

REGISTERED COMPANY NUMBER: 03711676 (England and Wales)

Bransby Horses
Audited Financial Statements
Year ending 31 December 2021
Charity number 1075601

Nicholsons Audit
Statutory Auditors
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for the Year Ended 31 December 2021

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Trustees' Annual Report
for the year ending 31 December 2021

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 2021 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 2021 and to date are as follows:

Mrs S J Dolan
Mrs H C Elston
Mrs C N Fisher
Dr R Gillespie (Appointed 16 December 2021)
Ms E Kay-Stott (Resigned 26 July 2021)
Miss K McFee (Chair)
Mr M J Pickles (Vice-Chair & Treasurer)

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 and 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 2021.

In-line with recommended good practice the charity commissioned an external governance review in 2019. Completion of this was delayed until 2021 due to covid-19. The review recognised the flooding and covid related challenges faced by the charity in recent years but noted that the board had been able to adapt to these and that the outcomes have in fact "made the board and staff team stronger". There were a number of observations and recommended actions, these have been reported, discussed and addressed during the year. Trustee meetings and sub-committee meetings continued throughout the year through the use of video conferencing technology due to the covid-19 pandemic.

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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 2021.

Bransby Horses takes into care those horses whose welfare has been severely compromised; those who are in genuine need. In 2021 we responded to 200 welfare concerns logged by the public. Our Field Officer assessed and visited over 700 at risk equines despite restrictions imposed due to covid-19. In 2021, 119 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 2021, 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 2021. Of these, 583 equines enjoyed a loving home, thanks to our fosterers through our Perfect Partners 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 142 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. 60 equines graduated through our handling programme in 2021. 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

The charity rehomes equines through the use of its 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 2021, our amazing fosterers provided loving homes, with new contracts totaling 119 through our rehoming scheme and a total of 583 animals on 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. 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 were impacted significantly at the start of the year but recovered well later in the year with total visitors of 42,516 compared to 23,437 in 2020. 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. The trading subsidiary has historically rented land from the charity which was not used for grazing purposes, to farm as arable. Following the acquisition of an additional 880 acres of land to support its future growth, a proportion of land not immediately required 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. It is anticipated that this arrangement will continue for the 2022/23 farming year when the land will then revert back to the charity and be let directly to the farmer.

Notable Achievements and Performance in 2021

The charity has completed the final 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. A new ten year strategy is currently in development and is expected to be agreed and signed off by trustees in summer 2022. This will build upon the previous successes of the charity and plan the longer term ambitions for our second site at Barlings. We will remain true to our core values and deliver our objectives through good governance and financial planning. Despite the impact of covid-19, in 2021 the charity achieved a lot to secure its on-going success and growth. Just a few of our additional highlights are noted as follows:

- Supported the British Horse Society (BHS) with Healthcare and Education Clinics.
- Presented with the BHS Welfare Award by BHS President, Martin Clunes, for excellent service in the cause of equine welfare and recognising our continued commitment to protecting the equines in our care.
- Worked with over 150 other charities to create #ActNowForAnimals green paper submitted to DEFRA in support of an action plan for animal welfare.
- Hosted the East Midlands baton exchange of The Great Horses For Health UK Relay which travelled all throughout Scotland, Ireland and Wales before reaching Lincolnshire, with the aim of celebrating

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how much equines have supported owners during the Covid-19 pandemic whilst raising vital funds for seven equine charities.

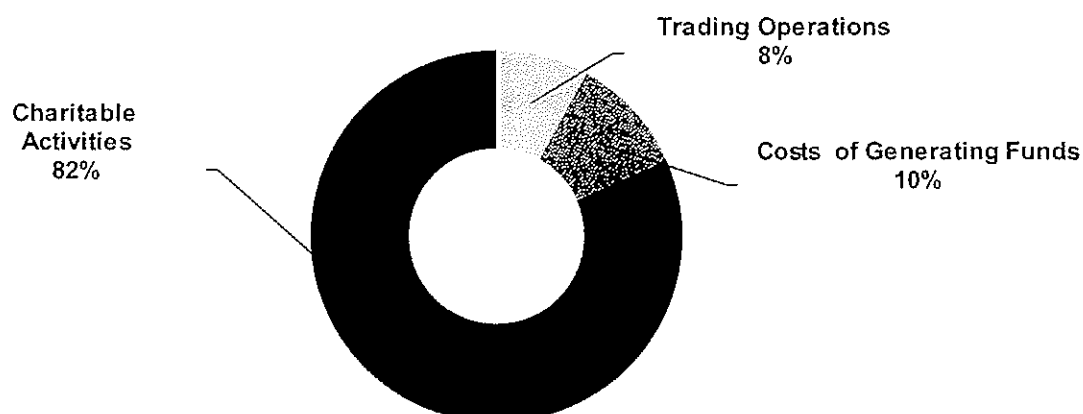
- Obtained a three year extension to our temporary welfare facilities at our Barlings site. This supported us during the flooding crisis in 2019 through the movement of 60 horses and will allow time to plan for the longer term use of the facility as part of the ten year strategy.
- A proud supporter, alongside other leading equine organisations, of the campaign to raise awareness about strangles.
- Selected as part of the Councilor Initiative Fund as a community project, gaining a financial award and a visit to the site by West Lindsey Chairman of the Council, Cllr Steve England.
- Became the proud recipient of the Legacy Futures Innovation Award for the 'Create Your Legacy' campaign in their inaugural year.
- The Bransby Big Sing Choir gave a live performance alongside Lincolnshire Vocal Academy on site, performing a variety of songs, which teams had practiced through video conferencing software during lockdowns.
- Supported Surrey University Vet School training through learning sessions for final year veterinary students and as a veterinary clinical instruction partner.
- Worked with Nottingham University Vet School on research projects and data analysis.
- Continued our work and relationship building 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.
- Continuation of collaborative work with World Horse Welfare, Redwings and the Donkey Sanctuary to ensure embed best practice into our work and share important knowledge.
- Received the Visitor England Quality Assured Visitor Attraction Marque for our high standards and the Good to Go Visit England Seal of Approval as part of our post pandemic reopening and provision of a safe environment for our visitors.
- Invested in the next generation of supporters through the provision of a new play park. Not only encouraging our younger supporters to visit but also increasing the time spent on site enjoying the surroundings of our wonderful site and greater engagement with the work of the charity.
- 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.
- Improved our systems and data capabilities by evaluating new software to be implemented in 2022 which will assist with managing our supporters journey, finance and stock/cost control.
- Provided space for Sturton by Stow Shed Club to finally open its doors following the pandemic. Shed club schemes are 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 £6.5m, of which £5.3m was spent directly on charitable activities:

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2021 Expenditure Summary



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 2021 has been the continued 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 and in some cases be placed on furlough.

Despite the easing of restrictions in the latter part of 2020 the return to lockdown across the country in the first quarter of 2021 resulted in more changed plans and challenges as a result. A number of staff were placed on furlough so as to minimise costs incurred. Teams across the charity responded with great resilience and were able to plan and adapt so that the charity could continue its important, and non-stop work, in a safe, controlled manner. Financially, the charity also showed resilience with continued support throughout the pandemic. This included donations and legacy income alongside the following grants which also helped to reduce the financial impact of the pandemic on the charity and have supported projects or equipment purchases which otherwise would have been delayed or curtailed:

	Total received
HMRC Job Retention Scheme	£ 32,722
West Lindsey District Council	£ 47,286
Dr Seymour Cole Will Trust	£ 1,000
Pet Plan Charity Trust	£ 25,000
The Matilda Ellis Charitable Trust	£ 750
The Michael Chamberlayne Charitable Trust	£ 300
	£107,058

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As we head into 2022 there is renewed hope that despite stubbornly high infection rates within the local area affecting staff absences that there will be a return to a more "normal" operation during 2022. However, the distressing and deeply worrying conflict in Ukraine will inevitably impact upon the charity as global economies suffer from the repercussions, investment values fall and price inflation adds to the cost pressures of our operations.

How long this will continue is unknown and again the long term consequences for everyone, including the charity are yet to be fully understood. We are mindful of the impact this could have on supporters ability to help finance the charity at a time when we are receiving more calls for help for the very same reason. Despite current reductions in investment values we recognise these are made for the long term. Although we will review our investment portfolio during 2022 to ensure it is aligned to our objectives and risk profile it is accepted that to date the returns and growth in investment values has helped to support the charity's overall financial position and provide some reassurance during this difficult period.

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. The Perfect Partner scheme launched in 2020 has allowed us to place equines successfully in foster homes and demand remains strong allowing the charity to create this space for new intakes.

Ensuring the long term viability of our estates

An independent review of estates management was commissioned back in 2017. This 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 by increasing the use of a track system to reduce equine weight and increase their health as a result. Results from this method are positive and the charity intends to continue with this approach, increasing our data and knowledge to make more informed decisions.

Whilst the flooding in 2019 impacted severely on the land available and utilised for grazing, 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 our Barlings site to ensure that we are careful and diligent custodians of our estates.

Although the ten year strategic plan is nearing completion many of the actions and intended developments contained within, will take time to fund and deliver. The application for an extension of time, a further three years, to the temporary facilities at our Barlings site was approved in 2021. This provides some additional time and capacity in which to develop plans further and ensure the right facilities are created, at the right time and in a financially sustainable manner.

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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.

Although we are in the final stages of approving the charity's next ten year strategy the objectives of the current strategy remain in place and will certainly be recognisable within our future plans and work. The updated strategy is designed to develop and enhance the work of the charity but this is based upon our strong starting position and in recognition of the good work which already takes place. It will therefore be more of an evolution rather than revolution approach with the knowledge that investment in our infrastructure will be required given how the charity has changed and grown of the past 50 years. The current 4 objectives upon which our approach is based is as follows:

- **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. 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. 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 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.

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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 and work towards producing a charity plan which considers environmental impact in our day to day decision making.

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, the on-going conflict in the Ukraine, and other inherent risks that affect all charities, the uncertainty for the economy 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.

The trustees have attempted to reduce these risks 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 risks and events noted, 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 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.

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Financial Review

The group statement of financial activities shows net income of £2,770,966 compared to £1,959,108 in 2020. This figure includes both realised and unrealised gains on investments which recovered strongly and continued to grow during the year. These net gains on investments amounted to £2,653,208 compared to £1,300,573 in 2020. 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 2021 this figure amounted to £2,333,383 compared to £1,500,919 in 2020. The resulting position without the net gains on investments or anticipated legacy sums are a deficit in 2021 of £2,215,625 against a deficit in 2020 of £842,384.

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 back 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 2020 which also continued in 2021. Trustees 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 2021 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 in the long term. Whilst a deficit is also forecast for 2022, 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 2021 there were no such applications or awards granted.

Performance of the Trading Company

The trading company recorded a profit before tax of £130,880 (2020 loss before tax of £11,794). The retail side of the trading company's activities being severely impacted during the start of the year but recovering well once covid-19 lockdown restrictions were lifted. Contract farming performance was much improved following the flooding which impacted on the 2020 growing year with significant increases in crop prices also assisting the overall financial position. Turnover for the trading company as a whole increased to £657,930 from £506,565 in 2020.

The café generated turnover of £171,676 (2020: £125,394). This included £15,996 in payments from HMRC regarding the Job Retention Scheme and Coronavirus SSP grants (2020 £37,779). Having been closed at the start of the financial year the café made a loss for 2021 of £11,136 compared to that in 2020 of £26,459. The financial position of the café would clearly have been much worse without the grant support.

Bransby Horses
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Trustees' Annual Report
for the year ending 31 December 2021

Farming income for the year totalled £274,150 and a profit of £86,618 compared to 2020 income of £151,940 and a loss of £17,498. This was generated from a proportion of the land at the Barlings site. The intention is to maintain this practice as a contract farm arrangement throughout 2022 but then revert to a lease arrangement for this land to the farmer in 2023.

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 reduced to £136,399 compared to £187,902 in 2020 as spending habits changed following lockdowns. As a result the net profit of the mail order activity in 2021 also reduced to £22,779 compared to £38,531 in 2020.

The Gift Shop however benefited from the change in spending habits recording a net profit for 2021 of £32,619 (2020: loss £6,368) on turnover of £75,705 (2020: £41,329). Shop activities were also hit by the initial lockdown period but recovered strongly along with visitor numbers once restrictions were lifted.

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;
- 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 and the Sturton and District Shed Club utilise space provided at the Bransby Horses site;
- 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.

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Trustees' Annual Report
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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 2021 was 338); and a further 557 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 £7.3m per annum; therefore, a level of £21.9m 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.

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 £2,333,383. 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.

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Trustees' Annual Report
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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.

In addition, and particularly following the flooding experienced at the Bransby Horses site in late 2019 and covid-19 requirements over the past two years, trustees recognise that maintaining an emergency fund is essential to cover the unforeseen events which could impact the charity's work. 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 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.

- **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.

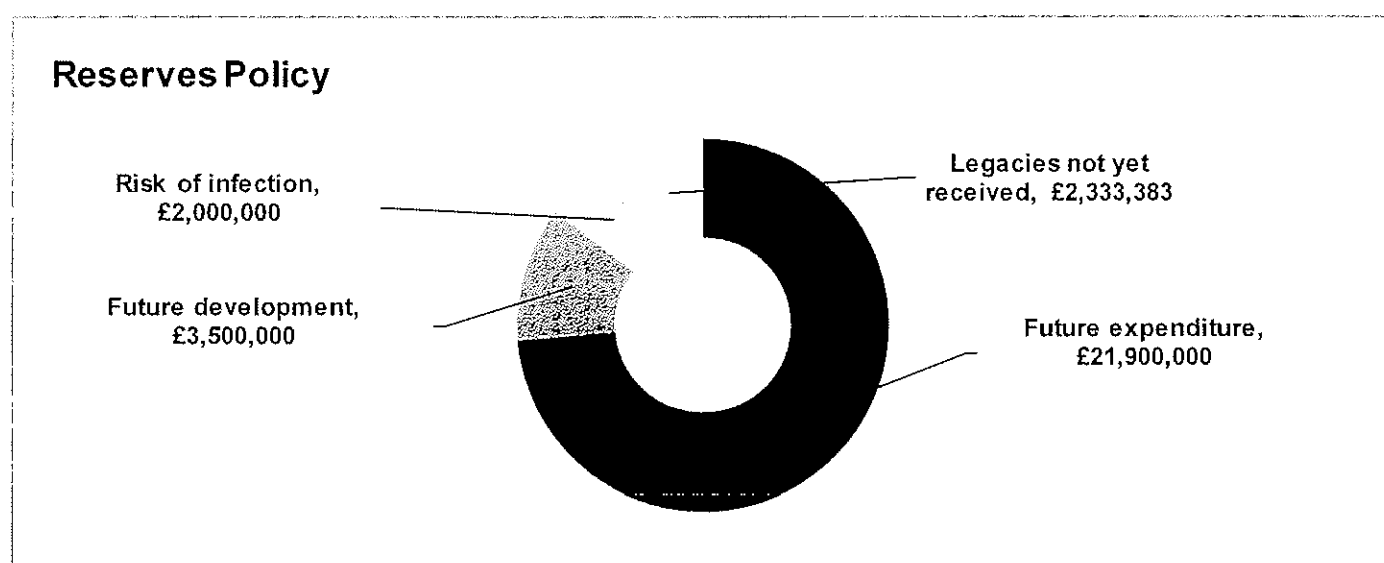
The Trustees have provided £3.5m for the further development of its facilities and resources in order to fulfil its strategy. They are committed to and are pro-actively pursuing opportunities to invest in the infrastructure required to deliver the charity's objectives along with the services needed to help more horses in need of help and assistance.

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Trustees' Annual Report
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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 £29.7m.

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.

During the year revenue income on investments was £668,035 (2020: £682,808), which achieved the agreed yield albeit below the value received in 2020. Trustees were pleased to note the recovery and continued growth of the market value of investments following the initial fall due to covid-19. 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.

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Trustees' Annual Report
for the year ending 31 December 2021

Reference and Administrative Details

Trustees

Mrs S J Dolan
Mrs H C Elston
Mrs C N Fisher
Dr R Gillespie (Appointed 16 December 2021)
Ms E Kay-Stott (Resigned 26 July 2021)
Miss K McFee (Chair)
Mr M J Pickles (Vice-Chair & Treasurer)

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

Bankers

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

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Trustees' Annual Report
for the year ending 31 December 2021

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

Bransby Horses
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Trustees' Annual Report
For the Year Ended 31 December 2021

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:

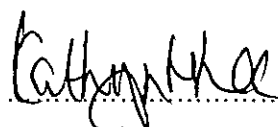
- there is no relevant audit information (as defined by Section 418 of the Companies Act) of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor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



.....

Miss K McFee – Trustee (Chair)

Date: 23 May 2022

Bransby Horses
(Registered Number 03711676)

Report of the Independent Auditors to the Members of

Bransby Horses
(Registered Number 03711676)

Opinion

We have audited the financial statements of Bransby Horses (the 'parent charitable company') and its subsidiaries (the group) for the year ended 31 December 2021 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 2021 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 group and parent 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 on the group and 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 contained within the Annual Report. 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.

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Report of the Independent Auditors to the Members of

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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 our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Annual Report 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report.

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 set out on page 19, the trustees (who are also the directors of the parent 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 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

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Report of the Independent Auditors to the Members of

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aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

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.

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.

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.

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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.



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

Date: 23/6/2022

Bransby Horses
(Registered Number 03711676)

Consolidated Statement of Financial Activities
(including consolidated income and expenditure account)
for year ending 31 December 2021

		Unrestricted	Restricted	Total Funds	Total Funds
	Note	Funds	Funds	2021	2020 as
		£	£	£	restated
					£
Income					
Donations and legacies	4	4,642,218	22,615	4,664,833	4,922,002
Activities for generating funds	5	255,496	-	255,496	256,874
Commercial trading operations	6	657,930	-	657,930	506,565
Investment income	7	703,218	-	703,218	717,555
Other incoming resources		352,805	-	352,805	483,146
Total income		6,611,667	22,615	6,634,282	6,886,142
Expenditure					
Commercial trading operations	6	498,499	-	498,499	493,267
Costs of generating funds	8	673,217	-	673,217	571,921
Operation of the charity	9	5,297,326	22,615	5,319,941	5,164,659
Total expenditure		6,469,042	22,615	6,491,657	6,229,847
Net income before tax for the year		142,625	-	142,625	656,295
Tax payable	14	24,867	-	24,867	(2,240)
Net (expenditure)/income after tax before investment (losses)/gains		117,758	-	117,758	658,535
Net gains/(losses) on investments	16	2,653,208	-	2,653,208	1,300,573
Net income/(expenditure) and net movement in funds for the year		2,770,966	-	2,770,966	1,959,108
Reconciliation of funds					
Total funds brought forward		52,312,625	-	52,312,625	50,353,517
Total funds carried forward		55,083,591	-	55,083,591	52,312,625

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

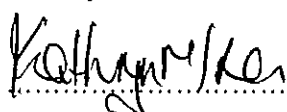
The notes at pages 27 to 47 form part of these accounts

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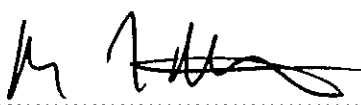
Consolidated Balance Sheet
as at 31 December 2021

	Note	Group 2021 £	Group 2020 as restated £	Charity 2021 £	Charity 2020 as restated £
Fixed assets					
Tangible assets	15	16,563,398	16,773,648	16,559,303	16,766,020
Investments	16	32,312,729	31,166,549	32,312,829	31,166,649
Investment properties	17	965,000	850,000	965,000	850,000
Total fixed assets		49,841,127	48,790,197	49,837,132	48,782,669
Current assets					
Stock		334,780	261,312	158,235	139,263
Debtors	18	2,611,078	1,663,510	2,685,547	1,805,364
Short-term deposits		1,413,297	13,162	1,413,297	13,162
Cash at bank and in hand		1,258,367	1,915,146	1,201,719	1,872,773
Total current assets		5,617,522	3,853,130	5,458,798	3,830,562
Liabilities					
Creditors falling due within one year	19	(375,058)	(330,703)	(299,216)	(281,471)
Net current assets		5,242,464	3,522,427	5,159,582	3,549,091
Total assets less current liabilities		55,083,591	52,312,624	54,996,714	52,331,760
The funds of the charity:	21				
Non charitable trading		86,877	(19,136)	-	-
General funds		27,112,105	26,415,880	27,112,105	26,415,880
Restricted funds		-	-	-	-
Investment revaluation fund		10,107,485	8,002,628	10,107,485	8,002,628
Designated funds		17,777,124	17,913,252	17,777,124	17,913,252
Total charity funds		55,083,591	52,312,624	54,996,714	52,331,760

The financial statements were approved by the Board of Trustees on 23 May 2022 and were signed on its behalf by:


.....

Miss K McFee, Chair of Trustees


.....

Mr M J Pickles, Treasurer

The notes at pages 27 to 47 form part of these accounts

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Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 December 2021

	Note	Group 2021 £	Group 2020 as restated £	Charity 2021 £	Charity 2020 as restated £
Cash used in operating activities	23	(1,118,337)	(630,425)	(1,132,463)	(414,627)
Cash flows from investing activities					
Investment income		703,218	717,555	703,218	717,555
Purchase of tangible fixed assets		(357,192)	(251,310)	(357,192)	(251,310)
Purchase of fixed asset investments		(4,571,636)	(3,344,905)	(4,571,636)	(3,344,905)
Sale of tangible fixed assets		8,640	10,630	8,490	10,630
Sale of fixed asset investments		5,872,077	3,447,278	5,872,077	3,447,278
Cash provided by (used in) investing activities		1,655,107	579,248	1,654,957	579,248
Increase (decrease) in cash and cash equivalents in the year		536,770	(51,177)	522,494	164,621
Cash and cash equivalents at the beginning of the year		2,396,898	2,448,075	2,354,525	2,189,904
Total cash and cash equivalents at the end of the year		2,933,668	2,396,898	2,877,019	2,354,525

The notes at pages 27 to 47 form part of these accounts

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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 £32m, £2.7m in cash and short term deposits and net current assets of £5.2 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.

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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.

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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.

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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.

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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.

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Notes to the Financial Statements
for the Year Ended 31 December 2021

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:

	2021	2020 as restated
	£	£
Income	5,999,453	6,399,724
Expenditure on charitable activities	(5,987,707)	(5,731,636)
Net gains/(losses) on investments	2,653,208	1,300,573
Net income before tax	2,664,954	1,968,661
Corporation tax	-	-
Net income after tax	2,664,954	1,968,661
Total funds brought forward	52,331,760	50,363,099
Total funds carried forward	54,996,714	52,331,760
Represented by:		
General funds	27,112,105	26,415,880
Restricted income funds	-	-
Investment revaluation fund	10,107,485	8,002,628
Designated funds	17,777,124	17,913,252
	54,996,714	52,331,760

4 Income from donations and legacies

	2021	2020 as restated
Donations	£	£
Gifts	684,026	649,834
Legacies	3,980,807	4,272,168
	4,664,833	4,922,002

The income from donations and legacies was £4,664,833 (2020: £4,922,002) of which £4,642,218 was unrestricted (2020: £4,862,563) and £22,615 restricted (2019: £59,439).

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

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Notes to the Financial Statements
for the Year Ended 31 December 2021

5 Income from charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 as restated £
Raffle tickets	179,943	148,196
Adoptions	75,553	108,678
Total income from charitable activities	255,496	256,874

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:

	2021 £	2020 as restated £
Turnover	657,930	506,565
Cost of sales and administration costs	(527,050)	(518,359)
Net profit before taxation	130,880	(11,794)
Taxation	(24,867)	2,240
Profit/(loss) after taxation	106,013	(9,554)
Assets	288,419	175,615
Liabilities	(201,443)	(194,651)
Aggregate share capital and reserves	86,976	(19,036)

Included within £527,051 (2020: £518,359) is £28,551 (2020: £25,092) being recharges from the charity which have been removed on consolidation.

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Notes to the Financial Statements
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7 Investment income

	2021	2020 as restated
	£	£
Dividends and other income from investment portfolio	668,035	682,808
Bank and other interest	1,347	2,540
Rental income	33,836	32,207
	703,218	717,555

8 Costs of generating funds

	2021	2020 as restated
	£	£
Cost of generating voluntary income:		
Printing and postage	149,383	121,567
Advertising	88,645	43,226
Legal and professional fees	7,354	11,715
Raffle expenses	23,849	18,554
Other costs	48,029	33,902
Investment management costs	130,539	131,088
Allocated support costs (see note 10)	225,418	211,869
	673,217	571,921

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Notes to the Financial Statements
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9 Analysis of expenditure on charitable activities

	2021	2020 as restated
	£	£
Running costs		
Equine welfare wages	2,235,527	2,144,248
Equine welfare costs	477,473	382,054
Feed and bedding	139,512	152,850
Protective clothing	25,081	13,344
Repairs and renewals of fencing	52,707	37,971
Staff uniforms	6,085	3,405
Health and safety costs	9,355	7,054
Educational area costs	3,928	10,732
Subscriptions	10,722	10,554
Rent	32,604	11,636
Legal and professional	34,784	35,842
Bank and credit charges	14,792	11,658
Freehold land and building depreciation	96,596	86,643
Plant, motor and machinery depreciation	251,630	287,423
(Profit)/loss on sale of fixed assets	(2,772)	38,513
Change in market value of property	(115,000)	-
Allocated support costs (see note 10)	2,028,761	1,906,818
Governance costs (see note 10)	18,156	23,914
	<u>5,319,941</u>	<u>5,164,659</u>

Expenditure on charitable activities was £5,319,941 (2020: £5,164,659) of which £5,297,326 was unrestricted (2020: £5,090,220) and £22,615 was restricted (2020: £74,439).

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Notes to the Financial Statements
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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

	2021	2020 as
	£	restated
		£
Salaries, wages and National Insurance	1,272,940	1,236,385
Training	36,306	24,046
Canteen and staff welfare	41,867	41,654
Repairs and renewals	137,942	147,937
Cleaning and gardening expenses	99,689	68,625
Vehicle and plant running costs	82,903	64,871
Rates	(2,416)	5,549
Water and drainage rates	17,923	17,708
Heat and light	73,129	40,403
Insurance	163,509	137,916
Telephone	16,441	27,310
Office equipment repairs	2,805	1,533
Stationery	4,017	4,032
Travel expenses	4,333	2,647
Computer & software costs	88,206	79,255
Security	3,040	6,063
Pest control	1,580	1,500
Freehold land and building depreciation	209,965	211,253
	<u>2,254,179</u>	<u>2,118,687</u>
Allocation of support costs		
Costs of generating funds	225,418	211,869
Charitable activities	2,028,761	1,906,818
	<u>2,254,179</u>	<u>2,118,687</u>

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Notes to the Financial Statements
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Governance costs

	2021	2020 as restated
	£	£
Audit and accountancy	17,852	23,868
Trustee expenses (see note 11)	304	46
	<u>18,156</u>	<u>23,914</u>

Fees paid, including VAT, to the auditors for audit of the charity's consolidated financial statements were £14,700 (2020: £14,220).

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

	2021	2020 as restated
	£	£
Salaries and wages	3,274,263	3,153,278
Social security costs	259,403	250,044
Pension costs	125,079	122,519
	<u>3,658,745</u>	<u>3,525,841</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 (2020: £nil). Travel expenses were reimbursed during the year amounting to £304 (2020: £46). No charity trustee received payment for professional or other services supplied to the charity (2020: £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	2021 Number	2020 Number
£60,000-£70,000	2	2
£70,000-£80,000	-	-
£80,000-£90,000	-	-
£90,000-£100,000	1	1

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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. The total remuneration of these key management personnel are as follows:

Key Management Personnel Costs	2021	2020 as restated
	£	£
Total remuneration	<u>310,664</u>	<u>305,244</u>

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

	2021	2020 as restated
	£	£
Salary (including Employers NI)	93,986	90,564
Pension costs	6,665	6,270
Taxable benefits	2,187	6,572
Total remuneration	<u>102,838</u>	<u>103,406</u>

12 Staff numbers

The average monthly head count was 165 staff (2020: 160 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021	2020
	Number	Number
Charitable activities	98	95
Cost of generating funds	24	25
Management and administration of the charity	21	18
	<u>143</u>	<u>138</u>

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.

During the year, the company also traded with Ruddocks Design and Print, a business which is connected to a member of the key management personnel. The value of these transactions were £121,709 (2020 £101,093). These purchases were under normal trading terms and at the year end the balances within creditors was £2,762 (2020 £3,783).

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Notes to the Financial Statements
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In addition a former trustee and director of the company resigned during the year in order to undertake a short term role with the charity. Appointment was based upon the skills required and only for the contract period. This person is no longer a trustee or director.

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.

Analysis of the tax charge

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

	Group		Charitable company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Current tax:				
UK corporation tax	25,539	40	-	-
Deferred taxation	(672)	(2,280)	-	-
	<u>24,867</u>	<u>(2,240)</u>	<u>-</u>	<u>-</u>

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Notes to the Financial Statements
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15 Tangible fixed assets - Charitable company

	Freehold land and buildings £	Plant, motor and machinery £	Totals £
COST			
At 1 January 2021 restated	18,046,906	1,687,753	19,734,659
Additions	261,103	96,089	357,192
Disposals	-	(29,134)	(29,134)
At 31 December 2021	<u>18,308,009</u>	<u>1,754,708</u>	<u>20,062,717</u>
DEPRECIATION			
At 1 January 2021 restated	1,877,477	1,091,162	2,968,639
Charge for year	306,561	251,630	558,191
Eliminated on disposal	-	(23,416)	(23,416)
At 31 December 2021	<u>2,184,038</u>	<u>1,319,376</u>	<u>3,503,414</u>
NET BOOK VALUE			
At 31 December 2020 restated	16,169,429	596,591	16,766,020
At 31 December 2021	<u><u>16,123,971</u></u>	<u><u>435,332</u></u>	<u><u>16,559,303</u></u>

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Notes to the Financial Statements
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15 Tangible fixed assets – Group

	Freehold land and buildings £	Plant, motor and machinery £	Totals £
COST			
At 1 January 2021 restated	18,092,382	1,717,314	19,809,696
Additions	261,103	96,089	357,192
Disposals	<u>-</u>	<u>(29,533)</u>	<u>(29,533)</u>
At 31 December 2021	<u>18,353,485</u>	<u>1,783,870</u>	<u>20,137,355</u>
DEPRECIATION			
At 1 January 2021 restated	1,921,038	1,115,010	3,036,048
Charge for year	306,637	254,937	561,574
Eliminated on disposal	<u>-</u>	<u>(23,665)</u>	<u>(23,665)</u>
At 31 December 2021	<u>2,227,675</u>	<u>1,346,282</u>	<u>3,573,957</u>
NET BOOK VALUE			
At 31 December 2020 restated	<u>16,171,344</u>	<u>602,304</u>	<u>16,773,648</u>
At 31 December 2021	<u>16,125,810</u>	<u>437,588</u>	<u>16,563,398</u>

Included in land and buildings is freehold land amounting to £9,628,232 (2020: £9,628,232) 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 £7,832 (2020: £7,758).

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Notes to the Financial Statements
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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 2021	30,697,957	468,592	31,166,549
Additions to investments at cost	4,571,636	-	4,571,636
Disposals at carrying value	(5,773,498)	-	(5,773,498)
Net cash movements	-	(206,588)	(206,588)
	29,496,095	262,004	29,758,099
Net gain on revaluation at 31 December 2021	2,554,630	-	2,554,630
Market value at 31 December 2021	<u>32,050,725</u>	<u>262,004</u>	<u>32,312,729</u>
Cost of investments at 31 December 2021	<u>21,943,241</u>	<u>262,004</u>	<u>22,205,245</u>
Investment revaluation reserve at 31 December 2021	<u>10,107,485</u>	-	<u>10,107,485</u>
Cost of investments at 1 January 2021	<u>22,695,329</u>	<u>468,592</u>	<u>23,163,921</u>

Listed investments comprise:

Quilters:	Listed £
Bonds/Fixed Interest	2,162,789
Equities	7,696,109
Alternative Investments/Property	1,439,703

Barclays Wealth:	
Bonds/Fixed Interest	1,719,788
Equities	8,029,210
Alternative Investments/Property	1,267,457
Multi Asset Class/Other	729,593

Charles Stanley:	
Bonds/Fixed Interest	1,244,490
Equities	6,806,382
Alternative Investments/Property	955,204

32,050,725

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

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Notes to the Financial Statements
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17 Investment property – group and charitable company

	Total £
FAIR VALUE	
At 31 December 2020 as restated	850,000
Revaluation	<u>115,000</u>
At 31 December 2021	<u>965,000</u>
NET BOOK VALUE	
At 31 December 2021	<u>965,000</u>

During the year the investment properties were let with sitting tenants and are owned on a freehold basis.

Investment properties were valued on an open market basis on 22 November 2021 by Brown & Co JH Walter Chartered Surveyors.

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:

	2021	2020 as restated
	£	£
Cost	1,239,573	1,239,573
Aggregate depreciation	<u>(247,910)</u>	<u>(223,119)</u>
Net book value	<u>991,663</u>	<u>1,016,454</u>

Prior year adjustment

The 2020 figures include a prior year adjustment for a property which is now utilised by a member of staff as part of their role. This has removed the property, previously let on a commercial basis, from investment properties to fixed assets. The restated position reflects the transfer of the property between classifications and was valued at £215,000 at the point of transfer.

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Notes to the Financial Statements
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18 Debtors

	Group		Charitable company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Due within one year:				
Amounts due from trading subsidiary	-	-	125,601	117,300
Trade debtors	24,946	15,840	5,058	12,275
Other debtors	4,946	8,205	4,946	8,205
Accrued income	2,383,716	1,556,444	2,352,472	1,556,444
Prepayments	197,470	83,021	197,470	83,021
	<u>2,611,078</u>	<u>1,663,510</u>	<u>2,685,547</u>	<u>1,777,245</u>
Due greater than one year:				
Amounts due from trading subsidiary	-	-	-	28,119
	<u>2,611,078</u>	<u>1,663,510</u>	<u>2,685,547</u>	<u>1,805,364</u>
Aggregate amounts	<u>2,611,078</u>	<u>1,663,510</u>	<u>2,685,547</u>	<u>1,805,364</u>

19 Creditors – Amounts falling due within one year

	Group		Charitable company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Trade creditors	163,515	145,131	144,041	120,815
Other taxation and social security	99,212	77,127	66,194	61,487
Accruals	112,331	108,445	88,981	99,169
	<u>375,058</u>	<u>330,703</u>	<u>299,216</u>	<u>281,471</u>

20 Operating lease commitments

	Group		Charitable company	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Expiring:				
Within one year	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

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21 Analysis of charitable funds

	Balance 1 January 2021 £	Incoming resources £	Resources expended £	Other movement £	Funds 31 December 2021 £
Trading company reserves	(19,136)	657,930	(551,917)	-	86,877
General funds	26,415,880	5,953,737	(5,358,934)	101,422	27,112,105
Restricted funds	-	22,615	(22,615)	-	-
Investment revaluation	8,002,628	-	-	2,104,857	10,107,485
	34,399,372	6,634,282	(5,933,466)	2,206,279	37,306,467
Designated funds					
Capital project fund	297,232	-	-	70,589	367,821
Fixed asset fund	17,616,020	-	(558,191)	351,474	17,409,303
	17,913,252	-	(558,191)	422,063	17,777,124
Total funds	52,312,624	6,634,282	(6,491,657)	2,628,342	55,083,591

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 (2020 £Nil)

Capital projects authorised but not contracted for

	Balance 2020 £	Movement in provision £	Provision spent in the year £	Balance 2021 £
Fleet	21,000	154,499	(65,499)	110,000
General	71,599	13,023	(25,902)	58,720
IT and telecommunications	38,900	67,850	(3,920)	102,830
Site development	165,733	192,409	(261,871)	96,271
	297,232	427,781	(357,192)	367,821

The capital projects fund has been designated by the Trustees for the major capital expenditure expected during 2022 as set out above, some of which has been carried forward from 2021.

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.

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22 Analysis of group net assets between funds

	Designated funds £	General funds £	Restricted funds £	Total £
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	16,559,303	4,095	-	16,563,398
Investments	1,217,821	32,059,908	-	33,277,729
Current assets	-	5,617,522	-	5,617,522
Liabilities	-	(375,058)	-	(375,058)
Total net assets	17,777,124	37,306,467	-	55,083,591

23 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	2020 as restated £	Charitable company 2021 £	2020 as restated £
Net movement in funds	2,770,967	1,959,108	2,664,954	1,968,662
Depreciation charge	561,576	591,019	558,192	585,319
Income shown in investing activities	(703,218)	(717,555)	(703,218)	(717,555)
(Profit)/loss on disposal of fixed assets	(2,772)	44,815	(2,772)	38,513
(Increase)/decrease in market value of properties	(115,000)	-	(115,000)	-
(Profit)/loss on disposal of investments	(98,579)	306,393	(98,579)	306,393
Loss/(profit) on revaluation of investments	(2,554,630)	(1,606,966)	(2,554,630)	(1,606,966)
(Increase)/decrease in stock	(73,468)	11,697	(18,972)	7,735
(Increase)/decrease in debtors	(947,568)	(1,015,684)	(880,183)	(854,648)
Increase/(decrease) in creditors	44,355	(203,252)	17,745	(142,080)
Net cash used in operating activities	(1,118,337)	(630,425)	(1,132,463)	(414,627)

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23 Post balance sheet events

The charity's investment portfolio which stood at £32.3m at the end of the financial year has been impacted by the general downward trend in equity values as a result of recent economic turmoil following the global pandemic, war in Ukraine and increasing costs. As at the 31 March 2022 the portfolio had reduced in value to £30.6m and will be subject to further pressures due to the current economic outlook. Trustees have considered this position and recognise that investments have been made for returns in the long term.

