

Company Registration No. 04062415 (England and Wales)

Charity No: 1085211

Horses and Ponies Protection Association

Report of the Trustees and Financial Statements

for the Year ended 31 August 2020

HORSES AND PONIES PROTECTION ASSOCIATION
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HORSES AND PONIES PROTECTION ASSOCIATION

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	J Byrnes (Chair) J M Farley FCA A Gill P A Warren M Loneragan (Appointed 21 July 2020)
Company Secretary	S Bartlett
Chief Executive Officer	S Arthur
Registered Office	Taylor Building, Shores Hey Farm Blackhouse Lane, off Halifax Road Briercliffe Burnley Lancashire BB10 3QU
Registered Company Number	04062415 (England and Wales)
Registered Charity Number	1085211
Auditor	MHA Moore and Smalley LLP Chartered Accountants Richard House Winckley Square Preston PR1 3HP
Bankers	Yorkshire Bank 14 Broadway Bradford West Yorkshire BD1 1EZ National Westminster Bank 2 Howe Walk Burnley Lancashire BB11 1QD
Investment Advisor	Investec Wealth & Investment Limited 3 Wellington Place Leeds LS1 4AP Brewin Dolphin Ltd 10 Wellington Place Leeds LS1 4AN

HORSES AND PONIES PROTECTION ASSOCIATION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts 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 2015).

The full name of the charity is Horses and Ponies Protection Association and is known more generally as HAPPA.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Measures taken by the Government to combat the spread of the Corona Virus have resulted in the closure of the Charity's Centre from March to August this financial year. As a result, in the year ending 31 August 2020, income from the visitors' centre, conferences, fundraising and other events is significantly lower than anticipated.

At the date of approving these accounts the Trustees have a reasonable expectation that the Charity will be able to manage the situation and it has sufficient cash resources to enable it to meet its liabilities, as they are due, for at least 12 months from the date of approval. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Governing document

The Charity is a Limited Company, registration no. 4062415, is governed by its Memorandum and Articles of Association revised 4th December 2012 and is registered with the Charity Commission, no. 1085211.

Recruitment and appointment of trustees

All Trustees are appointed in accordance with article 7 of the Company's Articles of Association. The Trustees are aware of the necessity to maintain and improve the level of competence in the equine, commercial and professional areas. The Trustees are also aware of the need to recruit younger members to ensure continuity of services into the future. The application and recruitment process has seen updates in literature regarding the posts and a thorough selection process put in place, ensuring that applicants with the appropriate specialist skill sets and personal interests are appointed as Trustees.

Training and induction of trustees

All Trustees complete an induction process that has elements on governance and the role of a trustee within the Organisation. Training of Trustees is usually informal as the majority are long standing or have been appointed for their specialist business or equine knowledge.

Management responsibilities

HAPPA's Board of Trustees convenes every three months to monitor the affairs of the Organisation and to set policy and agree expenditure. Board meetings are currently held virtually or at the Centre with strict social distancing and hygiene measures followed by all attending parties. The Annual General Meeting usually held in May was postponed, for attendee safety, until the end of July. The Board seek advice on matters such as finance, insurance, health and safety, human resources, marketing etc to ensure best practice is followed at all times. Decision making is made at Board level or delegated, by agreement, to the Chief Officer. Financial expenditure is decided at Board level although expenditure to an agreed level can be authorised by the Chief Officer. Operational Management is largely the responsibility of the Chief Officer who works with the Development Manager, Hospitality Manager, Head of Equine Operations, Digital Communications Manager, Equine Inspectors and Administration support team to ensure the Organisation's day-to-day affairs are managed effectively.

HORSES AND PONIES PROTECTION ASSOCIATION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

Risks

The Board have identified three main areas of risk that the Organisation is exposed to.

These are:-

The availability of finance to allow the operations to continue.

Damage to HAPPA's reputation.

Health and safety risk of staff and volunteers.

The Trustees recognise that the main risks in relation to Corona Virus over the next financial year are:-

Loss of income due to Government restriction.

The safety of all staff, volunteers and visitors.

Risk management

HAPPA's risk management strategy:-

Ensures that risk management is a prime consideration within the Organisation's culture and its approach to operational activities; ensures that potential risks are identified at the planning stage and a raft of options are agreed as to how best to identify and manage potential risks; ensures that internal controls are in place to effectively manage risks as they arise; ensures that professional advice is sought and insurance or other arrangements put in place to manage the impact of unavoidable risks.

ABOUT HAPPA

Founded in 1937 to help fight against the transportation of large horses to the continent for slaughter, HAPPA continues to play a major role in all aspects of equine welfare. Instrumental in achieving better protection for horses with the Riding Establishments Act, The Ponies Act 1969, The Illegal Tethering Act 1991 and by setting up the National Equine Welfare Committee 1997, HAPPA continues to campaign for improvements to existing legislation to ensure that horses, ponies and donkeys are protected from cruelty and neglect.

Charitable objectives

As defined in the governing document, to prevent unnecessary suffering to horses and neglect of their bodily needs by assisting in the enforcement of laws regarding humane treatment and encouraging and promoting education in the humane treatment of horses.

Our mission is, to continually strive to improve and promote equine welfare through rescue, rehabilitation, rehoming and education.

Corona Virus

The Centre was closed to visitors from March to August 2020 during national lockdown, all onsite fundraising events as a result were cancelled. Where operationally viable remaining staff members worked from home. The hospitalities team and receptionists were furloughed, wages during this time claimed in full and in part through the Government Staff Retention Scheme. The equine care team continued to deliver excellent standards of care to resident and rescued equines whilst following strict social distancing and hygiene measures.

The Charity delivered its core objectives by continuing to respond to reports of cruelty and neglect; additions were made to the equine inspectorate safe working practices to address social distancing and hygiene measures. HAPPA equine loan support continued by virtual inspections.

When Government restrictions allowed, and, after an assessment of potential risks and exploration of a raft of options, the Charity's Centre re-opened by appointment only to visitors with the addition of strict protocols and procedures. Visitors are asked to read full instructions and FAQ's before arrival onsite, The Café opened by table reservations and take out service only. The track and trace scheme was adhered to by contact details being taken and recorded. Social distancing and hygiene measures maintained by: a one way system around site, increased hygiene measures, the control and reduction of footfall to the Centre, the reduction of office staff members on site - homeworking where possible.

Government restrictions are monitored closely and operational changes are made to ensure full compliance. In November 2020 a Government imposed month long lockdown resulted in the closure of all Shores Hey Farm visitor facilities.

HORSES AND PONIES PROTECTION ASSOCIATION

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Public benefit

The Trustees have followed the Charity Commissions guidance on Public Benefit in carrying out their activities, through rescue, rehabilitation, rehoming and education, as set out below. The activities of the Charity are available to all, irrespective of affordability through visiting, memberships; annual memberships are currently fixed at £20 with reductions for senior members. Supporters are encouraged to become a Second Chance Sponsor and support the rehabilitation of a chosen equine.

Rescue

HAPPA's Equine Inspectors investigate over 300 cases of cruelty and neglect each year, offering advice and support where possible and preventing cruelty by intervention and prosecution where necessary. They have a wide range of expertise on all aspects of equine welfare and are fully conversant with the laws relating to the application and implementation of equine legislation within the Animal Welfare Act 2006; Animals Act 1971; Horse Passport Regulations 2009; Control of Horses Act 2015.

Rehabilitation

HAPPA has a fully equipped Rescue Centre to ensure that all rescued and abandoned animals are restored lovingly back to health. Our Centre, based in Lancashire cares for approximately 50 equines at any one time with a strong emphasis on rehabilitation and rehoming. We treat each animal as an individual and take great care to provide the right environment and care programme for them all. Our Centre team and facilities have been expanded to deliver more consistent equine care and to offer greater opportunities to all animals at Shores Hey Farm, further developments have seen the refurbishment of existing out buildings into a new Equine Assessment Unit enabling the separation of equines returning from loan homes from rescued equines susceptible to zoonotic and contagious diseases housed in the Isolation Unit. This facility enables a timely turnaround of low risk HAPPA horses, an expected significant increase in throughput will be seen next year.

Rehoming

All suitable equines are placed; in private homes through our legally binding loan scheme or those with specialist needs at the HAPPA Rescue Centre. Throughput numbers have reduced this year; however, improvements will be seen in 2021 due to rehoming activities returning to normal with safe systems of work in place addressing all Government and local restrictions. Horses in need are also taken in via other agencies through a cross agency agreement and schemes that offer a vested interest.

Advice and education

The equine action team are always available to offer advice and guidance on all aspects of equine welfare. The ability to offer advice and education in person has been affected by measures taken by the Government to combat Corona Virus; virtual loan home interactions and virtual potential home inspections have replaced face to face interactions.

Further developments in this area will see the launch of an online horse care course, this will replace the educational sessions that would previously have been held onsite in school holidays. When safe to do so both will run simultaneously. The Charity provides a range of free information sheets covering a range of equine related topics. The junior member's club and educational group workshops are on hold until Government restrictions are lifted.

Online digital platforms and social media content has been tailored to offer advice and educate followers, a conscious effort this year to develop the Charity's online presence has resulted in an increase of brand awareness, followers, supporter demographic and customer engagement. The recruitment of a Digital Communications Manager has been completed; this new role will be integral to the growth and development of this area.

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REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS

The Charity aims to prevent suffering, cruelty and neglect of equines through rescue, rehabilitation, rehoming and education. It aims to achieve its objectives by:-

Maintaining financial security

HAPPA is committed to maintaining financial security and recognises that Government restrictions will have a detrimental impact on fundraising income levels. To address this threat, the Charity has invested resources into online activities that will generate income. Continuing to invest in marketing of legacy and associated schemes has resulted in an increase of legacy income during the pandemic, ensuring the Charity's survival in unprecedented times.

Catering and facilities hire has ceased due to closure, a forecasted increase of income during normal operations is still promising and investments have been made to improve the decoration and dining environment in The Café, the result will be a fresh welcoming feel when service returns to normal. To reduce stock outlay the farm shop has been replaced by a display area with a sales point for the Charity's sponsorship scheme, a virtual shop where customers can buy essential items for the resident equines and a sale point for branded items.

The onsite equine and farm themed gift shop has been re-launched online, the ecommerce site will meet the needs of a trend for safe online shopping.

During Government restrictions, changes have been implemented to how the charity interacts and engages with all stakeholders; virtual meetings and digital communications have replaced face to face interactions. The continued development of a robust and current donor database, investment in online engagement and fundraising initiatives and further investment in legacy marketing in the hopes to maintain income at a sustainable level. Changes in working practices include home working, online training sessions and social media campaigns which have resulted in a reduction in costs and a small increase in online income.

By improving income generation through the development of a robust and current donor database, investment in legacy marketing initiatives and the development and delivery of comprehensive digital customer engagement and fundraising strategy the Charity hopes to maintain income at a sustainable level. Changes in working practices and streamlining activities is already saving money and opportunities to continue identifying potential savings will be top of every manager's agenda. Growth was seen in the Visitor Centre cafe sales, tack shop, gift shop sales and room hire in 2019 this is encouraging and was on course to create significant income stream, 2020 has not been a true reflection of this and cannot be used as a reflection of growth. Greater use of digital and technology, particularly the exploitation of social media will ensure that the brand is promoted to the widest supported network possible and that awareness and new income is generated.

Legacy Marketing - Our legacy leaflets and legacy booklets are kept under review and distributed to solicitors and other interested supporters. The legacy page on the website is regularly reviewed and updated. Active on-going reviews of all administration relating to legacy management will create return.

Donations - Donors have the ability to make a secure online donation and are invited to contribute towards tangible projects via the Charity's magazines, website appeals and social media campaigns. Donations are also solicited through press releases highlighting latest rescues and through the introduction of mail shots. The donor database builds a robust and current contact list and we now have the infrastructure in place to effectively support data capture. Further improvements to the utilisation of technology will allow for considerable growth in electronic marketing.

Second Chance Sponsorship Scheme -The scheme enables our supporters to become part of the resident equines journey to finding a Forever Home. All the animals we rescue deserve a Second Chance of happiness; we work very hard to rehabilitate every animal admitted to our Centre and eventually find them their Forever Home with a loving family. We celebrate every time the right home is found for one of our horses, ponies and donkeys and we want sponsors to celebrate every time their sponsored equine finds their Forever Home. We are anticipating a significant increase to current sponsor figures during 2021. The administration of this scheme also attracts donor retention.

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Membership - Supporters are actively encouraged to 'Join the HAPPA Herd' and become a member; a membership policy statement is available and the offering is open to as many members as possible, provided they are over eighteen and genuinely motivated by equine welfare. Fees for the offering are staying consistent; however the benefits for becoming a member of the Organisation have increased.

Fundraising Practices

The Development Manager organises and manages all fundraising events onsite and online. Co-ordinating the activities of our supporters both on site and outside of the Organisation. The Charity does not use professional fundraisers or involve commercial participants. There have been no complaints about fundraising activity this year.

The Organisation has signed up to the Fundraising Regulator's Code of Fundraising Practice, as a result, all of the fundraising guidance and working practices have been updated to ensure compliance. Volunteer fundraisers are now given a briefing before they raise funds for the Charity and will also be given forms to complete.

To protect vulnerable persons all direct marketing is undertaken by the development team to ensure that it is not unreasonably intrusive or persistent. Contact is made through direct marketing a maximum of three times a year but usually quarterly. All marketing material contains clear instructions on how a person can be removed from mailing lists. A complaints procedure is in place to protect persons that feel the Charity has not acted in their best interests.

Improving the general infrastructure of HAPPA

We are passionate about ensuring that all staff have the opportunity to develop and complete appropriate training the Organisation has the required policies and procedures in place to support future development. This includes embracing new technologies that will benefit the organisation and further improve staff development systems and opportunities.

Staff training and development - A comprehensive staff induction scheme is in place. Combined with a modern appraisal system and enhanced opportunities for consultation and communication, staff motivation is high which will impact positively on staff retention levels. Staff are encouraged to attend internal and external training sessions e.g. fundraising, legacy workshops and horse management and participate in external meetings and conferences. Prosecution and PACE training has improved the efficiency and effectiveness of front line staff and management training for those in a more senior role enhanced knowledge and provided for a more informed and united workforce.

Professional Guidance – the Charity recognises that bespoke professional advice and support is necessary to ensure that the Organisation keeps abreast of changing legislation, manages its financial affairs appropriately and recruits and retains effective and motivated people. The Charity makes use of qualified consultants as and when necessary. In line with good practice, the Charity regularly tenders for professional services to ensure the best level of support at competitive rates.

Data Management - The team have worked hard across the Organisation to ensure that policies and procedures have been updated and improved to ensure compliance with relation to the General Data Protection Regulation (GDPR) as a result; an alternative data management system was sourced in 2019, a data breach reporting procedure put in place and the allocation of responsibility with regards the proper management of supporter data and associated administration.

Developing the HAPPA Brand and developing public approval and awareness

A comprehensive Marketing Strategy is updated annually; in addition a digital supporter engagement strategy has been composed to address a reduction of footfall to site. Publications are constantly reviewed to promote Organisational initiatives and keep the brand fresh. The Charity's two websites are due to be updated to address the two clear facets of our Organisation, showcasing the integrity of our equine welfare work, whilst highlighting our commercial activities and our role as a tourist destination, keeping our name at the forefront across all areas of our work. We continually review our public interface to help us deliver a more cohesive and

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contemporary brand identity that will see all new activities plus our existing core business being promoted in an exciting and innovative way. Promotional merchandise is kept under review and improved where appropriate.

Advertising - take a structured approach to advertising and aims to continue to focus on building brand awareness using hard copy and digital media. By raising brand awareness, the HAPPA Shores Hey Farm brand will become much familiar, resulting in being attractive to potential donors.

Corporate Style – A review of branding resulted in an increase of general understanding and collaboration of the HAPPA and Shores Hey Farm brands and logos, a fresh approach whilst still honouring the original well known Charity logo. HAPPA and Shores Hey Farm logos must be used appropriately, publications, signage, website and adverts all have a corporate style and are immediately recognised. Redesign of the Charity's two logos will be explored in 2021, with the aim of further coherence and a recognisable connection between the two areas of operation.

Pursuing activities that prevent cruelty and suffering to equines.

This is achieved by improving equine accommodation at the Centre, and by providing guidance to personnel and members of the public who are involved in assessing equines.

Equine accommodation plus additional Centre facilities - During the year the Charity has continued to maintain and improve the facilities at the Shores Hey Rescue Centre to a high standard, providing the very best facilities for equine care and rehabilitation plus a great experience for visitors to the site. In addition the crew barn and the adjoined building have been refurbished to offer an additional indoor space for socialisation and behavioural work with the equines and an Equine Assessment Unit. A weigh bridge, purchased with supporter donations, is an important piece of equipment for monitoring weight loss and gain.

Training - Workshops were previously held at Shores Hey Rescue Centre to highlight appropriate methods of safety approaching, controlling and handling equines, these are currently on hold due to restriction. Both employed personnel and members of the public benefit from these workshops. A comprehensive online training programme will see this important element return during 2021.

Systems – A complete review and upgrade of existing systems has allowed for the introduction of policies and protocols to better manage animals requiring accommodation and those currently in our care.

Improving the HAPPA experience for volunteers, visitors and supporters

Improving visitor facilities at the Rescue Centre and further developing the volunteer programme:

To ensure compliance with current restrictions the conference room reception area, adjacent to the main car park, is being utilised for the administration of a booking system. The booking system is an important tool to minimise footfall and ensure Government restrictions; social distancing and hygiene measures are maintained.

Visitor facilities – The activities room, arena hire, conference and meeting rooms, onsite play area and second hand book shop remain closed. Shores Hey Farm stable areas, outbuildings and the onsite shop are open by appointment only, all Government restrictions and guidance are followed.

The Visitor's Centre including The Café is well supported by members of the public, a major reduction of income this year is evident due to Government restrictions. This facility reopened in August and can only be enjoyed by visitors through table service, table reservations and/or the take out service. Contact details of all diners are taken alongside table reservations and persons taking advantage of the take out service are asked to leave details, ensuring compliance with Government schemes. QR codes supplied by the scheme are also displayed in reception areas and entrance walkways. In November a one month lockdown resulted in its prolonged closure, operations will be reviewed in 2021.

Volunteer Management - the vital role that volunteers play in delivering HAPPA services and in raising funds has always been recognised and resulted in the development of key volunteer roles and volunteer packs for people that are interested. Volunteer days have previously taken place to thank and update existing volunteers

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and to recruit new volunteers. The recruitment of volunteers is now on hold to ensure participant's safety. Revised role descriptions and volunteer benefits have been developed.

Achievements

During the year the charity has achieved its objectives by attending 193 complaints of cruelty and neglect, accepting 34 needy equines and rehoming 33 equines on permanent loan. At the year-end 49 equines were in residence at the Rescue Centre, and 240 equines accommodated in homes through our loan scheme.

Shores Hey Farm has seen visitor's numbers of 4472 a reduction of 50% in comparison to the year prior. There is an expected increase in 2021.

FINANCIAL REVIEW

The financial statements set out on pages 15 to 29 show a net movement in funds for the year amounting to a surplus of £194,779 (2019: deficit £278,449) and net assets of £3,986,961 (2019: £3,792,182) at 31 August 2020.

The net movement in funds:

Operating surplus	£231,183
Investment losses	(£36,404)

Legacies continue to be the core but volatile source of income for the Charity and the charity is actively working to increase the awareness of the charity to members and the public and encourage them to include legacies to the Charity in their wills. Legacy income in the year has increased from £620,344 to £1,063,840, an increase of £443,496 in comparison to last financial year.

In common with many other charities, income from other voluntary sources has fallen.

The Charity is dependent upon the services of unpaid volunteers for fundraising and other purposes, the effect of which cannot be quantified. The Trustees have considered the most appropriate policy for investing funds and have appointed investment managers to work towards a target return agreed by the Trustees.

RESERVES POLICY

The Trustees have reviewed the reserves of the charity. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves.

The review concluded that to allow the Charity to continue the current activities a general reserve equivalent to £2 million should be maintained. This equates to approximately two years of unrestricted fund expenditure. At the year end the Charity's general reserve, not already allocated to building projects nor invested in fixed assets, amounted to £1,674,846.

The Trustees consider the current reserves to be sufficient in light of the measures taken by the Government to combat the spread of the Corona Virus, the Trustees will continue to monitor the situation going forward.

LAND AND BUILDINGS

In the opinion of the Trustees there is no significant difference between the market value and the book value of the Charity's interest in land and buildings.

PLANS FOR FUTURE PERIODS

The Charity has seen a major reduction of income from fundraising and trading activities this year due to Government restrictions alongside an increase in legacy income. The Charity will continue to respond to reports of equine cruelty and neglect, ensuring high standards of care for resident equines by following Government restrictions and guidelines in relation to social distancing and hygiene. Rehoming of equines will continue whilst

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restrictions allow it. A predicted rise in the return of equines from loan homes due to financial difficulties and health issues will be addressed by reducing resident equine numbers.

The Trustees recognise that the Corona Virus restrictions will have an effect on income from immediate and future charitable activities. For financial stability investments will be made in technological advances and a new digital era for the Charity. This will increase brand awareness, encourage ongoing supporter and stakeholder engagement, continue fundraising activities online and enhance the existing educational arm.

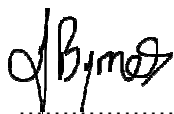
The situation regarding Corona Virus and related restrictions will be monitored closely by the Board of Trustees; all will continue to safely further the Charity's objectives and activities, as detailed above. A Covid-19 recovery plan will be devised by the Chief Officer and agreed for implementation by the Board of Trustees.

AUDITORS

MHA Moore and Smalley will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 21 May 2021. and signed on its behalf by :



.....
J Byrnes – Trustee

HORSES AND PONIES PROTECTION ASSOCIATION

STATEMENT OF TRUSTEE RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Horses and Ponies Protection Association for the purposes of company law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently ;
- Observe the methods and principles in the Charity SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware :-

- There is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information

HORSES AND PONIES PROTECTION ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of Horses and Ponies Protection Association (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ☐ give a true and fair view of the state of the charitable company's affairs as at 31 August 2020, and of its 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; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ☐ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ☐ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 AUGUST 2020

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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ☐ the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- ☐ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ☐ the financial statements are not in agreement with the accounting records and returns; or
- ☐ certain disclosures of directors' remuneration specified by law are not made; or
- ☐ we have not received all the information and explanations we require for our audit; or
- ☐ the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

HORSES AND PONIES PROTECTION ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 AUGUST 2020

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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Nicola Mason

**Nicola Mason (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor**

Richard House
9 Winckley Square
Preston
PR1 3HP

27 May 2021

HORSES AND PONIES PROTECTION ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted general funds	Restricted funds	Total funds Year ended 31 August 2020	Total funds Year ended 31 August 2019
Income and endowments from:	Note	£	£	£	£
Donations and legacies	2	1,147,093	20,170	1,167,263	733,568
Charitable activities	3	11,995	-	11,995	11,611
Other trading activities	4	129,658	-	129,658	203,912
Investments	5	28,379	-	28,379	31,085
Other income	6	90,028	-	90,028	15,742
Total income		1,407,153	20,170	1,427,323	995,918
Expenditure on:					
Raising funds	7	213,732	-	213,732	280,557
Charitable activities					
Equine welfare	8	962,238	20,170	982,408	999,977
Total expenditure		1,175,970	-	1,196,140	1,280,534
Net surplus/(deficit) before movement on investments		231,183	-	231,183	(284,616)
Net gains/(losses) on investments		(36,404)	-	(36,404)	6,167
Net income/(expenditure)		194,779	-	194,779	(278,449)
Reconciliation of funds					
Total funds brought forward		3,792,182	-	3,792,182	4,070,631
Total funds carried forward		3,986,961	-	3,986,961	3,792,182

HORSES AND PONIES PROTECTION ASSOCIATION

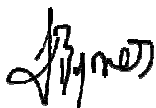
BALANCE SHEET

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted	Restricted	Total funds	Total funds
	Note	funds £	funds £	2020 £	2019 £
Fixed assets					
Intangible assets	14	6,921	-	6,921	6,304
Tangible assets	15	2,305,194	-	2,305,194	2,372,515
Investments	16	<u>1,005,622</u>	<u>-</u>	<u>1,005,622</u>	<u>1,090,056</u>
		3,317,737	-	3,317,737	3,468,875
Current assets					
Stock		12,619	-	12,619	14,988
Debtors	17	172,132	-	172,132	41,921
Cash at bank and in hand		<u>524,408</u>	<u>-</u>	<u>524,408</u>	<u>306,900</u>
		709,159	-	709,159	363,809
Creditors: amounts falling due within one year	18	(39,935)	-	(39,935)	(40,502)
Net current assets		<u>669,224</u>	<u>-</u>	<u>669,224</u>	<u>323,307</u>
Total assets less current liabilities		3,986,961	-	3,986,961	3,792,182
Net assets		<u><u>3,986,961</u></u>	<u><u>-</u></u>	<u><u>3,986,961</u></u>	<u><u>3,792,182</u></u>
Funds					
Unrestricted funds	20	3,986,961	-	3,986,961	3,792,182
		<u><u>3,986,961</u></u>	<u><u>-</u></u>	<u><u>3,986,961</u></u>	<u><u>3,792,182</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 21 May 2021. and were signed on its behalf by :



J Byrnes – Trustee

Company number: 04062415 (England and Wales)

HORSES AND PONIES PROTECTION ASSOCIATION
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash generated (used in)/ generated by in operating activities	21	<u>160,899</u>	<u>(138,207)</u>
Cash flows from investing activities			
Investment income		28,379	31,085
Purchase of fixed assets		(19,800)	(21,329)
Purchase of investments		(220,452)	(136,599)
Proceeds on disposal of investments		268,482	89,243
Cash (used in)/provided by investing activities		<u>56,609</u>	<u>(37,600)</u>
(Decrease)/Increase in cash and cash equivalents in the year		217,508	(175,807)
Cash and cash equivalents at the beginning of the year		306,900	482,707
Total cash and cash equivalents at the end of the year		<u>524,408</u>	<u>306,900</u>

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES

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

Basis of preparing the financial statements

The financial statements of the charitable company 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 October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Horses and Ponies Protection Association 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.

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

Preparation of the accounts on a going concern basis

The trustees are required to assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. The measures taken by the Government to combat the spread of the corona virus has resulted in the closure of Shores Hey Farm to visitors. As a result, in the year ending 31 August 2021, income from the visitors' centre, conferences and other events will be significantly lower than anticipated. At the date of approving these accounts the directors have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Grant income is recognised when the charity is entitled to the funds. This include income in respect of the coronavirus job retention scheme and the retail and hospitality grant.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

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

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES – continued

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	- 20% p.a. straight line
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Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold interest in land and buildings	- 2% p.a. straight line
Stables and equipment	- 10% p.a. on reducing balance
Fixtures and fittings	- 10% -30% p.a. on reducing balance
Motor vehicles	- 25% p.a. on reducing balance

Stocks

Stocks are valued at the lower cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The company is a registered charity and to the extent that its income is applied on the specific charitable objects of the charity is exempt from taxation. Income receivable in respect of non primary purpose trade is taxable.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES – continued

Legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied the property in question will not be required to satisfy claims in the estate, that is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that payment had been agreed by the executor prior to the end of reporting period, then the amount concerned is treated as an adjusting event and accrued as income in accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for the income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of life tenant. At the year end there are not such amounts.

If it is doubtful that the full settlement of the legacy debtor will be received, the adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the SOFA.

Governance costs

Governance costs include costs of the preparation and audit of the statutory accounts, the costs of the trustees meetings and costs of any legal advice to trustees on governance or constitutional matters.

Fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value year end.

Operating leases

Rental payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES – continued

Critical accounting estimates and areas of judgement

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

Critical accounting estimated and assumptions

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase.

Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

2 DONATIONS AND LEGACIES

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Donations and subscriptions	81,278	20,170	101,448	105,362
Gift Aid donations including tax reclaim	1,975	-	1,975	7,862
Legacies and bequests	1,063,840	-	1,063,840	620,344
	<u>1,147,093</u>	<u>20,170</u>	<u>1,167,263</u>	<u>733,568</u>

Total income from donations and legacies of £733,568 in 2019 was unrestricted

3 CHARITABLE ACTIVITIES

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Membership fees	4,447	-	4,447	5,091
Loan scheme	6,548	-	6,548	6,520
Cross agency fees	1,000	-	1,000	-
	<u>11,995</u>	<u>-</u>	<u>11,995</u>	<u>11,611</u>

Income from charitable activities for both 2020 and 2019 was unrestricted.

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

4 OTHER TRADING ACTIVITIES

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Merchandising sales	31,974	-	31,974	43,825
Visitor centre sales	97,684	-	97,684	160,087
	129,658	-	129,658	203,912

Income from other trading for both 2020 and 2019 was unrestricted.

5 INVESTMENT INCOME

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Income from listed investments	27,783	-	27,783	30,366
Interest income	596	-	596	719
	28,379	-	28,379	31,085

Investment income for both 2020 and 2019 was unrestricted.

6 OTHER INCOME

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Events income	99		99	1,244
Other income	89,929		89,929	14,498
	90,028	-	90,028	15,742

Other income for both 2020 and 2019 was unrestricted.

Other income includes £50,939 in respect of the coronavirus job recovery scheme and £25,000 retail and hospitality grant.

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

7 RAISING FUNDS

Donations and legacies

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Advertising costs	12,717	-	12,717	21,324
Training costs	8,792	-	8,792	8,891
Fundraising costs	2,518	-	2,518	8,260
	<u>24,027</u>	<u>-</u>	<u>24,027</u>	<u>38,475</u>

Other trading activities

Purchases	67,389	-	67,389	95,666
Staff costs	114,794	-	114,794	140,075
	<u>182,183</u>	<u>-</u>	<u>182,183</u>	<u>235,741</u>

Investment management costs

Investment management fees	7,522	-	7,522	6,341
	<u>7,522</u>	<u>-</u>	<u>7,522</u>	<u>6,341</u>

Total raising funds

	<u>213,732</u>	<u>-</u>	<u>213,732</u>	<u>280,557</u>
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Costs of raising funds related to unrestricted funds in the current and previous year.

8 CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Support costs (See note 9) £	Totals £
Equine Welfare	<u>954,474</u>	<u>27,934</u>	<u>982,408</u>

The cost of charitable activities related to unrestricted funds in the current and previous year.

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

9 DIRECT COSTS OF CHARITABLE ACTIVITIES

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Staff costs	576,808	-	576,808	554,998
Establishment costs including insurance	61,694	-	61,694	54,876
Repairs, Maintenance and replacement	75,790	20,170	95,960	95,123
Office expenses	3,537	-	3,537	3,336
Printing, posting, stationery and newsletters	11,544	-	11,544	17,484
Animal feedstuff, veterinary fees and miscellaneous costs	87,976	-	87,976	109,374
Motor expenses	23,476	-	23,476	29,918
Legal and professional fees	6,975	-	6,975	7,627
Loss on disposal of assets	136	-	136	9,526
Depreciation	86,368	-	86,368	89,884
	954,474	20,170	954,474	972,146

10 SUPPORT COSTS

	Management £	Governance costs £	Totals £
Equine welfare	15,115	12,819	27,934

Support costs, included in the above, are as follows:

	Unrestricted general funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Wages	9,757	-	9,757	9,530
Social security	747	-	747	728
Accountancy and payroll fees	5,622	-	5,622	5,935
Bank charges	4,611	-	4,611	4,916
Auditors' remuneration	6,319	-	6,319	5,846
Trustee indemnity insurance	878	-	878	876
	27,934	-	27,934	27,831

HORSES AND PONIES PROTECTION ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting) :

	2020	2019
	£	£
Auditors' remuneration	6,319	5,846
Depreciation and amortisation – owned assets	86,504	89,884
Operating lease rentals	1,452	1,936
Loss on disposal of fixed assets	-	12,525
	<hr/>	<hr/>

12 TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

No trustees received nor waived any remuneration during the year and no trustees had any expenses reimbursed during the current and prior year.

Trustees indemnity insurance amounted to £878 (2019 : £876). Donations of £60 were received from trustees in the year.

13 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	652,231	656,395
Social security costs	39,260	39,915
Other pension costs	10,615	9,021
	<hr/>	<hr/>
	702,106	705,331
	<hr/>	<hr/>

No employees received emoluments in excess of £60,000

Remuneration of Key Management Personnel which relates to the Chief Executive Officer was £53,162 (2019: £51,637).

The number of employees during the year was:

	2020	2019
Administration	10	8
Animal welfare	28	27
Visitor centre	9	10
	<hr/>	<hr/>
	48	45
	<hr/>	<hr/>

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

14 INTANGIBLE FIXED ASSETS

	Computer Software £	Total £
Cost or valuation		
At 1 September 2019	10,506	10,506
Additions	3,398	3,398
Disposals	-	-
At 31 August 2020	13,904	13,904
Depreciation		
At 1 September 2019	4,202	4,202
Charge in the year	2,781	2,781
Eliminated on disposal	-	-
At 31 August 2020	6,983	6,983
Net book value		
At 31 August 2020	6,921	6,921
At 1 September 2019	6,304	6,304

15 TANGIBLE FIXED ASSETS

	Freehold premises £	Stables and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	2,469,288	457,163	138,045	113,655	3,178,151
Additions	8,100	6,658	1,644	-	16,402
Disposals	-	-	-	-	-
At 31 August 2020	2,477,388	463,821	139,689	113,655	3,194,553
Depreciation					
At 1 September 2019	405,688	263,347	51,765	84,836	805,636
Charge in the year	47,229	20,170	9,121	7,203	83,723
Eliminated on disposal	-	-	-	-	-
At 31 August 2020	452,917	283,517	60,886	92,039	889,359
Net book value					
At 31 August 2020	2,024,471	180,304	78,803	21,616	2,305,194
At 1 September 2019	2,063,600	193,816	86,280	28,819	2,372,515

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

16 FIXED ASSET INVESTMENTS

	£
At 1 September 2019	1,090,056
Additions	220,452
Disposals	(268,482)
Revaluations	(36,404)
At August 2020	<u>1,005,622</u>

Listed investments

Investments having a market value of £1,005,622 (2019 - £1,090,056) are listed on a recognised stock exchange.

17 DEBTORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	158,748	27,280
Prepayments and accrued income	<u>13,384</u>	<u>14,641</u>
	<u>172,132</u>	<u>41,921</u>

18 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	12,973	9,799
Taxation and social security	9,331	14,655
Other creditors	17,631	16,048
	<u>39,935</u>	<u>40,502</u>

19 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

	2020 £	2019 £
Within one year	-	1,452
Between one and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>1,452</u>

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

20 MOVEMENT IN FUNDS

	At 1 September 2019	Incoming resources £	Outgoing resources £	Transfers and other gains £	At 31 August 2020 £
Unrestricted funds					
General funds	1,413,363	1,407,153	(1,089,466)	(56,204)	1,674,846
Fixed asset funds	2,378,819	-	(86,504)	19,800	2,312,115
Restricted funds					
Donations	-	20,170	(20,170)	-	-
Total funds	3,792,182	1,427,323	(1,196,140)	(36,404)	3,986,961

	At 1 September 2018	Incoming resources £	Outgoing resources £	Transfers and other gains £	At 31 August 2019 £
Unrestricted funds					
General funds	1,610,731	995,918	(1,181,124)	(12,162)	1,413,363
Fixed asset funds	2,459,900	-	(99,410)	18,329	2,378,819
Total funds	4,070,631	995,918	(1,280,534)	6,167	3,792,182

21 RECONCILIATION OF NET MOVEMENT IN FUNDS TO CASH FLOW FROM OPERATING ACTIVITIES

	Total funds 2020 £	Total funds 2019 £
Net movement in funds	194,779	(278,449)
Depreciation and amortisation	86,504	89,884
Loss/(Surplus) on disposal	-	12,525
Dividend income shown in investing activities	(28,379)	(31,085)
Decrease/(increase in stock)	2,369	15,897
Decrease/(increase in debtors)	(130,211)	52,085
Increase/(decrease in creditors)	(567)	7,103
Gains/(losses) on investment assets	36,404	(6,167)
Net cash generated by/(used) in operating activities	160,899	(138,207)

HORSES AND PONIES PROTECTION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

22 PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted £10,615 (2019: £9,021).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

23 RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2020 except those as disclosed in note 12 to the accounts.

Controlling entity

The charity is under the control of the trustees

24 CONTINGENT ASSETS

The Charity uses a service which gives notification that it is included in a will. The Charity tracks any legacies that it is notified of but does not recognise them in the accounts until they are entitled to them, receipt is probable and a value can be attributed to them. As such the Charity has contingent assets that it cannot currently quantify.

25 MEMBERS' LIABILITY

The Charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

26 POST BALANCE SHEET EVENT

Further to the preparation of the financial accounts and the detrimental effects of enforced covid-19 lockdowns, a relaxation of government restrictions has positively impacted the charity by enabling the re-opening of the stables, café, shop and all associated facilities to visitors with little or no social distancing and hygiene restrictions in June 2021. This will result in the return of onsite fundraising and trading activities, an integral source of income for the charity.