finance and supporter services	4,307	3,780
Headquarters services	1,030	1,332
Central information technology and communications	5,984	5,775
Legal	488	528
Human resources and training	4,847	6,236
Property, printing, purchases and transport	939	615
Total support, governance and administration costs	18,513	19,046
Allocation of support and governance costs		
Total cost	18,513	19,046
Charitable activities	(17,062)	(17,819)
Raising funds	(1,451)	(1,227)
	0	0
d) Grants payable		
CHARITY AND GROUP		
Expenditure on charitable activities includes the following grants payable:		
Support to branches*	4,142	16,195
Science, international, other	625	1,226
Total grants payable included in charitable activities	4,767	17,421
RECIPIENTS OF INSTITUTIONAL GRANTS:		
RSPCA branches – door-to-door grants	3,993	4,175
RSPCA branches – neutering grants	149	51
RSPCA branches – other grants	0	11,969
Other	625	1,226
	4,767	17,421

*£11,969k of the £16,195k balance in 2020 related to the deconsolidation of branches.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	TOTAL 2021	TOTAL 2020
	£'000	£'000
3. Expenditure (continued)		
e) Additional analysis of expenditure:		
CHARITY		
Included in total expenditure are fees payable in respect of:		
Auditor's remuneration – statutory audit	106	143
Auditor's remuneration – other services	15	30
Depreciation of fixed assets	4,476	4,469
Hire of equipment under operating leases	130	225
Premises rent	112	614
Trustee indemnity insurance	29	21
Other insurance excluding motors	333	303
GROUP		
Included in total expenditure are fees payable in respect of:		
Auditor's remuneration – statutory audit	135	143
Auditor's remuneration – other services	18	30
Depreciation of fixed assets	4,476	4,469
Hire of equipment under operating leases	186	225
Premises rent	112	614
Trustee indemnity insurance	29	21
Other insurance excluding motors	346	303
f) Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel		
GROUP		
Employee costs included in the consolidated statement of financial activities:		
Wages and salaries	42,772	52,073
Social security costs	4,417	5,118
Employer's contribution to pension schemes	4,600	5,230
Total employment costs	51,789	62,421

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	TOTAL 2021	TOTAL 2020
	£'000	£'000
3. Expenditure (continued)		
f) Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)		
The emoluments of higher-paid staff within the following scales were:		
£60,000–£69,999	17	12
£70,000–£79,999	10	15
£80,000–£89,999	6	5
£90,000–£99,999	2	4
£100,000–£109,999	0	2
£110,000–£119,999	1	0
£120,000–£129,999	0	2
£130,000–£139,999	1	0
£150,000–£159,999	1	1

Emoluments include salary, benefits in kind and exit costs, but exclude pension scheme contributions. 38 employees earning more than £60,000 in 2021 participated in the pension scheme (2020: 41).

Employer contributions of £302k were paid into the pension scheme on behalf of these employees in 2021 (2020: £289k).

In 2021, the Charity made termination payments of £186k (2020: £2,414k). The termination payments are a combination of compulsory and voluntary redundancy payments plus termination payments made under settlement agreements. The accounting policy is to recognise termination payment liabilities on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs. The payments were funded from unrestricted reserves.

No remuneration was paid to any trustee in their role as trustee. Costs and reasonable expenses incurred by trustees on behalf of the Society – such as travel, subsistence, telephone, postage and incidentals – are reimbursed. In 2021 eight trustees were reimbursed for expenses and/or had expenses paid by the Charity (2020: 12). In 2021, trustees were reimbursed £2k (2020: £7k) for out-of-pocket expenses and the Society paid £2k (2020: £0k) on their behalf for expenditure incurred while performing their duties as trustees.

Mr Kevin Degenhard, a trustee, was formerly employed by the Society, latterly as Chief Inspectorate Officer. He retired in 2015 after 41 years of service and was appointed a trustee in October 2019. He is currently receiving a pension from the Society pension scheme in accordance with his entitlement under the scheme rules. He lives in a shared equity property as a participant in the Society's shared equity housing scheme.

The key management personnel of the Parent Charity, the Society, comprised the Chief Executive, the Chief Operating Officer, the Director of People and Culture, the Director of Advocacy and Policy, the Director of Engagement and Income Generation, the Director of Strategy and Transformation, the Director of Finance and Business Services, the Chief Veterinary Officer, the Chief Legal Officer, and the Chief Inspectorate Officer.

The total employee benefits, including pension scheme contributions and employer's National Insurance, of the key management personnel of the Society were £1,306k (2020: £1,462k).

The key management personnel of the group comprised those of the Society and the key management personnel of its wholly owned subsidiaries, RSPCA Trading Ltd and Freedom Food Ltd. The key management of RSPCA Trading Ltd is the same as that of its parent company. The key management personnel of Freedom Food Ltd is comprised of the Chief Executive Officer whose total employee benefits total £116k (2020: £104k). The total employee benefits of key management personnel of the Group was therefore £1,411k (2020: £1,566k).

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Full-time equivalents 2021	Total employees 2021	Full-time equivalents 2020	Total employees 2020
3. Expenditure (continued)				
g) Staff numbers				
The analysis of the average number of employees by activity was as follows:				
Hospitals and animal centres	515	621	582	699
Inspectorate	393	429	488	535
Prosecutions	11	12	15	16
Support to branches	33	34	30	31
Campaigns, communication, publications	47	51	60	65
Science	22	25	29	31
Education	31	41	36	45
International	2	2	3	3
Support and governance	164	176	159	169
Fundraising	87	91	86	88
Total average employee numbers	1,305	1,482	1,488	1,682

	2021	2020
	£'000	£'000
4. Intangible fixed assets		
GROUP AND CHARITY		
Cost		
At 1 January	11,310	9,706
Additions	55	1,604
Disposals	0	0
At 31 December	11,365	11,310
Accumulated depreciation		
At 1 January	1,519	548
Released on disposals	0	0
Charge for the year	1,155	971
At 31 December	2,674	1,519
Net book value at 31 December	8,691	9,791

Intangible assets relate to investments in systems in relation to call handling and a database of supporters. Amortisation is charged in the SOFA against the underlying activity to which the intangible asset relates.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Leasehold property		Freehold property		Equipment	Motor vehicles	TOTAL
	Equity housing	Other	Equity housing	Animal centres and other			
	£'000	£'000	£'000	£'000			
5. Tangible fixed assets							
a) GROUP							
Cost							
At 1 January 2021	43	11,599	5,135	84,379	19,575	10,239	130,970
Additions	0	0	314	280	425	1,173	2,192
Disposals	0	(5)	(447)	(1,628)	(1,510)	(777)	(4,367)
At 31 December 2021	43	11,594	5,002	83,031	18,490	10,635	128,795
Accumulated depreciation							
At 1 January 2021	22	2,656	1,644	35,609	18,282	7,167	65,380
Released on disposals	(4)	0	(271)	(771)	(559)	(768)	(2,373)
Charge for the year	0	344	276	1,439	0	2,417	4,476
At 31 December 2021	18	3,000	1,649	36,277	17,723	8,816	67,483
Net book value at 31 December 2021	25	8,594	3,353	46,754	767	1,819	61,312
Net book value at 31 December 2020	21	8,943	3,491	48,770	1,293	3,072	65,590
b) CHARITY							
Cost							
At 1 January 2021	43	11,599	5,135	84,379	19,575	10,239	130,970
Additions	0	0	314	280	295	1,173	2,062
Disposals	0	(5)	(447)	(1,628)	(1,510)	(777)	(4,367)
At 31 December 2021	43	11,594	5,002	83,031	18,360	10,635	128,665
Accumulated depreciation							
At 1 January 2021	22	2,656	1,644	35,609	18,282	7,167	65,380
Released on disposals	(4)	0	(271)	(771)	(673)	(768)	(2,487)
Charge for the year	0	344	276	1,439	0	2,417	4,476
At 31 December 2021	18	3,000	1,649	36,277	17,609	8,816	67,369
Net book value at 31 December 2021	25	8,594	3,353	46,754	751	1,819	61,296
Net book value at 31 December 2020	21	8,943	3,491	48,770	1,293	3,072	65,590

Included in freehold property other are properties in the course of construction costing £1,295k (2020: £1,015k).

The total value of inspectors' contributions to equity housing as at 31 December 2021 was £3,854k (2020: £4,684k). Should an inspector leave the scheme, the Society has an obligation to refund the inspector's share in the value of the related property at the time. It is intended that any Society obligation will be funded by the proceeds from the sale of the property.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

Included in freehold and leasehold property, 'other' and 'freehold equity housing' are houses currently occupied by pensioners of the Society. The relevant net book value at the balance sheet date comprises:

	Leasehold property		Freehold property	
	Equity housing	Other	Equity housing	Other
	£'000	£'000	£'000	£'000
5. Tangible fixed assets (continued)				
Net book value				
At 31 December 2021	0	85	405	2,074
At 31 December 2020	0	88	408	2,171

	GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	£'000	£'000	£'000	£'000
6. Investments				
a) Analysis of movements in the year				
Market value at 1 January	77,741	88,605	77,741	87,643
Acquisitions at cost	42,698	17,147	42,698	17,147
Disposal proceeds	(13,316)	(26,066)	(13,316)	(25,104)
Realised and unrealised gains / (losses) in the year	8,042	(1,945)	8,042	(1,945)
Fair value at 31 December	115,165	77,741	115,165	77,741
Historical cost at 31 December	85,326	58,715	85,326	58,715
b) Analysis of investments held at 31 December				
Listed investments:				
Properties trust – UK	7,993	7,799	7,993	7,799
Equity shares – UK	30,642	27,731	30,642	27,731
Government and corporation stocks	0	1,115	0	1,115
Unit trusts – fixed interest	19,229	12,053	19,229	12,053
Unit trusts – UK equity	5,396	8,674	5,396	8,674
Unit trusts – overseas equity	39,885	16,349	39,885	16,349
Unit trusts – multi asset	4,590	0	4,590	0
Alternatives	46	0	46	0
Total listed securities	107,781	73,721	107,781	73,721

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	£'000	£'000	£'000	£'000
6. Investments (continued)				
b) Analysis of investments held at 31 December (continued)				
Unlisted securities:				
Cash	7,384	4,020	7,384	4,020
Total investments at fair value	115,165	77,741	115,165	77,741
c) Programme related investments				
Loans to branches less provisions	34	1,389	34	1,389

The total gain on investments was £8,342k (2020: loss £505k) of which £7,012k (2020: loss £541k) was unrestricted, £0k (2020: loss £14k) was restricted and a gain of £1,330k was in respect of endowment funds (2020: gain £50k).

Programme related investments relate to loans made by the Society to RSPCA branches. Repayments of £1,355k were received within the year, leaving one loan remaining as receivable at 31 December 2021 with a balance of £34k.

The following investments comprised over 5% of the portfolio as at 31 December, and are considered significant:	£'000
Schroder QEP Global Core Fund, Units -I- Income, Schroder Unit Trusts Limited, 0766108	12,820
Schroder Institutional Sterling, Broad Market Bond Fund, Units -I- Income Gross, Schroder Unit Trusts Limited, B06RTZ2	8,170
Schroder Global Sustainable Growth, Shs -I QV- Distribution, Schroder Int. Selection Fund SICAV, BKLF434	22,098

	GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	£'000	£'000	£'000	£'000
7. Stocks				
Stocks held for resale	545	386	0	0
8. Debtors				
Income tax and VAT recoverable	1,117	1,254	1,223	1,254
Prepayments	1,868	1,068	1,845	1,068
Accrued income	74,665	60,636	73,694	59,856
Group debtors	0	0	1,374	1,150
Other debtors	2,317	2,007	1,858	1,395
Total debtors	79,967	64,965	79,994	64,723

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	£'000	£'000	£'000	£'000
9. Creditors				
Amounts falling due within one year				
Trade creditors	6,991	5,126	6,737	4,876
Branches	3,993	4,329	3,993	4,329
Accruals and deferred income*	5,918	6,172	5,687	5,294
Other creditors	0	230	0	243
Total creditors	16,902	15,857	16,417	14,742

*Deferred income for the Group relates wholly to Freedom Food Limited and RSPCA Trading Limited. It includes membership income received by Freedom Food Limited within the reporting period relating to future accounting periods, and entry fees received by RTL within the reporting period for future accounting periods. The Group deferred income balance for 2021 is £101k (2020: £4k).

	AT 1 JANUARY 2021	CHARGED TO SOFA	UTILISED/ RELEASED	AT 31 DECEMBER 2021
	£'000	£'000	£'000	£'000
10. Provisions for liabilities and charges				
GROUP				
Taxation provision	242	471	(500)	213
Other provision	550	100	(217)	433
Total provisions	792	571	(717)	646
CHARITY				
Taxation provision	242	471	(500)	213
Other provision	550	0	(217)	333
Total provisions	792	471	(717)	546

The taxation provision includes an estimate for the tax on 2021 employee benefits payable to HMRC at the end of the 2021/22 tax year. The timing of the outflows can be estimated reliably in line with regulatory requirements. Other provisions include a provision for property dilapidations, and a provision for settlement costs of known legal cases with uncertain settlement dates. All provisions are estimated by taking into account known current events at the end of the reporting period, and historic events.

	2021	2020
	£'000	£'000
11. Commitments		
At 31 December 2021, the group had the following capital and other budgeted project commitments.		
Contracted		
Authorised but not contracted	7,367	5,635

All commitments relate to the Parent Charity. All commitments will be funded by the capital and project commitments designated fund (Note 17).

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

12. Contingent liabilities and assets

The Society has given an indemnity to repay £5m related to a legacy bequest should the estate be claimed against. The Society is the legal tenant for 12 properties where the beneficial tenant is an RSPCA branch. In the event of the financial failure of the beneficial tenant, the Society would be obliged to continue the tenancy.

13. Financial instruments

The Group and parent financial instruments comprise fixed asset investments measured at fair value through profit or loss and other financial assets which comprise cash, group debtors, and other debtors and financial liabilities which comprise trade creditors, branches and other creditors, measured at amortised cost.

14. Trusteeships

The Society holds property title deeds and investments as custodian trustee for certain branches. The deeds are held by the legal department in safe custody and the branches' objects are aligned with the Society's.

	AT 1 JANUARY 2021	INCOME	EXPENDITURE	TRANSFER BETWEEN FUNDS*	OTHER RECOGNISED GAINS/(LOSSES)	AT 31 DECEMBER 2021
	£'000	£'000	£'000	£'000	£'000	£'000
15. Analysis of movement of funds						
YEAR ENDED 31 DECEMBER 2021						
a) GROUP						
Endowment funds						
Bowmer fund	490	10	0	0	88	588
The A&D Simpson fund	2,240	44	(2)	0	383	2,665
Wyndham Cottle Charity – capital fund	2,711	58	(3)	0	571	3,337
MT & VL Wythe Charitable Trust	1,036	0	(9)	0	171	1,198
Albekier fund	1,958	0	(2)	0	117	2,073
Total endowment funds	8,435	112	(16)	0	1,330	9,861
Restricted funds						
Animal centres – operational	1,605	430	(538)	48	0	1,545
Birmingham fund	100	27	0	0	0	127
Overseas funds	0	1,044	(179)	0	0	865
Regional funds	1,474	583	(373)	0	0	1,684
Tubney Grant fund	3,473	0	(69)	0	0	3,404
Other restricted funds	1,188	1,880	(89)	(48)	0	2,931
Total restricted funds	7,840	3,964	(1,248)	0	0	10,556
Unrestricted funds						
Pension reserve	(38,719)	(529)	0	2,004	26,140	(11,104)
General fund	122,069	78,939	(104,866)	5,621	7,012	108,775
Designated funds	90,334	68,979	(9,318)	(7,625)	0	142,370
Total unrestricted funds	173,684	147,389	(114,184)	0	33,152	240,041
Total group funds	189,959	151,465	(115,448)	0	34,482	260,458

* The transfer between funds reflects the movement of Fair Value reserve – Investments to General Fund, fixed asset movements and £2m payment to Pension Fund from General.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	AT 1 JANUARY 2021	INCOME	EXPENDITURE	TRANSFER BETWEEN FUNDS*	OTHER RECOGNISED GAINS/ (LOSSES)	AT 31 DECEMBER 2021
	£'000	£'000	£'000	£'000	£'000	£'000
15. Analysis of movement of funds (continued)						
YEAR ENDED 31 DECEMBER 2021						
b) CHARITY						
Endowment funds						
Bowmer fund	490	10	0	0	88	588
The A&D Simpson fund	2,240	44	(2)	0	383	2,665
Wyndham Cottle Charity – capital fund	2,711	58	(3)	0	571	3,337
MT & VL Wythe Charitable Trust	1,036	0	(9)	0	171	1,198
Albekier fund	1,958	0	(2)	0	117	2,073
Total endowment funds	8,435	112	(16)	0	1,330	9,861
Restricted funds						
Animal centres – capital funds	0	0	0	0	0	0
Animal centres – operational	1,605	430	(538)	48	0	1,545
Birmingham fund	100	27	0	0	0	127
Overseas funds	0	1,044	(179)	0	0	865
Regional funds	1,474	583	(373)	0	0	1,684
Tubney Grant fund	3,473	0	(69)	0	0	3,404
Other restricted funds	1,188	1,880	(89)	(48)	0	2,931
Total restricted funds	7,840	3,964	(1,248)	0	0	10,556
Unrestricted funds						
Pension reserve	(38,719)	(529)	0	2,004	26,140	(11,104)
General fund	120,443	73,988	(100,629)	5,621	7,012	106,435
Designated funds	90,334	68,979	(9,318)	(7,625)	0	142,370
Total unrestricted funds	172,058	142,438	(109,947)	0	33,152	237,701
Total Charity funds	188,333	146,514	(111,211)	0	34,482	258,118

* The transfer between funds reflects the movement of Fair Value reserve – Investments to General Fund, fixed asset movements and £2m payment to Pension Fund from General.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	AT 1 JANUARY 2020	INCOME	EXPENDITURE	TRANSFER BETWEEN FUNDS*	OTHER RECOGNISED GAINS/ (LOSSES)	AT 31 DECEMBER 2020
	£'000	£'000	£'000	£'000	£'000	£'000
15. Analysis of movement of funds (continued)						
YEAR ENDED 31 DECEMBER 2020						
a) GROUP						
Endowment funds						
Bowmer fund	493	0	0	0	(3)	490
The A&D Simpson fund	2,240	0	(2)	0	2	2,240
Wyndham Cottle Charity – capital fund	2,710	0	(2)	0	3	2,711
MT & VL Wythe Charitable Trust	1,046	9	(18)	0	(1)	1,036
Albekier fund	1,904	0	(2)	0	56	1,958
Other endowment funds**	1,640	0	(2)	(1,631)	(7)	0
Total endowment funds	10,033	9	(26)	(1,631)	50	8,435
Restricted funds						
Animal centres – capital funds	42	55	(50)	(47)	0	0
Animal centres – operational	1,216	587	(573)	375	0	1,605
Birmingham fund	68	32	0	0	0	100
Overseas funds	0	442	(305)	(105)	(32)	0
Regional funds	1,794	759	(1,079)	0	0	1,474
Tubney Grant fund	3,545	4	(76)	0	0	3,473
Other restricted funds	866	2,549	(261)	(1,984)	18	1,188
Branches under Board trusteeship	11,964	0	(11,964)	0	0	0
Total restricted funds	19,495	4,428	(14,308)	(1,761)	(14)	7,840
Unrestricted funds						
Pension reserve	(36,512)	2,076	0	0	(4,283)	(38,719)
General Fund	128,250	110,012	(113,718)	(1,934)	(541)	122,069
Designated funds	97,499	0	(12,491)	5,326	0	90,334
Total unrestricted funds	189,237	112,088	(126,209)	3,392	(4,824)	173,684
Total group funds	218,765	116,525	(140,543)	0	(4,788)	189,959

* The transfer between funds reflects the movement of Fair Value reserve – Investments to General Fund, fixed asset movements and £2m payment to Pension Fund from General.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	AT 1 JANUARY 2020	INCOME	EXPENDITURE	TRANSFER BETWEEN FUNDS*	OTHER RECOGNISED GAINS/ (LOSSES)	AT 31 DECEMBER 2020
	£'000	£'000	£'000	£'000	£'000	£'000
15. Analysis of movement of funds (continued)						
YEAR ENDED 31 DECEMBER 2020						
b) CHARITY						
Endowment funds						
Bowmer fund	493	0	0	0	(3)	490
The A&D Simpson fund	2,240	0	(2)	0	2	2,240
Wyndham Cottle Charity – capital fund	2,710	0	(2)	0	3	2,711
MT & VL Wythe Charitable Trust	1,046	9	(18)	0	(1)	1,036
Albekier fund	1,904	0	(2)	0	56	1,958
Other endowment funds**	1,640	0	(2)	(1,631)	(7)	0
Total endowment funds	10,033	9	(26)	(1,631)	50	8,435
Restricted funds						
Animal centres – capital funds	42	55	(50)	(47)	0	0
Animal centres – operational	1,216	587	(573)	375	0	1,605
Birmingham fund	68	32	0	0	0	100
Overseas funds	0	442	(305)	(105)	(32)	0
Regional funds	1,794	759	(1,079)	0	0	1,474
Tubney Grant fund	3,545	4	(76)	0	0	3,473
Other restricted funds	866	2,549	(261)	(1,977)	18	1,195
Total restricted funds	7,531	4,428	(2,344)	(1,754)	(14)	7,847
Unrestricted funds						
Pension reserve	(36,512)	2,076	0	0	(4,283)	(38,719)
General Fund	126,851	105,417	(109,350)	(1,941)	(541)	120,436
Designated funds	97,499	0	(12,491)	5,326	0	90,334
Total unrestricted funds	187,838	107,493	(121,841)	3,385	(4,824)	172,051
Total charity funds	205,402	111,930	(124,211)	0	(4,788)	188,333

* The transfer between funds reflects an exercise completed during the year to derestrict historic arrangements where possible.

** Following legal advice, on 18 November 2020 the Board of Trustees passed a resolution to transfer two endowment funds to general reserves and to a restricted income (overseas) fund. This has resulted in £1.6m transferring from endowment funds.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	TOTAL FIXED ASSETS	INVESTMENTS	NET CURRENT ASSETS	PROVISIONS	PENSION SCHEME LIABILITY	TOTAL NET ASSETS
	£'000	£'000	£'000	£'000	£'000	£'000
16. Analysis of group net assets						
As at 31 December 2021						
Endowment funds	0	9,861	0	0	0	9,861
Restricted funds	0	0	10,556	0	0	10,556
Unrestricted funds	70,003	105,338	76,450	(646)	(11,104)	240,041
Total group funds	70,003	115,199	87,006	(646)	(11,104)	260,458
YEAR ENDED 31 DECEMBER 2020						
As at 31 December 2020						
Endowment funds	0	8,560	(125)	0	0	8,435
Restricted funds	414	1,909	5,517	0	0	7,840
Unrestricted funds	74,967	68,661	69,567	(792)	(38,719)	173,684
Total group funds	75,381	79,130	74,959	(792)	(38,719)	189,959

Unrestricted funds include other charitable funds, designated funds and the pension reserve.

	AT 1 JANUARY 2021	ADDITIONS IN YEAR	UTILISED/ REALISED	DEPRECIATION AND DISPOSALS	AT 31 DECEMBER 2021
	£'000	£'000	£'000	£'000	£'000
17. Designated fund movements					
Intangible fixed assets fund	9,791	55	0	(1,155)	8,691
Tangible fixed assets fund	64,908	2,192	682	(6,470)	61,312
Capital and project commitments	5,635	1,732	0	0	7,367
Other designations	10,000	65,000	(10,000)	0	65,000
Total designations	90,334	68,979	(9,318)	(7,625)	142,370

The intangible and tangible fixed asset funds represent the net book value of the fixed assets of the Society. Capital and project commitments relate to a number of commitments authorised at 31 December 2021 (Note 11). 'Other designations' is to support the transformation programme (£15m), investment in income generation activities (£20m) and a contingency for market fluctuations that impact the investment valuations and liability for the pension fund (£30m).

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	RSPCA TRADING LIMITED		FREEDOM FOOD LIMITED		RSPCA BRANCHES IN BOARD TRUSTEESHIP	
	2021	2020	2021	2020	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
18. Subsidiary company undertakings						
Income and endowments from:						
Donations and legacies	0	0	0	0	0	0
Charitable activities	0	0	4,524	3,635	0	0
Other trading activities	1,157	1,316	0	0	0	0
Total income	1,157	1,316	4,524	3,635	0	0
Expenditure on:						
Charitable activities	0	0	3,810	3,409	0	11,964
Raising funds	900	1,114	0	0	0	0
Total expenditure	900	1,114	3,810	3,409	0	11,964
Net gains/(losses) on investments	0	0	0	0	0	0
Net income/(expenditure)	257	202	714	226	0	(11,964)
Taxation	0	0	0	0	0	0
Gift Aid payable	(256)	(201)	0	0	0	0
Surplus/(deficit)	1	1	714	226	0	(11,964)
Total assets	1,245	1,179	3,162	2,705	0	0
Total liabilities	(1,241)	(1,176)	(825)	(1,082)	0	0
Total funds at 31 December	4	3	2,337	1,623	0	0

a) RSPCA Trading Limited (Company No: 1072608)

Since 1991 this company has been used for direct sales, royalties and special events. The issued share capital is owned by the RSPCA and, where company law allows, all potentially taxable profits, after recovery of available losses, are transferred to the RSPCA by a qualifying distribution by way of a Deed of Covenant.

b) Freedom Food Limited (Company No: 02723670, Charity Nos: 1059879, SC038199)

Freedom Food Limited, a wholly owned subsidiary of the RSPCA, is being used by the Society for the encouragement of the adoption of RSPCA-approved standards in animal welfare of livestock farming operations.

c) RSPCA Enterprises Limited (Company No: 04044564)

Dormant for the entire year.

19. Branch legacies

During 2021, the Society received £9.6m (2020: £10.0m) in legacies payable to branches. These are not shown in the statement of financial activities. The sums received are paid to branches as soon as the recipient branch has been identified. As at 31 December 2021 the Society held £1.3m of legacy income that was paid to the branches in January 2022.

20. Legacies notified

As at 31 December 2021, the Society had been notified of 15 (2020: 7) high-value legacies (over £500k) with an estimated value of £12m (2020: £4.6m). Interim payments of £2.5m have been received, the balance is included in the legacy income accrual if a grant of probate has been received in 2021, in line with the Income Policy in note 1.

There are 313 cases notified in 2021 (excluding life interest and life interest residuary) which it has not been possible to value.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

21. Related party transactions

RSPCA branches are separately registered charities. The Society has an arm's length trading relationship with most branches. Loans and grants are made to branches when charitable objectives delivered by the branch would be enhanced (see note 6c). Branches are represented on the regional boards whose Chairs are represented on the Branch Affairs Committee which reports to the RSPCA Board of Trustees.

During 2021 the Society provided the services of farm livestock officers to Freedom Food Limited which reimbursed the Society for the cost of £350k (2020: £309k).

There were no branches in Board trusteeship during 2021 or 2020, all being disposed of on 1 January 2020.

RSPCA Trading Limited accrued a qualifying distribution to be paid to the Society of £256k (2020: £201k) and made sales to the Society of £106k (2020: £155k).

At the year end the Society was owed £1,170k (2020: £1,100k) by RSPCA Trading Limited and £204k by Freedom Food Limited.

At the 2020 year end, the Society owed Freedom Food Limited £32k.

As at 31 December 2021 the Society held £3.9m of fundraising income to be paid to the branches in April 2022, and £1.3m of legacy income that were paid to the branches in January 2022.

	GROUP 2021	GROUP 2020	CHARITY 2021	CHARITY 2020
	£'000	£'000	£'000	£'000
	VEHICLES AND EQUIPMENT			
22. Operating lease commitments				
The Group and Charity had total commitments at the year end under operating leases expiring as follows:				
Less than one year	121	179	65	130
One to five years	43	111	0	65
Over five years	0	0	0	0
	164	290	65	195

23. Pensions

The Society operates a pension arrangement called the RSPCA Pension Scheme (the Scheme) which has defined benefit and defined contribution sections. The defined benefit section of the Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for the defined contribution section.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Society must agree with the trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 31 March 2021, and the next is due as at 31 March 2024. In the event that the valuation reveals a larger deficit than expected the Society may be required to increase contributions above those set out in the existing Schedule of Contributions. Conversely if the position is better than expected, it's possible that the contributions may be reduced.

The Society expects to pay contributions of around £2,000,000 in the year to 31 December 2022 (plus expenses which are met directly). The contributions will be reviewed as part of the 2021 actuarial valuation.

The Scheme has a trustee board which features an independent trustee. The trustees have responsibility for obtaining valuations of the fund, payments and investing the Scheme's assets. The trustees delegate some of these functions to their professional advisers where appropriate.

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£'000	£'000
23. Pensions (continued)		
Principal actuarial assumptions		
Discount rate	2.00%	1.40%
Inflation (RPI)	3.20%	2.75%
Inflation (CPI)	2.90%	2.35%
Revaluation of deferred pensions:		
Post 09 pension	2.50%	2.35%
Pre 09 pension in excess of GMP	2.90%	2.35%
GMP	Fixed	Fixed
Increases for pensions in payment:		
GMP accrued before 5 April 1988	Nil	Nil
GMP accrued after 5 April 1988	2.35%	2.00%
XS Pension accrued before 31 March 2008	2.80%	2.30%
Pension accrued after 31 March 2008	2.10%	1.85%
Post-retirement mortality	S3PA tables with CMI 2020 projections using a long-term improvement rate of 1.25% p.a.	104% of the S2PA tables for males and 96% of the S2PA tables for females with CMI 2019 projections (with initial addition of 0%) using a long-term improvement rate of 1.25% p.a.
Commutation (using current commutation factors)	Members are assumed to take 25% of their pension as tax-free cash	Members are assumed to take 25% of their pension as tax free cash
Retirement	50% of in-service deferred members retire at age 60, and 10% retire at each age between 61 and 65; deferred members retire at age 60	50% of in-service deferred members retire at age 60, and 10% retire at each age between 61 and 65; deferred members retire at age 60
Withdrawal	Allowance for members to leave employment before retirement	Allowance for members to leave employment before retirement
Life expectancy at age 65 of male aged 45	23.3	22.7
Life expectancy at age 65 of male aged 65	21.9	21.3
Life expectancy at age 65 of female aged 45	25.8	25.5
Life expectancy at age 65 of female aged 65	24.3	23.9

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Bid values as at 31 Dec 2021	% of the fair value of the total plan assets as at 31 Dec 2021	Bid values as at 31 Dec 2020	% of the fair value of the total plan assets as at 31 Dec 2020
	£'000		£'000	
23. Pensions (continued)				
The current asset split is as follows:				
Global equities	66,123	20	57,837	19
LDI funds	107,053	31	97,235	32
Diversified credit	25,924	8	25,743	8
Diversified private markets	55,160	17	46,534	15
Multi-asset funds	58,649	18	54,944	18
Currency hedging	(450)	0	878	0
Property	15,826	5	13,049	4
Cash	2,820	1	10,880	4
Total assets	331,105	100%	307,100	100%

	At 31 Dec 2021	At 31 Dec 2020
	£'000	£'000
Balance sheet		
Fair value of assets	331,105	307,100
Present value of funded obligations	(342,209)	(345,819)
Surplus/(deficit) in scheme	(11,104)	(38,719)
Net defined benefit asset/(liability)	(11,104)	(38,719)

	Period to 31 Dec 2021	Period to 31 Dec 2020
	£'000	£'000
Amount recognised in SOFA		
Current service cost	0	0
Administration costs	0	0
Interest on liabilities	4,791	6,225
Interest on assets	(4,262)	(5,497)
Past service costs	0	0
Settlement and curtailment cost	0	(804)
Total charge to SOFA	529	(76)

Notes to the accounts (continued)

YEAR ENDED 31 DECEMBER 2021

	Period to 31 Dec 2021	Period to 31 Dec 2020
	£'000	£'000
23. Pensions (continued)		
Remeasurements over the period		
Loss/(gain) on assets in excess of interest	(25,067)	(36,697)
Experience losses/(gains) on liabilities	5,502	(3,749)
Losses/(gains) from changes to demographic assumptions	4,281	(6,718)
Losses/(gains) from changes to financial assumptions	(10,856)	51,447
Total remeasurements	(26,140)	4,283
Change in value of the assets		
Fair value of assets at start	307,100	271,313
Interest on assets	4,262	5,497
Company contributions	2,004	2,000
Contributions by Scheme participants	0	0
Benefits paid	(7,328)	(8,407)
Administration costs	0	0
Change due to settlements and curtailments	0	0
Return on assets less interest	25,067	36,697
Fair value of assets at end	331,105	307,100
Actual return on assets	29,329	42,194
Change in value of the defined benefit liabilities		
Value of liabilities at start	345,819	307,825
Current service cost	0	0
Contributions by Scheme participants	0	0
Past service costs	0	0
Interest on liabilities	4,791	6,225
Benefits paid	(7,328)	(8,407)
Change due to settlements and curtailments	0	(804)
Experience (gain)/loss on liabilities	5,502	(3,749)
Changes to demographic assumptions	4,281	(6,718)
Changes to financial assumptions	(10,856)	51,447
Value of liabilities at end	342,209	345,819

Purpose of funds

Endowment funds

Bowmer Fund

The terms of this fund require that 50 percent of the income is reinvested to provide an increase of income over time. The balance of the income is for general purposes.

The A & D Simpson Fund

Income from this fund is shared between animal facilities in London.

Wyndham Cottle Charity

Following the transfer of the activities supported by this fund to the Gonsal Farm Equine Centre, the former property was sold. The proceeds, together with the then existing investments, are invested to provide the income to support the ongoing activities of the fund.

MT & VL Wythe Charitable Trust

The assets of this fund were added to the RSPCA's funds in 2006. The income from this fund is shared equally between the RSPCA, The People's Dispensary for Sick Animals and Blue Cross.

Albekier Fund

The income from this fund is used for the RSPCA's cat neutering scheme in London.

Restricted funds

The restricted funds of the Group comprise the unexpended balances of donations, bequests and grants held on trust to be applied for specific purposes..

Animal centre capital funds

These funds represent legacies or donations received towards capital projects at the RSPCA's national Society animal centres. On completion of the project, the completed asset is transferred to the General Fund. For smaller projects or where the project is coming only partially from these restricted funds, a transfer is made to meet the costs as they are incurred.

Animal centre operational funds

These funds represent regular, one-off and legacy donations that are used to fund the RSPCA's animal centres.

Birmingham Fund

The Society took over the activities of the RSPCA Birmingham Branch and funds are being used to meet expenditure related to ongoing animal welfare issues within the Birmingham area.

Overseas funds

Income on the Overseas Fund is used to provide assistance for animal welfare overseas.

Our vet examines a young rabbit for myxomatosis – thankfully this kitten didn't have the disease and was rehomed.

Regional funds

These comprise 10 separate funds to be used for regional purposes. The funds are hybrid and include restricted and designated elements. Additional disclosure has been provided by their classification as restricted.

The Tubney Grant Fund

The Tubney Charitable Trust is providing funding to a project aiming to work with the commercial duck farming industry to deliver a significant welfare improvement for ducks.

Other restricted funds

Donations and legacies received for specific aspects of the RSPCA's operations. The balance represents projects still to be completed at the year-end or the excess of restricted income over current net expenditure.

Principal addresses

Principal office

Royal Society for the Prevention of Cruelty to Animals
Wilberforce Way, Southwater, Horsham, West Sussex RH13 9RS

Bankers

Coutts & Co
Commercial Banking, 440 Strand, London WC2R 0QS
NatWest Bank
9th Floor, 250 Bishopsgate, London EC2M 4AA

Investment advisers

Barnett Waddingham
123 London Wall, London EC2Y 5AU

Independent auditors

BDO LLP
Chartered Accountants, 55 Baker Street, London W1U 7EU

Pension advisers

XPS Consulting Limited
Phoenix House, 1 Station Hill, Reading, Berkshire RG1 1NB



RSPCA Board 2021

Board of Trustees

WHO SERVED IN 2021

Chair René Olivieri^{3 5 10}

Vice Chair David Thomas²

Treasurer Barbara Gardner¹

(retired from the Board 27 October 2021)

Deputy Treasurer Karen Harley^{1 5 6 9}

(served as Treasurer from 27 October 2021)

Richard Booker^{1 3 6}

(re-elected to the Board 23 October 2021)

Amanda Bringans¹

(casual vacancy appointment to the Board 24 November 2021)

Kevin Degenhard^{2 3}

José Parry²

Sally Phillips^{2 4}

Brenda Shore^{2 3}

(re-elected to the Board 23 October 2021)

David Smith^{1 5 10}

Imogen Walker⁴

(re-elected to the Board 23 October 2021)

Caroline Waters^{2 4 6}

In 2020, René Olivieri was re-appointed as Chair until the AGM in 2023. In 2021, David Thomas was re-appointed as Vice-Chair until the AGM in 2024, Karen Harley was appointed as Treasurer until the AGM in 2023 and Richard Booker was re-appointed as Chair of the Branch Affairs Committee until the AGM in 2024.

Co-opted committee members

WHO SERVED IN 2021

Jane Cotton⁴

(re-appointed 27 October 2021)

Tom Franklin⁴

(re-appointed 27 October 2021)

Stuart Howells^{1 5}

(re-appointed 27 October 2021)

Maria Johannessen⁵

(appointed 8 December 2021)

Hiti Singh⁵

(appointed 8 December 2021)

Gillian Switalski²

(re-appointed 27 October 2021)

John Tennent¹

(appointed 8 December 2021)

The Rules of the Society empower the Board to appoint committees of the Board and entrust to these committees such powers and duties as the Board sees fit. The 2021 committees are listed above. During 2021 Board members have served as indicated for some or all of that year on committees of the Board, or the boards of directors of subsidiary companies of the RSPCA.

Committees

1. Finance, Audit and Risk Committee (FARCOM)
2. Animal Welfare Committee
3. Branch Affairs Committee
4. Governance and Nominations Committee
5. Investment Committee
6. Remuneration Committee
7. RSPCA Pension Scheme Limited Board
8. RSPCA Enterprises Limited Board
9. RSPCA Trading Limited Board
10. Freedom Food Limited Board

Patron

Her Majesty The Queen

President

Dr Richard Ryder

Vice-Presidents

Brian Blessed

Baroness Fookes of Plymouth

Caroline Lucas

Dr Brian May

Chris Packham

Our thanks also to Peter Egan, Satish Kumar and Bill Oddie as they reach the end of their tenure as devoted RSPCA Vice-Presidents. We are incredibly grateful to them for their years of support and dedication to animal welfare.

Senior management

AT 31 DECEMBER 2021

Chief Executive Chris Sherwood

Chief Operating Officer John Kerslake

Director of People and Culture Fiona Evans

Director of Advocacy and Policy Emma Slawinski

Director of Engagement and Fundraising Tracey Pritchard

Director of Strategy and Transformation Emily Tierney

Director of Finance and Business Services Tania Hudson

Chief Veterinary Officer Caroline Allen

Chief Legal Officer Ray Goodfellow

Chief Inspectorate Officer Dermot Murphy

Front cover and right: One of four underweight lurcher puppies found abandoned in a plastic bag by a river in Surrey. The pups – named Norma, Jean, Bradley and Cooper – were taken to RSPCA Millbrook Animal Centre where they were found to be suffering from severe fur loss and skin infections caused by sarcoptic mange. Before we rehomed them, they stayed at Millbrook for their rehabilitation which included vaccinations, treatment for mites, antibiotics, and twice-weekly baths with special shampoo to treat skin infections.





Royal Society for the Prevention of Cruelty to Animals

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