

REGISTERED COMPANY NUMBER: 03711676 (England and Wales)

Bransby Horses
Audited Financial Statements
Year ending 31 December 2020
Charity number 1075601

Nicholsons
Statutory Auditors
Newland House
The Point
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LINCOLN
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Bransby Horses
(Registered Number 03711676)

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for the Year Ended 31 December 2020

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Trustees' Annual Report
for the year ending 31 December 2020

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020).

Constitution

The Charity was founded in 1968 and was registered as a charity soon after. The Registered Charity Number is 1075601. Bransby Horses (then known as Bransby Home of Rest for Horses) was Registered in England and Wales as a Company Limited by Guarantee on 11 February 1999 and is governed by its Memorandum and Articles of Association. The Articles of Association were amended in November 2012. The Charity name was amended to Bransby Horses at the same time.

Structure, Governance and Management

The charity's principal and registered office is Bransby House, Bransby, Lincoln, Lincolnshire, United Kingdom, LN1 2PH.

The trustees of the charitable company are its Directors and Members and throughout this report are collectively referred to as the "trustees".

The trustees serving during the year ending 31 December 2020 and to date are as follows:

Mrs S J Dolan
Mrs H C Elston
Mrs C N Fisher (Chair)
Ms E Kay-Stott (Appointed 10 September 2020)
Miss K McFee (Vice-Chair)
Mr M S Mitchell (Treasurer) – (Resigned 18 February 2020)
Mr M J Pickles (Appointed Treasurer 18 February 2020)

The Board of trustees meet quarterly as a minimum and more frequently when necessary.

The Articles of Association provide the trustees with power to appoint trustees with such specialist skills, knowledge or expertise as they think fit. The Board aims to appoint dedicated trustees and ensure they have a diverse set of skills with which to serve the charity. The recruitment, induction and training of trustees are governed by Policies approved by the Board. To inform the way in which it runs, the charity utilises resources from the National Council for Voluntary Organisations (NCVO), the Charity Commission and where appropriate the charity follows the Governance Code to ensure high standards of governance.

The Board advertises for trustees on the charity website and other relevant platforms and ensures trustee candidates satisfy the legal compliance standards and requirements prior to appointment. Once appointed trustees receive an induction pack and ongoing training. Trustees are provided with a tour of the site to introduce them to Executive Directors, managers, staff and volunteers.

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Structure, Governance and Management (continued)

The Articles of Association grant the trustees power to delegate authority to subcommittees to such extent and on such terms and conditions as they think fit. The trustees have delegated powers to the Finance, Resources and Engagement Subcommittee (renamed from the Finance and Audit Subcommittee to reflect the wider scope of the work undertaken) and Equine Health & Welfare Subcommittee under Terms of Reference which set out its scope and responsibilities under a trustee (chair) together with the Chief Executive, Executive Directors and appropriate managers and staff; they meet quarterly and report to the trustees at quarterly Board meetings. The salaries for all staff are set annually calculated based on benchmarking the roles within the industry and by assessing key criteria based on expertise, experience and areas of responsibility and in accordance with the charity's pay policy. The Board of trustee's review and set pay for key roles in-line with the charity's pay policy.

The Board of trustees are responsible for setting charity strategy and policies. Policies are reviewed annually to ensure they reflect best practice and current legislation and are effectively communicated throughout the charity. Policies, procedures and processes are monitored and reported on regularly to the Finance, Resources and Engagement Subcommittee and Board.

Policies include:

Governance incorporating Conflicts of Interest and Risk Management
Finance incorporating Investments and Reserves; Complaint handling
Data Protection
Human Resources incorporating Employment and Volunteer Management
Health and Safety
Marketing incorporating Fundraising and Communications
Equine Health and Welfare and Estates Management
Safeguarding, Gambling, Anti-fraud, Serious Incident Reporting and Whistleblowing.

The Articles of Association provide for the delegation of the trustees powers, functions, and implementation of decisions on day to day management of the affairs of the charity to any person they think fit. The daily management of the charity is delegated to and undertaken by the Chief Executive, Joanne Snell, who provides reports to the Board to facilitate informed discussion and decision making in the best interests of the charity and is accountable to the Board for the delivery of the charity's strategic plan. Joanne is accountable for the management of all staff and volunteers and has full delegated financial authority.

The charity is a member of the Fundraising Regulator. Bransby Horses received no complaints relating to fundraising in 2020.

In-line with recommended good practice the charity commissioned an external governance review in 2019. Completion of this has been delayed until 2021 due to covid-19 however the resulting actions will be addressed during 2021.

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Our Purposes and Activities

The Objects of the charity as per its Articles of Association are:

- To prevent and relieve cruelty to horses, (which expression shall herein include ponies, mules and donkeys), to protect them from unnecessary suffering and for that purpose to promote knowledge of their proper care and treatment among the public;
- To ameliorate the pain and suffering of horses which are for any reason unfit for work or in need of care by the provision, maintenance and management of a home of rest or homes of rest, stabling and grazing, or by the provision of suitable work under the supervision of the charity or by arranging for their painless destruction or by any combination of such means aforesaid; and
- To make grants or such other assistance as is suitable in the circumstances for the prevention of suffering to horses.

The objects of the charity have been interpreted to create our Vision, Mission, Values and Ethos; which are used on a daily basis to provide clarity and direction to the work that we do.

Our Vision

The core business of the charity is the welfare of horses, ponies, donkeys and mules (equines). The primary role of the charity is to prevent and relieve suffering to equines through rescue, provide lifelong care and work with communities to improve the welfare of equines across England and Wales.

Our Mission

Our aim is to improve the quality of life and standards of care for equines which suffer as a result of cruelty or neglect and where this is not possible, ensure that their welfare is safeguarded by preventing unnecessary suffering. We provide lifelong care and retain ownership of equines both at our farm and on our rehoming scheme, meaning that their future is always secured within the charity.

Our Values

Progressive, Inspirational, Caring and Knowledgeable are Bransby Horses values. These are our fundamental beliefs that guide our attitudes and actions and help us to determine what is important to us.

Our Ethos

The core value of the charity is Caring. Our ethos is to improve the quality of life and standards of care for equines: doing the right thing every time to safeguard each equines welfare. We have a rigorous quality of life assessment, which is informed by welfare staff, vets, farriers, physiotherapists and dentists and equine managers based around the five freedoms of welfare, equine wellbeing and medical conditions, to ensure that each equine's welfare is never compromised.

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Rescue and welfare support across England and Wales.

Thanks to our supporters we continued to provide welfare support and rescue services to a significant number of equines across England and Wales in 2020.

Bransby Horses takes into care those horses whose welfare has been severely compromised; those who are in genuine need. In 2020 we responded to over 250 welfare concerns logged by the public. Our Field Officer assessed and visited over 650 at risk equines despite restrictions imposed due to covid-19. In 2020, 51 equines were rescued directly to our Bransby site. This vital work is underpinned by our strategic aim of our commitment to rescue. Our External Welfare Team works closely with local authorities, police and trading standards and collaboratively with other Equine welfare organisations. The team respond to large multi-agency operations where large groups of animals are seized under the Animal Welfare Act.

We provide support and advice to owners to improve the lives of equines under their care through our Welfare helpline and External Welfare Team visits.

Collaboration

Bransby Horses continues its vital work and where possible, the charity works collaboratively with other organisations to pool resources and use them to best affect rather than work in direct competition or duplicate effort. This means that our resources can be focussed towards preventing unnecessary suffering and rescue to the highest possible level and impact on the lives of many more equines. The charity has strengthened its relationships with other Equine welfare organisations and works closely with the National Equine Welfare Council management board. The External Welfare Team work as lead, co-lead and in supporting roles for rescue operations and outreach programmes. Our specialist teams also offer assistance to smaller organisations, providing advice and assisting in rescue or training.

In 2020, when possible, our teams visited horses and owners across national healthcare clinic initiatives to provide education, health checks, castration and identification services that connects with vulnerable or marginalised communities.

Sanctuary care

We provided sanctuary for over 900 horses, ponies, donkeys and mules in 2020. Of these, 534 equines enjoyed a loving home, thanks to our fosterers through our rehoming scheme.

Our purpose built isolation facility- the Animal Reception Centre (ARC) looks after any new intakes. Our teams are trained and experienced with animals who may be unwell, emaciated, fearful or aggressive due to the treatment they have previously received. The teams provide non-judgmental care and each animal is treated with compassion and dignity. This work, despite being severely impacted due to covid-19, saw 96 equines introduced and cared for by the ARC team. Assessments of wellbeing and medical conditions are undertaken, alongside screening for infectious diseases which could make other animals sick. The ARC may also care for equines on behalf of other equine charities and organisations within the UK pending prosecution. At times the ARC can be full to capacity, as the time an equine has to remain within the centre can vary significantly on a case by case basis.

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Whilst in sanctuary care, the charity undertakes a significant amount of work rehabilitating the equines as they may have medical or behavioural issues. Our specialist teams of welfare staff, vets, dentists and farriers provide the expertise, treatments and rehabilitation required to improve the future of each horse that is brought into the charity's care. Our farm can house up to 500 equines at one time. Equines are placed at one of our yards which best meet their needs. Nervous or semi-feral equines require a significant amount of one to one care; the handling team use a variety of training techniques to gain trust as part of their rehabilitation at the Peter Hunt handling yard. 48 equines graduated through our handling programme in 2020. Walklands Yard has special care herds, for those with complex medical conditions such as joint issues (arthritis) or medical problems such as Equine Metabolic Syndrome (EMS). The Main Yard team looks after the younger horses after they have passed handling and continue their education. The Visitor Centre Yard looks after our donkeys and those equines who enjoy lots of one to one attention. Our Estates Team and contractors work hard to ensure that safe and nutritious grazing is provided across our estates for our equines for maximal health and benefit.

Rehoming of Equines

During the year the charity introduced its new Perfect Partner rehoming scheme. The scheme offers an opportunity for horses that have been rescued to have a loving home that provides one to one care and enables the charity to continue its vital rescue work by ensuring sufficient sanctuary care is available for horses in genuine need. The updated scheme seeks to match fosterers requirements to the equines in our care and thus create a greater chance of a long and loving relationship. Our commitment is lifelong to our equines; our teams carefully prepare horses which are ready to be rehomed through one to one care or rider training, and support those equines and their fosterers throughout the foster placement. These equines are always looked after by Bransby Horses, and if the foster agreement ends, the equine will be taken back into our care. In 2020, our amazing fosterers provided loving homes for 74 horses through our rehoming scheme bringing the total to 534 animals in the scheme. Some equines are not suitable for rehoming because of complex medical conditions, or because they have behavioural issues that due to their age and history can never be fully resolved. Regardless of this, the charity is committed to giving these horses a happy, fulfilling home in sanctuary care for the rest of their life.

Learning opportunities

The charity is a learning organisation that promotes knowledge of the proper care of horses by providing support and learning opportunities. Education is key to raising awareness and knowledge at every level in society with the aim to improve equine welfare and reduce cruelty and neglect to equines. This commitment is underpinned by the core value inspirational; inspiring people to support the work of the charity and inspiring them to challenge their own perceptions of equine welfare. The charity is continually learning, upskilling and increasing expertise in equine welfare in line with the charity values; knowledgeable and progressive. Education begins with our welfare staff: an equine skills passport was developed to ensure that new members to the team are trained in all aspects of equine welfare and husbandry with further opportunities available for subspecialty training. Monthly CPD training sessions are held for welfare staff covering a range of health and welfare topics by in house specialists and external guest speakers.

When possible, children and interest groups are provided with learning opportunities and activities throughout the year which promote the work of the charity. The facilities at the charity are adapted to ensure inclusivity for those with limited mobility. Horse owners have access to 24-hour welfare help line and the charity hosts talks and events which cover a range of health and welfare topics. Higher Education Initiatives are offered to provide undergraduates, post graduate and vet students with further opportunities whilst contributing to the charity's welfare work. The charity supports the training and development of veterinary students with an interest in equine care. The charity provided training opportunities for the Emergency Fire Services for approach to emergency equine scenarios such as entrapped animals.

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Fundraising Activity

Bransby Horses is a member of the Fundraising Regulator and it ensures that its approach to fundraising activities gives careful consideration to the safeguarding of vulnerable people. The charity creates two main newsletters each year '*Bransby Life*', which is mailed out to over 90,000 supporters on the charity's database. The charity responds to requests from supporters in a timely manner and maintains accurate and up to date information on its database in-line with the requirements of the General Data Protection Regulations (GDPR). The charity's main source of income is from legacies, which are often gifted to us following long standing respectful relationships with our supporters.

The charity also operates a visitor centre at its site near Lincoln. The visitor centre is used as a platform for promoting the work of the charity and encouraging engagement and support towards its work. The visitor centre is free to enter, although donations are encouraged.

Bransby Horses Trading Limited

The principal activity of Bransby Horses Trading Limited, a 100% owned subsidiary, is general trading in goods of various kinds including branded items of stationery, cards, giftware, a café and a contract farm arrangement. These goods are sold in the mail order gift catalogue, which is mailed out to supporters on the charity's supporter database and through the charity's website. The trade of this subsidiary also includes the gift shop and the café at the visitor centre, for which it pays rent to the charity. Due to covid-19 closures, visitor numbers declined dramatically in 2020 to 21,667 which is approximately half of that for the previous year. Both the mailing and the visitor centre have an important role in promoting the charity's work to this large audience of supporters and visitors. This trading subsidiary has historically rented land from the charity which was not used for grazing purposes, to farm as arable. This trading ceased at Bransby due to the ever-increasing need for grazing land to sustain our rescue and safe haven work. However, the charity acquired an additional 880 acres of land to support its future growth. Land at this location which will not immediately be used for grazing has been let to Bransby Horses Trading Limited and farmed as arable land under a contract farming agreement. This farming activity started in September 2018 and allows crops to be grown and sold to provide additional income through the trading company.

Notable Achievements and Performance in 2020

The charity has completed the fourth year of a five-year strategy to increase the impact for many more horses and improve the standards of care and quality of life for those that have suffered or are at risk of suffering. In 2020 the charity achieved a lot to secure its on-going success and growth. Just a few of our additional highlights are noted as follows:

- Created temporary welfare facilities at our Barlings site which has allowed us to utilise this space for our equines for the first time and which also supported us during the flooding crisis through the movement of 60 horses.
- Worked extensively with the Environment Agency to understand and create our future flood response plan and flood risk assessment across all charity land to help make informed decisions about any possible development in the future.
- Our Estates team received special recognition at the Ceva Animal Welfare Awards as a result of their outstanding work during the flooding of 2019.
- Received grants towards the purchase of a Kubota from SEIB, Channel 4 Animal Rescue Live grant towards additional veterinary costs associated with equine rescue work and TopSpec kindly donated a new weighbridge to the charity. All grant money was spent within the financial year.

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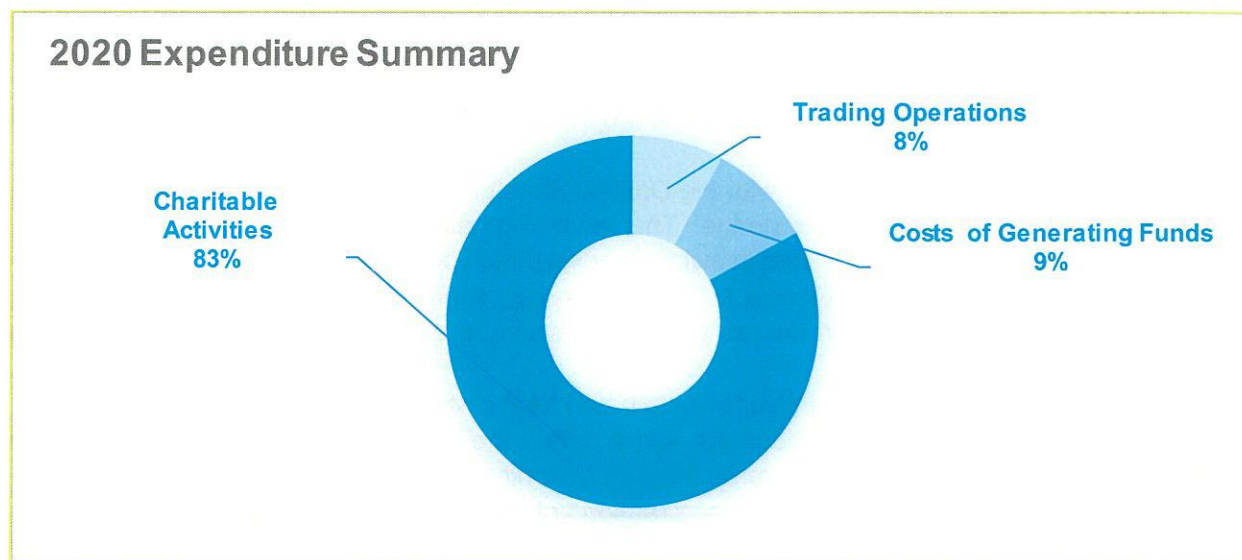
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- Supported Surrey University Vet School training through online learning sessions for final year veterinary students.
- Our strangles disease screening was published in the peer reviewed Equine Veterinary Journal.
- Active members of the British Horse Council, a body which provides a horse industry voice directly to the government.
- Continuation of collaborative work with the Donkey Sanctuary to ensure we embed best practice into our work and share important knowledge. This team also helped us at a time of need in the year with moving equines to our Barlings site following flooding which occurred at Bransby.
- Shared our learning and knowledge in areas covering; improving euthanasia decision making, the assessment of chronic pain in horses and the prevalence of viral hepatitis in our archived blood samples.
- Supported a local veterinary practice to contain and treat a strangles outbreak.
- Developed the Horse's journey document, which details the movement of the horses from entry at the ARC through rehabilitation and onwards through rehoming or into sanctuary care.
- Enhanced our structure through the creation of a Veterinary Practice Manager and Vet Lab/Coordinator supporting the vet team logistics and Farm coordinators to support the day to day running of the farm.
- Rebranded the charity in a low cost but effective manner which reflects how the work we undertake has developed over the past 10 years and will boost visibility and awareness of our life-saving work whilst building a better understanding amongst new and existing supporters of how they can help us.
- Enhanced our visitor experience and facilities at the Bransby site with a full shop refit. We are also planning for a new play area, to invest in the next generation and encourage our younger supporters for 2021.
- Created "Pudding's Christmas Miracle" our own Christmas story book which engages and encourages younger supporters to see and understand the work we do.
- Delivered our work in a covid-19 safe manner, recognising the need to protect our staff who provide the vital services to all of our equines and encouraging those office staff who could work from home to do so.
- Working with Sturton and District Shed Club, the charity will provide space for a multi-skill workshop and a safe meeting space for members of the local community club. This will in turn allow club members to develop not only individual skills but increase social inclusion across the district. The scheme is internationally recognised as a benefit to support and help with mental health.

A charity is built on the love and kindness of people. Our staff are our lifeblood but they couldn't do the work they do without helping hands from people, organisations and businesses. The charity therefore prides itself on maintaining trusting relationships with its supporters and using the money gifted to us wisely and only in the best interests of the horses. During the year total expenditure including taxation was £6.2m, of which £5.2m was spent directly on charitable activities:

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Our challenges

Our resources and income are finite and our work is only possible because of the trust and belief that supporters have in the work that we do. We take this responsibility extremely seriously and work hard to ensure that we use donations to best effect. Undoubtedly the biggest challenge during 2020 has been the management and running of the charity during the covid-19 global pandemic. This has changed the ways in which we have worked, the availability of funding to enable activities and investment to take place, the health and safety of our staff and visitors, the ability to rehome our equines and visit fosterers, and the mental health of staff who have had to continue working in the changed environment, work from home or be placed on furlough.

Coming so soon after the devastating flooding at the end of 2019 it is testament to our staff and supporters that the charity has been able to show such resilience during this period that so many highlights could be noted in what otherwise has been a very challenging year.

Financially, the charity sought to review its budgetary position soon after the extent of the pandemic became known. This resulted in the reduction in capital expenditure as project funding needed to be diverted to support the increased costs of provision for health and safety following the outbreak and also due to supply issues amid numerous lockdowns. Dividend returns reduced significantly alongside the overall value of investments held in the charity's balance sheet which fell by over £5m in March 2020. If these investments had not recovered in late 2020 along with a strong pipeline of legacy receipts due to continued support from our loyal supporters, the charity's financial position for 2020 would have appeared much worse than reported in these financial statements.

As the charity followed government guidance throughout the pandemic it attempted to limit activities to those which were essential. A number of activities were therefore closed down or significantly reduced and staff placed on furlough so as to minimise costs incurred. This included visitor centre staff, rehoming, foster liaison riding teams, engagement staff and other administrative functions. A reprofiling of the working day for our yard staff to create separate teams and enhance the welfare facilities available to limit any potential spread of the virus also took place. Clearly the equines in our care still required the regular care and attention on a daily basis. Following rapid investment in technology, a number of staff were able to work from home and adapted to the challenges of this new environment and ways of working exceptionally well. The charity has therefore welcomed the ability to utilise a number of the grants and schemes available to support businesses

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during this time. The following grants have also helped to reduce the financial impact of the pandemic on the charity:

Scheme/Grant	Total received
HMRC Job Retention Scheme	£ 129,448
HMRC Coronavirus SSP claims	£ 1,411
West Lindsey District Council	£ 60,000
Lincolnshire County Council	£ 2,000
Ebay – charity sellers grant	£ 3,676
Annandale Charitable Trust	£ 1,606
SEIB	£ 15,000
The Walker 597 Trust	£ 300
Channel 4 Animal Rescue Live Grant Fund	£ 2,000
	£ 215,441

How long this will continue is unknown and again the long term consequences given that fundraising campaigns, events and visitors to our wonderful site have continued to be curtailed could be devastating for the charity and its plans across 2021. It is reassuring therefore that at the time of approving these financial statements the site has re-opened as of April 2021 and with the vaccine rollout proving successful we plan for a brighter future once more. Despite the potential impact however, the charity recognises the continuing part we need to play in protecting our staff and society by limiting our capacity and workload at this time. The expectation is that in addition to the working environment, financially, 2021 will become yet another challenging year. The charity can in the short-term call upon investments and reserves however these have been built up and established over many years to meet annual expenditure needs and allow for continued investment. Thus, any reduction in these to meet our expenditure without significant and continued support to replace it may impact our future plans. The plans for 2021 were in place at the start of the year and these are broadly set out below.

Maximising rescue and support for those equines in genuine need

The equine crisis in the UK continues and there is a constantly high demand for our services. At times, this demand can outstretch our capacity both at the Animal Reception Centre and on the farm. Contingency plans are in place to ensure that animals which need genuine rescue are provided with immediate care and a safe haven.

To ensure that more sanctuary places are available for new intakes, without compromising our standards, additional resources have been placed into the rehoming department to help prepare suitable horses for rehoming and improve our support network for our fosterers. A review of the process through which applications for rehoming takes place has also been undertaken resulting in the launch of the new "Perfect Partner" scheme in early 2020.

Ensuring the long term viability of our estates

An independent review of estates management commissioned back in 2017 highlighted how the historic high intensity of operations at the Bransby estate was impacting the long term sustainability of some of the grazing and our ability to provide optimal grazing conditions for maximal equine health into the future. Additional grazing has been transformed and brought into use at both Bransby and Barlings sites to improve health and grazing for equines by reducing stocking densities and increasing grazing available to rest winter fields and improve conditions. This has been further enhanced during 2020 by increasing the use of a track system to

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reduce equine weight and increase their health as a result. Results from this research are positive and the charity intends to continue this into 2021, increasing data and knowledge to make more informed decisions.

Whilst the flooding in 2019 has impacted severely on the land available and utilised for grazing in 2020, a Land Management Framework has been developed. This is a set of principles which governs how our Estates are managed to provide equines with the best quality sustainable grazing for optimal health, are compliant with legislation, are environmentally sensitive and permit maximum natural behavior into the future. From this an Estates Work Plan is created annually. These principles will be applied to further development of Grange Farm Barlings to ensure that we are careful and diligent custodians of our estates.

Following creation of the temporary site at Barlings the charity intended to review the long term plans for all of its estate during 2020, creating a new strategic plan for the charity. Unfortunately much of this work has been placed on hold with resources being diverted towards the management of the covid-19 crisis. This strategic planning is still required and therefore the charity are in the process of applying for an extension to the temporary facilities at our Barlings location for a further 3 years to enable this work to be undertaken post pandemic.

Building a sustainable future.

Due to the demands for the charity's work and the trust imparted to us by our supporters, the charity has continued to grow over the last 50 years. To improve the quality of life and standards of care for many more equines which suffer as a result of cruelty or neglect we are working to build a sustainable future in the years to come.

Our focus for 2021 is to review the long term strategy and plan for the next major phase of our development. 2021 is therefore anticipated to be a year of reflection following both the flooding and covid-19 and the consolidation and establishment of solid foundations to support the future of the charity in years to come.

We will achieve this through the following 4 objectives:

- **Welfare**

Bransby Horses needs to use the funds that it receives carefully to create maximum positive impacts for horses in genuine need or rescue and care into the future. These funds are limited and with an uncertain economic future, we may face more increased demand for the services we offer. With the constraints of the flooding, rehoming is more important now than ever to ensure we have a sustainable capacity on the Farm and enable provision of a safe haven for our rescued animals in the future. Welfare objectives have therefore been developed with this in mind.

- **Fundraising**

The charity exists to maximise the impact that it has on the health and welfare of as many horses as possible. However, this needs to be achieved within the resources available. Increased resources have been allocated to do this to enable us to increase income from all sources. We will continue to maintain strong relationships with our supporters who tell us that they trust and believe in the work that we do. We must be more progressive in developing ways in which they can support our work, whilst remaining respectful to them and becoming more imaginative in creating ways in which people can support our work.

- **People and Resources**

The aim of this objective is to have a positive, engaged, well skilled and healthy work force, combined with the right resources required to fulfil our mission. Our workforce will be engaged

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and contribute to the objectives of the charity. We will continue to improve and reward performance through an internal framework to support this. Planning and delivering our objectives with a long term view in order to use funds carefully and to help the most horses in genuine need. We constantly review and reflect to ensure we are continually improving through learning.

- **Reputation and Professionalism**

The charity regularly reviews how it operates on a daily basis, how it is managed and how it demonstrates compliance, sound governance and accountability. Increasing the charity's profile and the importance of the work we do is key to promote awareness of our equine welfare work and the support which we offer to people and equines. In order to maintain the trust and credibility Bransby Horses has with its supporters we are therefore committed to further develop our reputation and professionalism locally and nationally in order to continue to be the charity people choose to support and donate to.

Guardians of our wildlife

Our estates provide a wonderful environment for our equines, but also provide habitats for important species and wildlife. We are responsible guardians and protect our wildlife through our conservation work and management principles. In 2021 we will continue this work by gathering more information on the species which live alongside our horses and aim to increase biodiversity and volume where horses and wildlife co-exist together.

Principal Risks and Uncertainties

The trustees have a formal Risk Framework to identify the risks faced by the charity and develop strategies to manage them on a timely basis. The Risk Framework incorporates major strategic, business and operational risks facing the charity and the control and reporting systems in place. The Risk Framework is monitored and amended as circumstances change and new risks are identified. Regular meetings held at all levels in the organisation enable the circulation of information relating to risk management. Departmental reports are prepared, reviewed by the Finance, Resources and Engagement Subcommittee quarterly meetings with appropriate actions monitored and reported on to the Board. Financial risks are tightly monitored and controlled by appropriate authorisation systems and trustees carry out bi-monthly sampling of financial procedures. The auditors have assisted in ensuring good practice remains in place. The trustees have identified that along with the continuing Covid-19 Coronavirus risks, and other inherent risks that affect all charities, the uncertainty for the economy due to the virus will be critical for the charity. Indications are that the current financial climate is likely to reduce the amount of donations that the charity receives over the next few years. It is also the case that people are living longer and requiring care in old age, which may mean less income can be expected from legacies.

The trustees have attempted to reduce this risk by ensuring that systems are in place to attract and maximise future legacies and other donation income. Fundraising is focused on developing long term relationships and income streams to support the charity's vital work. Although plans have been impacted due to the current covid-19 environment, the charity recognises this is a medium to long-term objective and believe the decision to invest in this manner remains the correct approach.

The other main risk is that of disease. Rescued equines are often in very poor condition on arrival. Elderly equines may require an increased level of specialist care for chronic conditions and all are prone to the various equine illnesses that are present in the national herd. Whilst every effort is made to prevent the transmission of disease into the charity's herd, which itself involves expensive isolation and veterinary procedures at the

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Animal Reception Centre, it cannot be eliminated altogether. Unpredictable outbreaks of disease are always costly and usually require extensive use of medicines and veterinary attention as well as resulting in an increase in staff costs.

On 13 January 2020 the charity reported a Serious Incident Report to the charity commission. This related to formal request for information from the HSE relating to an incident involving a contractor at the Bransby site which took place on 14 May 2018. The charity received a response from HSE that states the investigation has been completed and contraventions of health and safety law were identified. The charity have received an invoice for the investigative work undertaken by the HSE under their fees for intervention policy. In November 2020 the charity submitted a dispute for these charges and are awaiting an outcome of a hearing at the time of signing these financial statements. The charity continues to take legal advice as necessary and appropriate insurance is in place to mitigate costs where possible.

Financial Review

The group statement of financial activities shows net income of £1,959,108 compared to £2,892,909 in 2019. This figure includes both realised and unrealised gains on investments which recovered strongly at the end of the calendar year having fallen by over £5m at the start of the covid-19 crisis. These gains amounted to £1,300,573 compared to £3,595,457 in 2019. In addition, charities SORP requires the inclusion of legacy income which is yet to be received but which can be identified and valued appropriately at the end of the financial year. For 2020 this figure amounted to £1,500,919 compared to just £459,975 in 2019. The resulting position without these investment or anticipated legacy sums are a deficit in 2020 of £842,384 against a deficit in 2019 of £1,162,523.

The finances of the group are kept under review by the trustees and their advisors on a regular basis. The trustees were therefore aware of the impact of the covid-19 upon the charity's investment portfolio which initially fell by over £5m in March 2020. Fund managers have provided regular updates and presentations and the trustees agreed to follow the original investment strategy for long term returns over short term volatility based upon advice received. It was reassuring therefore to note the recovery and growth of these funds over the remainder of the year, a timeframe which had been unexpected. Trustees did however note the fall in dividend receipts in the year and have acknowledged that the return on investments should consider total portfolio returns in the form of growth and dividends as opposed to dividends alone. The charity may therefore call upon the growth in investments in future to shore up the deficits which would otherwise be generated so long as a level of reserves are maintained as agreed by trustees. This will be monitored on a regular basis.

A deficit for 2020 was approved by the trustees as part of the budget setting process. This was based upon a recognised need for additional resources and the requirement to invest in diversifying the charity's income streams on a long term basis and it should be noted that the actual deficit is greater than expected due to covid-19. Whilst a deficit is also forecast for 2021, the trustees believe that this investment is right for the future sustainability of the charity and that the investments and cash balances provide for a secure financial footing on a going concern basis.

Grant-making Policy

The charity is able to award grants from its unrestricted funds to educational and research institutions and other equine charities for the prevention of suffering to horses.

The awarding of grants is determined annually by the trustees, based on applications received. In 2020 there were no such applications or awards granted.

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Trustees' Annual Report
for the year ending 31 December 2020

Performance of the Trading Company

The trading company recorded a loss before tax of £11,794 (2019 profit of £19,618). The trading company's activities being severely impacted during the year. Initially, farming performance was affected by flooding which delayed crop planting during the winter of 2019 and this was followed by covid-19 which closed the charity's visitor centre for a significant proportion of the year along with the shop and café facilities. Supporters continued with their kindness and support such that mail order trading profits covered the losses in both the shop and café. Turnover for the trading company as a whole increased to £506,565 from £497,490 in 2019.

The Feedroom Café generated turnover of £125,394 (2019: £182,895). However, this included £37,779 in payments from HMRC regarding the Job Retention Scheme and Coronavirus SSP grants. Having been closed through much of its peak trading period the café made a loss for 2020 of £26,459 compared to that in 2019 of £19,698. The financial position of the company would have been much worse without the grant support.

Farming income for the year totalled £151,940 and a loss of £17,498 compared to 2019 income of £135,509 and a profit of £21,896. This was generated from a proportion of the land at the Barlings site. The intention is to maintain this practice until any alternative long term plans for the Barlings site are developed and implemented. It is planned for 2021 to return to a representative farming year following the flooding which impacted 2020 results.

The mail order gift catalogue is sent out twice a year and also available via the charity's website, distributed across the UK and overseas. Mail order turnover increased significantly to £187,902 compared to £109,271 in 2019. As a result the net profit of the mail order activity in 2020 also increased to £38,531 compared to £20,912 in 2019.

The Gift Shop also recorded a net loss for 2020 of £6,368 (2019: £3,491) on turnover of £41,329 (2019: £69,815). Shop activities were also severely hit by the reduced number of on-site activities due to closures during covid-19 lockdowns.

Public Benefit

All charities are expected to provide public benefits beyond their specific objectives. Currently identified for Bransby Horses are:

- providing expertise on legislation, regulations and policy concerning horse welfare, including membership of the British Horse Council;
- providing a response to requests for advice or assistance from local authorities, police, RSPCA and members of the public, including a welfare advice line;
- working with police and local authorities in England and Wales and The Fire and Rescue Service developing methods and training to help officers manage stray horses effectively;
- taking into care from the RSPCA and local authorities horses that have been neglected or cruelly treated;
- providing a Legacy and Welfare scheme, whereby responsible horse owners can provide for their horses in the event of illness or their own death and they are respectfully asked to remember the charity in their Will;
- delivering talks and seminars on horse and donkey care and welfare to a wide variety of key target groups;
- hosting visits by disabled adults and children and those with learning difficulties;

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Trustees' Annual Report
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- hosting visits from community interest groups;
- providing a site with a community focus, its miles of countryside public footpaths and approved walkways used frequently by dog walkers, walking groups and ramblers;
- providing a mixture of opportunities and activities for volunteers, which cater for their well-being and career development requirements;
- providing a diverse range of work experience placement opportunities to school children, college and university students;
- providing training and career opportunities to school leavers through the National Apprenticeship Scheme;
- providing assessment and training facilities for professional studies, research and qualifications and
- hosting of 'Efficacy through Equines' a scheme which proactively guides young adults to improve confidence, communication, positive relationships, self-awareness, emotional literacy and ability to focus, in order to build their self-efficacy.

In setting objectives and planning activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Reserves Policy Statement

In recent years, Bransby Horses has undergone a period of expansion in order to meet the ever increasing needs of suffering equines. The charity is committed to improving its facilities and to providing a high level of care required to the equines it assists. The charity developed an aspirational five-year strategic plan to further develop its facilities in order to meet the welfare needs of equines in need of much care and attention. It feels that it has an obligation to its supporters who have given their money in good faith to ensure that it is constantly improving to ensure that it has maximum impact on the equine welfare crisis.

Inevitably, with such aspirational plans, levels of expenditure will increase significantly in order to deliver upon these commitments and this has been considered in this reserves policy.

The trustees operate a reserves policy which they consider to be appropriate and takes into consideration the following:

1. Future expenditure

Future expenditure in relation to the ongoing running costs of the charity to ensure that it can provide for up to 500 equines on the farm in sanctuary care (average across 2020 was 344); and a further 534 on the charity's Perfect Partner rehoming scheme.

The trustees aim to be in a position whereby they can meet the costs of running the charity for a period of three years. This decision has been made based on future forecast expenditure, the volatility of its income streams, the diverse functions undertaken by the charity, its asset base, the environment and the reliance upon its services by its beneficiaries.

Current levels of expenditure are forecast to be circa £6.5m per annum; therefore, a level of £19.5m of reserves is needed to ensure that the charity can continue to operate for a period of three years whilst it reacts to the challenges that it faces within the environment in which it operates. This level will be reviewed on an annual basis.

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Trustees' Annual Report
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2. Income stream risk

The charity is heavily reliant upon voluntary income. Around 60% of the charity's income is from legacies. Whilst this income stream is regularly monitored and reported to the trustees, uncertainty about its long term sustainability remains.

Included in the current level of free reserves are legacies advised of, but for which no money has been received and equates to £1,500,919. The trustees feel that it is prudent to remove this amount from its free reserves when it calculates the amounts available for use.

As a responsible charity, Bransby Horses ensures that it maximises the return on the funds it holds through holding proactively managed investment portfolios, which provide additional income to support the charity's vital welfare work.

3. Operational risk

The charity operates within an environment whereby there is an inherent risk of the health of the herd cared for by the charity being compromised by an outbreak of infectious disease. Whilst the charity operates a robust bio-security management programme, including strict quarantine, and practices herd vaccination whenever applicable/available, the risk of a disease outbreak cannot ever be fully eliminated. These risks include highly-infectious diseases which are currently enzootic in the UK, such as equine influenza and strangles. It is recognised, for example, that the influenza virus is constantly evolving and, although Bransby Horses always uses the latest vaccine strains, the risk of an outbreak caused by a novel strain remains a real possibility. In addition, a number of equine diseases which are currently exotic to the UK are nevertheless considered to be a potential risk. In particular, several of these currently exotic diseases are transmitted by insect vectors and the threat from them is widely considered to be increasing, particularly as climate change progresses, thereby providing a more permissive environment for the vectors in the UK. Such diseases include West Nile virus, equine infectious anaemia and African horse sickness (AHS). An outbreak of EIA occurred in the south-west of the UK in 2012, for example, and the potential threat from African horse sickness has been highlighted by relatively recent UK outbreaks of bluetongue in ruminants, as the two viral diseases are transmitted by similar species of *Culicoides* midges. The Trustees therefore provide £2m of its reserves by way of a contingency fund, should such a situation arise.

4. Future strategy

The trustees have developed plans for the further development of the services the charity offers to help horses in need of care and assistance. The charity regularly reviews progress against its five-year strategic plan and it is essential that the trustees ensure that funds are available to deliver upon the commitments contained within this plan. The commitments are:

- **Commitment to rescue**

The charity aims to be in a position whereby it can always provide emergency care and safety for horses whose welfare has been severely compromised; this will be achieved by reviewing the current facilities and resources the charity has available and by being proactive in working in partnership with other welfare organisations.

- **Commitment to provide a safe haven**

The charity aims to be in a position where it will provide a safe haven for all horses that are brought into the charity's care; whether this is to provide life-long sanctuary care or by finding the right foster home. The facilities and resources at both sites will require review to ensure that they are fit to cope with the demands that will be placed upon them.

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for the year ending 31 December 2020

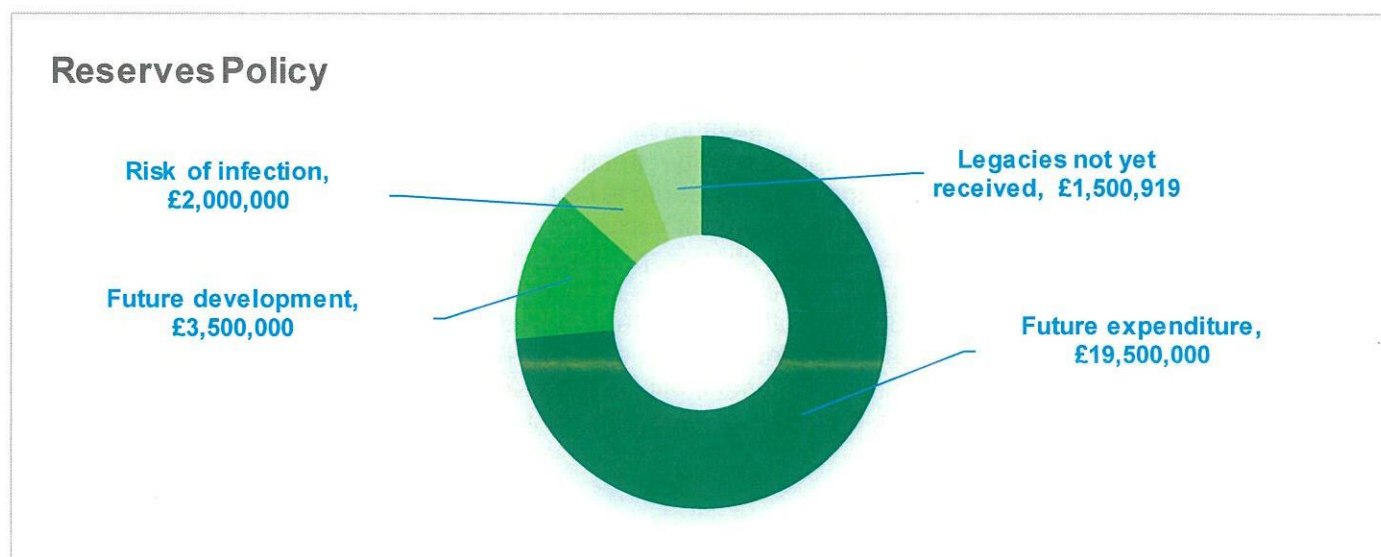
- Commitment to provide support and learning opportunities

The charity has aspirational plans to further develop support and learning opportunities by providing non-judgmental support and promoting the knowledge of the proper care of horses to those in need of assistance.

The Trustees have provided £3.5m for the further development of its facilities and resources in order to fulfil its strategy. They are committed to and are pro-actively pursuing opportunities to acquire more land; this is to ensure that the charity can continue to develop the services needed to help more horses in need of help and assistance.

Supplementary Information:

The Trustees are committed to ensure that the charity maintains a level of reserves that safeguards the charity's activities well into the future. Whilst they will set a minimum level of reserves required annually, based on forecast expenditure; free reserves will be closely monitored on a quarterly basis by the Finance Resources and Engagement Subcommittee. The current summary of Bransby Horses free reserves is as follows:



The total in reserves equates to approximately £26.5m.

Investment Policy and Objectives Statement

The Articles of Association authorise the trustees to make and hold investments using the general funds of the charitable company. The trustees of Bransby Horses wish to pursue a policy that considers total returns on investments through both dividend income and capital growth over the longer term, thereby enabling them to meet their current and future objectives in line with the objects of the charity.

As permitted by the charity's Articles of Association, the trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile. The trustees have regular review meetings with the three individual investment managers in order to ensure that the portfolios are performing in line with their benchmark. The trustees use the services of a professional advisor as needed to assist with the monitoring and review of the performance of the investments.

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During the year revenue income on investments was £682,808 (2019: £866,565), which achieved the agreed yield. Trustees were pleased to note the recovery of the market value of investments following the fall due to covid-19 earlier in the financial year. Given the potential volatility in share prices however, this situation is closely monitored by the trustees and their agents. Regular updates and presentations on the performance of fund portfolios are provided to trustees through quarterly meetings of the Finance, Resources and Engagement Subcommittee.

Qualifying Third Party Indemnity Provisions

Qualifying third party provisions made by the charity are in force for the benefit of the trustees.

Reference and Administrative Details

Trustees

Mrs S J Dolan
Mrs H C Elston
Mrs C N Fisher (Chair)
Mrs E A Kay-Stott (Appointed 10 September 2020)
Miss K McFee (Vice-Chair)
Mr M S Mitchell (Treasurer) – (Resigned 18 February 2020)
Mr M J Pickles (Appointed Treasurer 18 February 2020)

Honorary President

Mr H C Marshall BSc, MICE, MIWEM

Chief Executive Officer

Mrs J Snell

Secretary

Miss D Hall

Registered Office

Bransby House
Bransby
LINCOLN
Lincolnshire
LN1 2PH

Registered Company

03711676 (England and Wales)

Registered Charity

1075601

Registered Auditors

Nicholsons
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

Bransby Horses
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Trustees' Annual Report
for the year ending 31 December 2020

Bankers

Clydesdale Bank
8-10 Guildhall Street
LINCOLN
Lincolnshire
LN1 1TT

Solicitors

Wilkin Chapman
The Maltings
11-15 Brayford Wharf East
LINCOLN
LN6 7AY

Investment Managers

Barclays Wealth
11 Park Square East
LEEDS
LS1 2NG

Quilters

St Helen's
1 Undershaft
LONDON
EC3A 8BB

Charles Stanley & Co Limited
Mercury Place
St George Street
LEICESTER
LE1 1QG

Property Advisors

J H Walter
1 Mint Lane
LINCOLN
Lincolnshire
LN1 1VD

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Trustees' Annual Report
For the Year Ended 31 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

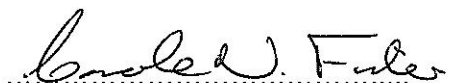
- there is no relevant audit information (as defined by Section 418 of the Companies Act) of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors, Nicholson, will be proposed for re-appointment at the forthcoming Finance, Resources and Engagement Subcommittee meeting and for approval at the Charity Board meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium companies.

FOR AND ON BEHALF OF THE BOARD:



Mrs C N Fisher – Trustee (Chair)

Date: 24 May 2021

Bransby Horses
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Report of the Independent Auditors to the Members of

Bransby Horses
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Opinion

We have audited the financial statements of Bransby Horses (the 'parent charitable company') and its subsidiaries for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt about the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date 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, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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

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Report of the Independent Auditors to the Members of

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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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 parent charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

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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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework Charities SORP 2019 (FRS 102), the Companies Act 2006, the Charities Act 2011 and the tax compliance as relevant to charities, and specifically around the COVID 19 support schemes including the determination of amounts and disclosures.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those charged with governance, and we corroborated our enquiries by reviewing board minutes and reviewing third party correspondence, including correspondence with HMRC, Companies House and the Charity Commission.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the controls the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud and also reviewed how these had operated in the year, particularly given the changes to the systems as a result of remote working which was required as a response to COVID 19 to ensure that the systems continued to operate effectively and as expected.

Other matters pertaining to COVID 19 such as grants and funding were also noted as risks in this year specifically and specific testing was completed in relation to these areas including a review of disclosures and a review of eligibility for funding.

Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk along with procedures to identify non-compliance with such laws and regulations identified in the paragraphs above along with areas where management override of controls may be relevant. These procedures included assessing the appropriateness of presentation of separately disclosed items with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the charitable company. These procedures were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

We also considered the risk associated with legacies recognition along with completeness of income more generally by the charitable company and due to the potential impact on the accounts additional work was targeted in these areas.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The audit was planned to ensure that the more complex areas were performed by more experienced members of the audit team and there were no areas of the audit which were considered to require external experts to be appointed by the audit team.

The audit of all component parts of the group has been undertaken by the same audit team thus ensuring that any matters pertaining to the overall group audit have been able to be identified and addressed.

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas

Emma Murray (Senior Statutory Auditor)
for and on behalf of Nicholsons
Statutory Auditors
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

Date: *3/8/2021*

Bransby Horses
(Registered Number 03711676)

Consolidated Statement of Financial Activities
(including consolidated income and expenditure account)
for year ending 31 December 2020

		Unrestricted	Restricted	Total Funds	Total Funds
	Note	Funds	Funds	2020	2019
		£	£	£	£
Income					
Donations and legacies	4	4,862,563	59,439	4,922,002	3,531,793
Activities for generating funds	5	256,874	-	256,874	219,971
Commercial trading operations	6	506,565	-	506,565	497,490
Investment income	7	717,555	-	717,555	921,939
Other incoming resources		468,146	15,000	483,146	172,220
Total income		6,811,703	74,439	6,886,142	5,343,413
Expenditure					
Commercial trading operations	6	493,267	-	493,267	449,352
Costs of generating funds	8	571,921	-	571,921	566,122
Operation of the charity	9	5,090,220	74,439	5,164,659	5,026,168
Total expenditure		6,155,408	74,439	6,229,847	6,041,642
Net income before tax for the year		656,295	-	656,295	(698,229)
Tax payable	14	(2,240)	-	(2,240)	4,319
Net (expenditure)/income after tax before investment (losses)/gains		658,535	-	658,535	(702,548)
Net gains/(losses) on investments	16	1,300,573	-	1,300,573	3,595,457
Net income/(expenditure) and net movement in funds for the year		1,959,108	-	1,959,108	2,892,909
Reconciliation of funds					
Total funds brought forward		50,353,517	-	50,353,517	47,460,608
Total funds carried forward		52,312,625	-	52,312,625	50,353,517

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

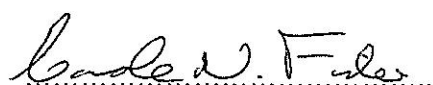
The notes at pages 27 to 45 form part of these accounts

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Consolidated Balance Sheet
as at 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible assets	15	16,558,648	16,953,802	16,551,020	16,934,172
Investments	16	31,166,549	29,978,513	31,166,649	29,978,613
Investment properties	17	1,065,000	1,065,000	1,065,000	1,065,000
Total fixed assets		48,790,197	47,997,315	48,782,669	47,977,785
Current assets					
Stock		261,312	273,009	139,263	146,998
Debtors	18	1,663,510	647,826	1,805,364	950,716
Short-term deposits		533,644	1,021,555	533,644	1,021,555
Cash at bank and in hand		1,394,664	947,767	1,352,291	689,596
Total current assets		3,853,130	2,890,157	3,830,562	2,808,865
Liabilities					
Creditors falling due within one year	19	(330,703)	(533,955)	(281,471)	(423,551)
Net current assets		3,522,427	2,356,202	3,549,091	2,385,314
Total assets less current liabilities		52,312,624	50,353,517	52,331,760	50,363,099
The funds of the charity:	21				
Non charitable trading		(19,136)	(9,582)	-	-
General funds		26,415,880	24,387,300	26,415,880	24,387,300
Restricted funds		-	-	-	-
Investment revaluation fund		8,002,628	7,290,088	8,002,628	7,290,088
Designated funds		17,913,252	18,685,711	17,913,252	18,685,711
Total charity funds		52,312,624	50,353,517	52,331,760	50,363,099

The financial statements were approved by the Board of Trustees on 24 May 2021 and were signed on its behalf by:



Mrs C N Fisher, Chair of trustees



Mr M J Pickles, Treasurer

The notes at pages 27 to 45 form part of these accounts

Bransby Horses
(Registered Number 03711676)

Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Cash used in operating activities	23	(630,425)	(1,314,201)	(414,627)	(1,556,987)
Cash flows from investing activities					
Investment income		717,555	921,939	717,555	921,939
Purchase of tangible fixed assets		(251,310)	(1,533,019)	(251,310)	(1,531,592)
Purchase of fixed asset investments		(3,344,905)	(3,046,606)	(3,344,905)	(3,046,606)
Sale of tangible fixed assets		10,630	3,369	10,630	3,365
Sale of fixed asset investments		3,447,278	3,090,097	3,447,278	3,090,097
Cash provided by (used in) investing activities		579,248	(564,220)	579,248	(562,797)
Increase (decrease) in cash and cash equivalents in the year		(51,177)	(1,878,421)	164,621	(2,119,784)
Cash and cash equivalents at the beginning of the year		2,448,075	4,326,496	2,189,904	4,309,688
Total cash and cash equivalents at the end of the year		2,396,898	2,448,075	2,354,525	2,189,904

The notes at pages 27 to 45 form part of these accounts

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bransby Horses meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The consolidated balance sheet shows a strong financial position with investments of £31m, £1.9m in cash and short term deposits and net current assets of £3.5 million. The trustees are of the view from these results that on this basis the Charity is a going concern for at least the next 12 months from the date of signing the Financial Statements and an appropriate reserves policy is in place to support this.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Bransby Horses Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2019

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Grants which have been accounted for under the accruals model in respect of a revenue nature are credited to income so as to match with the expenditure to which they relate.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Investment income

Investment income on funds held is included when interest and dividends are receivable and the amount can be measured reliably by the charity; this is normally upon notification of the income paid or payable.

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The cost of raising and administering such funds are charges against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

h) Expenditure and value added tax

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure directly attributable to specific activities has been included in those cost categories. Other costs are apportioned to cost categories based on estimates by management using various appropriate measures.

The charity is not registered for VAT, irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. The trading subsidiary is registered for VAT and its income and expenditure are shown net of VAT.

i) Allocation of support costs

Support costs are those associated with the general management of the charity, other than governance costs, that are not directly attributable to charitable activities or fundraising. These costs are allocated based primarily on head count. Office and associated costs are allocated based on staff numbers and activities carried out by each. General running costs are allocated based on total head count including all charity staff.

j) Grants payable

Grants paid and payable are included as a liability when a constructive obligation is entered into by the charity, being the date a written grant offer letter is communicated to the grant recipient.

k) Pensions

The charity operates a defined contribution pension scheme and the pension charges represent the amounts payable by the charity to the fund in respect of the year.

l) Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

Rentals paid under operating leases are charged on a straight-line basis over the term of the lease.

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

m) Tangible fixed assets

Tangible fixed assets (excluding investment assets) are recorded at cost or, in cases where fixed assets have been donated, at valuation at the time of acquisition. Depreciation is charged in full in the year of acquisition. Individual items costing less than £1,000 are not capitalised unless purchased as a group of items costing more than £1,000.

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Freehold land	Not provided
Freehold buildings	2% Straight line
Freehold property improvement	4% Reducing Balance
Fencing, motor and machinery	10% / 20% Straight line

Where an asset is under construction depreciation is not charged until the asset is complete.

n) Investment assets

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

o) Investment property

Investment property is shown at the fair value valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the SOFA.

p) Stock

Stock consists of purchased goods for resale together with veterinary goods and feed stocks for own use and are included at the lower of cost and net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market. Stocks of farm crops are professionally valued at the balance sheet date.

q) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term investments of less than three months with a short maturity from the date of acquisition or opening of the deposit or similar account.

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

t) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Tangible fixed asset lives and residual values

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Judgement is applied in determining the residual values of fixed assets by assessing the amount that the charity would currently obtain for disposing of the asset in the condition it is expected to be in at the end of its useful life. The estimation of useful lives is based on historic performance as well as expectations about future use. Useful lives are reviewed to reflect current estimates of technological advancement, future investment policy, economic utilisation and the physical condition of the asset.

2 Legal status of the charity

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

3 Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary.

The summary financial performance of the charity alone is:

	2020	2019
	£	£
Income	6,399,724	4,870,342
Expenditure on charitable activities	(5,731,636)	(5,588,189)
Net gains/(losses) on investments	1,300,573	3,595,457
Net income before tax	1,968,661	2,877,610
Corporation tax	-	-
Net income after tax	1,968,661	2,877,610
Total funds brought forward	50,363,099	47,485,489
Total funds carried forward	52,331,760	50,363,099
Represented by:		
General funds	26,415,880	24,387,300
Restricted income funds	-	-
Investment revaluation fund	8,002,628	7,290,088
Designated funds	17,913,252	18,685,711
	52,331,760	50,363,099

4 Income from donations and legacies

	2020	2019
	£	£
Donations		
Gifts	649,834	503,700
Legacies	4,272,168	3,028,093
	4,922,002	3,531,793

The income from donations and legacies was £4,922,002 (2019: £3,531,793) of which £4,862,563 was unrestricted (2019: £3,480,318) and £59,439 restricted (2019: £51,475).

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

5 Income from charitable activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Open day receipts	-	7,692
Raffle tickets	148,196	131,243
Adoptions	108,678	81,036
Total income from charitable activities	256,874	219,971

6 Income earned from other activities

The wholly owned trading subsidiary Bransby Horses Trading Limited is incorporated in the United Kingdom (company number 02480383). Bransby Horses Trading Limited operates sale of stationery, cards, fancy goods and clothing appropriate to the objectives of its parent company along with farming activities and a café. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2020 £	2019 £
Turnover	506,565	497,490
Cost of sales and administration costs	(518,359)	(477,872)
Net profit before taxation	(11,794)	19,618
Taxation	2,240	(4,319)
Profit/(loss) after taxation	(9,554)	15,299
 Assets	 175,615	 428,821
Liabilities	(194,651)	(438,303)
Aggregate share capital and reserves	(19,036)	(9,482)

Included within £518,359 (2019: £477,872) is £25,092 (2019: £28,520) being recharges from the charity which have been removed on consolidation.

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

7 Investment income

	2020	2019
	£	£
Dividends and other income from investment portfolio	682,808	866,565
Bank and other interest	2,540	21,378
Rental income	32,207	33,996
	<u>717,555</u>	<u>921,939</u>

8 Costs of generating funds

	2020	2019
	£	£
Cost of generating voluntary income:		
Printing and postage	121,567	120,439
Advertising	43,226	46,938
Legal and professional fees	11,715	8,576
Raffle expenses	18,554	15,129
Other costs	33,902	35,079
Investment management costs	131,088	133,744
Allocated support costs (see note 10)	211,869	206,217
	<u>571,921</u>	<u>566,122</u>

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

9 Analysis of expenditure on charitable activities

	2020	2019
	£	£
Running costs		
Equine welfare wages	2,144,248	1,960,717
Equine welfare costs	382,054	511,923
Feed and bedding	152,850	245,348
Protective clothing	13,344	20,061
Repairs and renewals of fencing	37,971	61,388
Staff uniforms	3,405	5,786
Health and safety costs	7,054	13,343
Educational area costs	10,732	1,479
Subscriptions	10,554	12,539
Rent	11,636	12,082
Legal and professional	35,842	107,003
Bank and credit charges	11,658	10,705
Freehold land and building depreciation	86,643	-
Plant, motor and machinery depreciation	287,423	171,434
(Profit)/loss on sale of fixed assets	38,513	9,418
Allocated support costs (see note 10)	1,906,818	1,855,955
Grant making	-	5,500
Governance costs (see note 10)	23,914	21,487
	<u>5,164,659</u>	<u>5,026,168</u>

Expenditure on charitable activities was £5,164,659 (2019: £5,026,168) of which £5,090,220 was unrestricted (2019: £4,958,593) and £74,439 was restricted (2019: £67,575).

Bransby Horses
(Registered Number 03711676)

Notes to the Financial Statements
for the Year Ended 31 December 2020

10 Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function.

Support costs

	2020	2019
	£	£
Salaries, wages and National Insurance	1,236,385	1,102,313
Training	24,046	37,707
Canteen and staff welfare	41,654	33,069
Repairs and renewals	147,937	208,316
Cleaning and gardening expenses	68,625	45,335
Vehicle and plant running costs	64,871	90,877
Rates	5,549	5,488
Water and drainage rates	17,708	17,255
Heat and light	40,403	44,900
Insurance	137,916	117,501
Telephone	27,310	19,744
Office equipment repairs	1,533	7,227
Stationery	4,032	6,483
Travel expenses	2,647	24,557
Computer costs	79,255	60,577
Security	6,063	9,939
Pest control	1,500	1,895
Freehold land and building depreciation	211,253	226,311
Plant, motor and machinery depreciation	-	2,678
	<u>2,118,687</u>	<u>2,062,172</u>
Allocation of support costs		
Costs of generating funds	211,869	206,217
Charitable activities	1,906,818	1,855,955
	<u>2,118,687</u>	<u>2,062,172</u>

Governance costs

	2020	2019
	£	£
Audit and accountancy	23,868	20,960
Trustee expenses (see note 11)	46	527
	<u>23,914</u>	<u>21,487</u>

Fees payable to the auditors for audit services were £22,648 (2019: £17,100) which includes £4,945 (2019: £4,100) for the subsidiary undertaking.

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

11 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2020	2019
	£	£
Salaries and wages	3,153,278	2,902,552
Social security costs	250,044	223,175
Pension costs	122,519	99,271
	<u>3,525,841</u>	<u>3,224,998</u>

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2019: £nil) travel expenses were reimbursed during the year amounting to £46 (2019: £527). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

The number of employees whose remuneration (including taxable benefits in kind but excluding employer national insurance and pension costs) were in excess of £60,000 for the year were:

Group	2020	2019
	Number	Number
£60,000-£70,000	2	1
£70,000-£80,000	-	-
£80,000-£90,000	-	1
£90,000-£100,000	1	-

The key management personnel of the parent charity, comprise the trustees, CEO and the Charity's Executive Directors. The trustees gave approval for the recruitment of three Executive Directors to support the CEO and running of the charity. Their appointment has been phased over recent years with a fully resourced position in place for the 2020 reporting year. The total remuneration of these key management personnel are as follows:

Key Management Personnel Costs	2020	2019
	£	£
Total remuneration	<u>305,244</u>	<u>214,892</u>

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

The total remuneration of the Chief Executive Officer was as follows:

	2020	2019
	£	£
Salary (including Employers NI)	90,564	84,842
Pension costs	6,270	5,904
Taxable benefits	6,572	6,825
Total remuneration	103,406	97,571

12 Staff numbers

The average monthly head count was 160 staff (2019: 158 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2020	2019
	Number	Number
Charitable activities	95	91
Cost of generating funds	25	27
Management and administration of the charity	18	21
	138	139

13 Related party transactions

The charitable company has taken advantage of the exemption in FRS102 (section 33) 'related party disclosure' not to disclose transactions with subsidiary undertakings.

14 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Group		Charitable company	
	2020	2019	2020	2019
	£	£	£	£
Current tax:				
UK corporation tax	40	589	-	-
Deferred Taxation	(2,280)	3,730	-	-
	<u>(2,240)</u>	<u>4,319</u>	<u>-</u>	<u>-</u>

15 Tangible fixed assets - Charitable company

	Freehold land and buildings £	Plant, motor and machinery £	Totals £
COST			
At 1 January 2020	17,683,478	1,768,852	19,452,330
Additions	112,386	138,924	251,310
Transfer between codes	54,428	(54,428)	-
Disposals	(18,386)	(165,595)	(183,981)
At 31 December 2020	<u>17,831,906</u>	<u>1,687,753</u>	<u>19,519,659</u>
DEPRECIATION			
At 1 January 2020	1,546,293	971,865	2,518,158
Charge for year	297,896	287,423	585,319
Transfer between codes	37,960	(37,960)	-
Eliminated on disposal	(4,672)	(130,166)	(134,838)
At 31 December 2020	<u>1,877,477</u>	<u>1,091,162</u>	<u>2,968,639</u>
NET BOOK VALUE			
At 31 December 2019	<u>16,137,185</u>	<u>796,987</u>	<u>16,934,172</u>
At 31 December 2020	<u>15,954,429</u>	<u>596,591</u>	<u>16,551,020</u>

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

15 Tangible fixed assets – Group

	Freehold land and buildings £	Plant, motor and machinery £	Totals £
COST			
At 1 January 2020	17,739,383	1,816,279	19,555,662
Additions	101,957	149,353	251,310
Transfer between codes	54,428	(54,428)	-
Disposals	<u>(18,386)</u>	<u>(193,890)</u>	<u>(212,276)</u>
At 31 December 2020	<u>17,877,382</u>	<u>1,717,314</u>	<u>19,594,696</u>
DEPRECIATION			
At 1 January 2020	1,600,202	1,001,658	2,601,860
Charge for year	297,976	293,043	591,019
Transfer between codes	37,960	(37,960)	-
Eliminated on disposal	<u>(4,672)</u>	<u>(152,159)</u>	<u>(156,831)</u>
At 31 December 2020	<u>1,931,466</u>	<u>1,104,582</u>	<u>3,036,048</u>
NET BOOK VALUE			
At 31 December 2019	<u>16,139,181</u>	<u>814,621</u>	<u>16,953,802</u>
At 31 December 2020	<u>15,945,916</u>	<u>612,732</u>	<u>16,558,648</u>

Included in land and buildings is freehold land amounting to £9,628,232 (2019: £9,682,232) which has not been depreciated. Also included within land and buildings is a nominal amount relating to land which is rented out to local farmers, this land is not suitable for grazing. The amount received during the year for land rents amounts to £7,758 (2019: £7,715).

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

16 Investments – Charitable company

The charity holds 100 shares of £1 each in its wholly owned trading subsidiary company Bransby Horses Trading Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 6.

Investments – Group and charitable company

	Listed £	Cash £	Totals £
Market value at 1 January 2020	29,499,757	478,756	29,978,513
Additions to investments at cost	3,344,905	-	3,344,905
Disposals at carrying value	(3,753,671)	-	(3,753,671)
Net cash movements	-	(10,164)	(10,164)
	<u>29,090,991</u>	<u>468,592</u>	<u>29,559,583</u>
Net gain on revaluation at 31 December 2020	1,606,966	-	1,606,966
Market value at 31 December 2020	<u>30,697,957</u>	<u>468,592</u>	<u>31,166,549</u>
Cost of investments at 31 December 2020	<u>22,695,329</u>	<u>468,592</u>	<u>23,163,921</u>
Investment revaluation reserve at 31 December 2020	<u>8,002,628</u>	<u>-</u>	<u>8,002,628</u>
Cost of investments at 1 January 2020	<u>22,209,668</u>	<u>478,756</u>	<u>22,688,424</u>

Listed investments comprise:

Quilters:

	Listed £
Bonds/Fixed Interest	2,205,590
Equities	6,952,381
Alternative Investments/Property	1,346,092

Barclays Wealth:

Bonds/Fixed Interest	1,009,774
Equities	8,827,635
Alternative Investments/Property	1,194,714
Multi Asset Class/Other	951,902

Charles Stanley:

Bonds/Fixed Interest	1,287,817
Equities	6,031,290
Alternative Investments/Property	890,762

30,697,957

No investment represents more than 5% of the total market value.
The above investments are held primarily to provide an investment return.

Bransby Horses
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Notes to the Financial Statements
for the Year Ended 31 December 2020

17 Investment property – group and charitable company
Total £

VALUATION

At 31 December 2019	<u>1,065,000</u>
At 31 December 2020	<u>1,065,000</u>

NET BOOK VALUE

At 31 December 2020	<u>1,065,000</u>
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During the year the investment properties were let or available for let under operating leases.

Investment properties were valued on an open market basis on 30 April 2014 by J H Walters Chartered Surveyors and the trustees are satisfied that this valuation is still reasonable.

If the investment properties were sold at this value the maximum additional corporation tax due would be £Nil.

If investment property had not been revalued it would have been included at the following historical cost:

	2020	2019
	£	£
Cost	1,490,435	1,490,435
Aggregate depreciation	<u>(281,421)</u>	<u>(251,612)</u>
Net book value	<u>1,209,014</u>	<u>1,238,823</u>

18 Debtors

	Group		Charitable company	
	2020	2019	2020	2019
	£	£	£	£
Due within one year:				
Amounts due from trading subsidiary	-	-	117,300	258,713
Trade debtors	15,840	22,996	12,275	6,830
Other debtors	8,205	3,109	8,205	3,109
Accrued income	1,556,444	512,195	1,556,444	493,849
Prepayments	<u>83,021</u>	<u>109,526</u>	<u>83,021</u>	<u>100,711</u>
	<u>1,663,510</u>	<u>647,826</u>	<u>1,777,245</u>	<u>863,212</u>
Due greater than one year:				
Amounts due from trading subsidiary	<u>-</u>	<u>-</u>	<u>28,119</u>	<u>87,504</u>
Aggregate amounts	<u>1,663,510</u>	<u>647,826</u>	<u>1,805,364</u>	<u>950,716</u>

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Notes to the Financial Statements
for the Year Ended 31 December 2020

19 Creditors – Amounts falling due within one year

	Group		Charitable company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	145,131	315,925	120,815	246,721
Other taxation and social security	77,127	72,096	61,487	55,041
Accruals	108,445	145,934	99,169	121,789
	330,703	533,955	281,471	423,551

20 Operating lease commitments

	Group		Charitable company	
	2020	2019	2020	2019
	£	£	£	£
Expiring:				
Within one year	10,000	10,000	-	-

21 Analysis of charitable funds

	Balance 1 January 2020	Incoming resources	Resources expended	Other movement	Funds 31 December 2020
	£	£	£	£	£
Trading company reserves	(9,582)	506,565	(516,119)	-	(19,136)
General funds	24,387,300	6,305,138	(5,053,970)	777,412	26,415,880
Restricted funds	-	74,439	(74,439)	-	-
Investment revaluation	7,290,088	-	-	712,540	8,002,628
	31,667,806	6,886,142	(5,644,528)	1,489,952	34,399,372
Designated funds					
Capital project fund	686,539	-	-	(389,307)	297,232
Fixed asset fund	17,999,172	-	(585,319)	202,167	17,616,020
	18,685,711	-	(585,319)	(187,140)	17,913,252
Total funds	50,353,517	6,886,142	(6,229,847)	1,302,812	52,312,624

The general funds balance represents the free funds of the charitable company which are not designated for particular purposes.

At the end of the financial year restricted funds held were £Nil (2019 £Nil)

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Notes to the Financial Statements
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Analysis of charitable funds continued

Capital projects authorised but not contracted for

	Balance 2019 £	Movement in provision £	Provision spent in the year £	Balance 2020 £
Fleet	9,000	12,000	-	21,000
General	226,491	(19,563)	(135,329)	71,599
IT and telecommunications	90,009	(2,405)	(48,704)	38,900
Site development	360,039	(127,029)	(67,277)	165,733
Veterinary equipment	1,000	(1,000)	-	-
	<u>686,539</u>	<u>(137,997)</u>	<u>(251,310)</u>	<u>297,232</u>

The capital projects fund has been designated by the Trustees for the major capital expenditure expected during 2021 as set out above, some of which has been carried forward from 2020.

The fixed asset fund has been set up to assist in identifying those funds that are not free funds. It represents the net book value of tangible fixed assets of the charitable company and the investment properties held.

22 Analysis of group net assets between funds

	Designated funds £	General funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	16,551,020	7,628	-	16,558,648
Investments	1,362,232	30,869,317	-	32,231,549
Current assets	-	3,853,130	-	3,853,130
Liabilities	-	(330,703)	-	(330,703)
Total net assets	<u>17,913,252</u>	<u>34,399,372</u>	<u>-</u>	<u>52,312,624</u>

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Notes to the Financial Statements
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23 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charitable company	
	2020	2019	2020	2019
	£	£	£	£
Net movement in funds	1,959,108	2,892,909	1,968,662	2,877,608
Depreciation charge	591,019	407,087	585,319	400,423
Income shown in investing activities	(717,555)	(921,939)	(717,555)	(921,939)
(Profit)/loss on disposal of fixed assets	44,815	9,909	38,513	9,418
(Profit)/loss on disposal of investments	306,393	(213,927)	306,393	(213,927)
Loss/(profit) on revaluation of investments	(1,606,966)	(3,381,530)	(1,606,966)	(3,381,530)
(Increase)/decrease in stock	11,697	(31,409)	7,735	39
(Increase)/decrease in debtors	(1,015,684)	46,866	(854,648)	(166,996)
Increase/(decrease) in creditors	(203,252)	(122,167)	(142,080)	(160,083)
Net cash used in operating activities	(630,425)	(1,314,201)	(414,627)	(1,556,987)

