

HEROS

England & Wales · Charity number 1115174

Details

Status	Registered
Legal form	Charitable company
Company number	05679136
Registered	2006-07-10
Register	View on the Charity Commission register

Contact

Address	The Swallows North Farm Stud Fawley Wantage Oxon OX12 9NJ
Phone	07770877543
Email	info@heroscharity.org
Website	www.heroscharity.org

Activities

Objects: 3.1 TO PROMOTE THE WELFARE AND REHABILITATION OF RACEHORSES AND FORMER RACEHORSES AND OTHER HORSES WHICH ARE UNWANTED OR VULNERABLE TO ABANDONMENT, ABUSE, MISUSE OR NEGLECT, OR OTHERWISE IN NEED OF CARE AND ATTENTION, IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) BY MEANS OF RETRAINING AND REHOUSING.

Activities: HEROS aims to take in ex - racehorses and retrain and find new homes for them where they can flourish in new disciplines. HEROS also aims to raise the profile of the thoroughbred in general. HEROS provides education, training & work related opportunities for people wanting to work in either the racing or equine industries, including courses for special educational needs children and young people.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Animals
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,969,610	£1,585,425	£1,191,008	21
2024-03-31	£1,850,390	£1,211,685	£806,823	21
2023-03-31	£745,423	£695,257	£168,118	9
2022-03-31	£560,645	£564,044	£117,952	6
2021-03-31	£612,795	£547,337	£121,351	6

Trustees

Name	Role	Appointed
Hannah Elizabeth Dorling	Chair	2023-04-11
Andrew McGonnell		2021-09-30
Catherine O'Neill		2023-12-18
Lauren Minchin		2023-01-25
MARGARET JANE SUTTON		
Marion Begley		2024-07-23
Richard Phillips		2017-12-19
VICTORIA HOPGOOD		2014-02-04

HEROS

England & Wales - Charity number 1115174

Accounts

Company registration number 05679136 (England and Wales)

Charity registration number 1115174 (England and Wales)

HEROS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

HEROS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs V A Hopgood Mr A McGonnell Miss H Dorling Miss C O'Neill Ms L Minchin Ms A H Richardson Mrs M J Sutton Mr R Phillips Ms M Begley Ms F Compostella	(Appointed 23 July 2024)
Senior management	Miss G Muir Ms A H Richardson	CEO Chair of the Board of Trustees
Country of incorporation	United Kingdom (England and Wales)	05679136
Charity registration	England and Wales	1115174
Registered office	The Swallows North Farm Stud North Farm, North Fawley Wantage Oxfordshire OX12 9NJ	
Auditor	Haines Watts Swindon Limited Old Station House Station Approach Swindon Wiltshire SN1 3DU	

HEROS

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HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Aims

The primary objectives of the charity, as stated in its governing document, are to promote the welfare and rehabilitation of racehorses, former racehorses and other horses, which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, by means of retraining and re-homing. HEROS also aims to deliver various individualised education programmes for students from the age of 11 years old and upwards to help the students work towards getting a fulfilled life in an equine or other careers.

HEROS aims to deliver the highest standards of re-training and re-homing of horses, and the best quality of training and education for people. This includes meaningful, accredited qualifications to diverse learners including students with Special Educational Needs (SEN) to contribute to the well-publicised shortfall of staff for work in racing and related equine industries. It also includes teaching for pre-qualification veterinary students. HEROS aims to ensure that each horse coming into HEROS, and each learner, can maximise the opportunities provided by their experience at HEROS based at and partnered by North Farm Stud.

HEROS ultimately hopes that the successful re-homing of ex-racehorses, and improvements in levels of knowledge about their care, will ultimately help to reduce the number of horses who are needlessly destroyed each year, and will give ex-racehorses a useful life when their racing days are over. The quality and individualised education will also expand the availability of experienced staff for the future in the equine industry.

Specific objectives for 2024/25:

- To raise sufficient resources to enable the charity to continue to successfully re-home ex-racehorses in the future and to help as many as possible to move on to useful lives.
- To ensure that funds are sufficient to care for the horses whilst they are undergoing retraining and re-homing including keep, veterinary treatments, and farriery costs.
- To continue to improve and expand learning opportunities and employment for young people wanting to work in racing and equine related industries.
- To educate and train those who take on responsibility for rehomed horses.
- To continue to improve, expand and develop the Education programmes in place for Special Educational Needs (SEN) students to enable more students to benefit from the provision.
- To streamline fundraising activities, focus on those events which raise most money and free up time.
- To maintain financial independence from North Farm Stud Limited and achieve greater headroom with respect to the financial sustainability of the charity.
- To achieve financial self-sustainability for HEROS and the education programme and work in partnership with the racing industry to promote the welfare of thoroughbred ex-racehorses.
- To deliver effective in-service training and ongoing support for the staff team to ensure a high quality of management and teaching outcomes.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Public benefit

HEROS has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Trustees believe that HEROS contributes to public benefit by supporting those who do not have the resources to deliver against their responsibilities for the welfare of former racehorses, whose racing days are over.

In addition, Trustees believe that HEROS is able to deliver a wider range of public benefits through provision of equine-related education and training, partly for those who may be unsuited to mainstream education for whom our programme is delivering excellent results, and partly for those wanting to work in racing and related industries where there is a shortfall.

Achievements and performance

Significant activities and achievements against objectives

To rehome ex-racehorses and help them move on to useful lives

Last year, HEROS continued to deliver high-quality equine aftercare through its strategic partnership with Retraining of Racehorses (RoR). This collaboration supports the full lifecycle of care for former racehorses in HEROS' ownership - including assessment, rehabilitation, retraining, rehoming, and long-term support. A formal contract with RoR enables HEROS to focus on Vulnerable Horses (VHS); those exiting the racing industry, and those at risk of neglect or harm.

In May 2022, HEROS secured £250,000 per annum for three years (2022/23 to 2024/25) through a competitive tender, led by the Horse Welfare Board (HWB). This funding underpins the Retraining Assessment Programme (RAP), a structured protocol designed to improve welfare outcomes and rehoming success. The contract began in October 2022 and is now in its third year. Thanks to additional funding from The Racing Foundation and The John Pearce Foundation, the programme has been extended to December 2025.

In 2024/25, HEROS received £197,000 to support this work. Alongside welcoming new horses into the scheme, HEROS undertook a review of horses exiting 15 training yards across all racing codes. This review helped identify individual needs, rehoming challenges, and the specific requirements of horses facing the greatest welfare risks. It also informed a broader understanding of national resource gaps and opportunities to strengthen welfare provision.

During the year, HEROS accepted 16 horses through the RAP scheme and an additional 10 vulnerable horses under a separate agreement—bringing the total intake to 26. In total, 50 horses were taken into HEROS care in 2024/25, an increase of 16 on the previous year. This included 9 horses returned to HEROS for various reasons, up from 4 the previous year.

Five horses were admitted for short-term rehabilitation and, following veterinary review by Anna Honnor, were returned to their lessees in improved health.

Rehoming activity also increased, with 41 horses placed into new homes—13 more than the previous year. Income from incoming horses rose from £47,000 to £65,800, largely due to owner donations. Donations linked to rehomed horses also increased from £10,500 to £18,550, reflecting higher throughput and engagement.

Sadly, 10 horses came to the end of their life during the reporting period due to serious health and welfare concerns, one less than last year. These decisions are always made with great care and compassion, involving relevant senior staff ie, the CEO, the Operations Manager and the veterinary team. Each horse is assessed against multiple welfare criteria, and every decision is guided by compassion, dignity and respect.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Education Programme Horses:

In line with Board agreements for 2024/25, HEROS maintained a core group of 20 Thoroughbred horses for use in its Education Programme. Their suitability is regularly monitored to ensure safety, effectiveness, and welfare. An additional 11 non-Thoroughbred horses supported younger students, although this number was reduced to 9 following two PTS (put to sleep) and one successful rehoming.

HEROS horses used for education expenses were generously funded by the John Pearce Foundation, whose support enables HEROS to maintain high standards of care and welfare throughout the year. HEROS is deeply grateful for this continued and valuable partnership which makes a marked difference to our programme.

HEROS Club and Horse Assets:

As of 31 March 2025, 10 horses were part of the HEROS Club. One horse passed away during the year and was replaced; another was rehomed as a companion. These horses are primarily supported by monthly donations from Club Members and often participate in education activities.

The total number of horses owned by HEROS on 31 March 2025 was 157. This figure includes those out on lifelong lease and also those remaining at North Farm Stud. The total value of these horses, as recorded in the stock list, was £234,650.

Financial review

Going concern

The Trustees consider it appropriate to prepare the accounts on a going concern basis. HEROS continues to diversify and grow, particularly in the areas of education and training. During the year, we began the national rollout of HEROS Veterinary Education Programme, gradually increasing delivery and reach.

We also initiated concept development of The Thoroughbred Forum (TTBF), a new platform designed to provide accessible, expert-led support for Thoroughbred and former racehorse owners, including HEROS and other centres lease holders/loanees. These initiatives reflect our commitment to long-term sustainability, innovation, and sector-wide impact.

Reserves policy

Total reserves at 31 March 2025 amounted to £1,191,008 (2024: £806,823). This included restricted funds of £163,244 (2024 £137,115). Free reserves at 31 March 2025 amounted to £1,027,764 (2024: £669,708).

The Trustees aim to build reserves to a level sufficient to keep all the ex-racehorses for two years should donations fall dramatically or cease altogether.

Principal funding sources

To ensure that funds are sufficient through fundraising and by other means to achieve financial self-sufficiency for the charity

Total income increased by £119,220 to £1,969,610 from £1,850,390 last year.

Expenses and overheads have increased again to a total of £1,585,425 compared to £1,211,685 a difference of £373,740.

Education turnover increased in 2024/25 to £824,841 from £465,323 in 2023/24, an increase of £359,518. This is mainly due to increase in student numbers.

During this year trade creditors remain at the 30-day level. Other creditors include a loan from The Racing Foundation of £44,000 which has reduced from £71,000 over the period, a reduction of £27,000 as per the repayment plan. There is also £37,627 remaining outstanding of a £50,000 Bounce Back Loan, taken out during COVID-19.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

HEROS is enormously grateful to the many people who donate to the charity. Our thanks go to The John Pearce Foundation for their valuable support towards the keep and care of horses used in our education programme; Ascot Charitable Trust towards our education centre fund, EBM, Beryl Evetts and Robert Luft, The Bouttell Bequest, Godolphin to support HEROS Enrichment Programme. Highclere Racing, The Payne-Gallways Charitable Trust and many other donors.

Another extremely generous and much appreciated, anonymous donation, with no restrictions, was also received.

HEROS is also very grateful to The Gerald Leigh Charitable Trust for the generous donation and support towards HEROS Veterinary Education programme, which started taking students on pilot in February 2025. The funding award is for recruitment of the Veterinary programme Administrator and Co-ordinator and the part-time Yard Handler. This is a very exciting project and one that HEROS is honoured to be sharing with The Gerald Leigh Charitable Trust. It is a sophisticated, unique and innovative programme, which benefits both former racehorses and students navigating their way through veterinary courses.

The charity would also like to thank Elite Racing for their continued support in the form of monthly donations for support specific horses, West Berkshire lottery, Johnny Allison, Highclere Racing and The Carbine Club and many more for their generous donations. We would like to thank The Conolly Red Mills for their 3-year sponsorship agreement with HEROS and their continued sponsorship to supply product and give donations.

The charity is currently fundraising to enable the build of an indoor school over the existing outdoor school and refurbish existing barns to build a bespoke Education Centre. This will allow expansion of much needed classroom space and provide a unique training area for the students to learn with horses and other animals.

In 2023/24 The Fred and Majorie Sainsbury Charitable Trust, Highclere Thoroughbreds and The Ascot Racecourse Supports Foundation pledged funding towards the project, which we are hopeful will start in the summer of 2026.

HEROS actively raises public awareness about the importance of retraining and responsible rehoming of ex-racehorses through a range of channels, including events, social media, newsletters, educational literature, and the HEROS website. Throughout the year, the charity also hosts workshops and clinics for riders and horse owners who need to broaden their knowledge and improve their practical skills.

All HEROS' staff are committed to delivering high-quality, welfare-focused training for ex-racehorses. In-house clinics and training sessions led by qualified staff are regularly offered to individuals considering rehoming a former racehorse, as well as to those who have already done so. These efforts help promote safety, responsible ownership, and long-term welfare outcomes for horses transitioning to life after racing.

To improve learning opportunities and employment for Students

The HEROS Education Programme was originally developed with support from The Racing Foundation to provide an alternative pathway into the racing industry for learners who may not thrive in traditional training environments. Individualised and needs-based, the programme is designed to support students who are not yet ready to live away from home, who may lack the confidence to enter employment after a short training period, or who benefit from a more gradual approach to learning and employment.

Starting at Entry Level and progressing to Level 3 Apprenticeships and Diplomas, HEROS offers a flexible and inclusive curriculum that caters to a wide range of learners with varying levels of prior experience. The courses appeal to a broader market across Oxfordshire and Berkshire, and some further afield, including students with strong practical skills and relevant GCSEs. The programme has proven popular with both students and their families, and HEROS has taken proactive steps to build stronger relationships with local racing employers, many of whom now offer work experience placements.

HEROS is recognised by the British Horseracing Authority (BHA) and has been approved as a "Route to Racing." Our courses are listed on the Careers in Racing website alongside those offered by the racing schools and the National Stud. In 2024/25, HEROS also continued its partnership with KEITS as the training provider for Diplomas and Apprenticeships.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

HEROS was approved on the DPS Register in South Oxfordshire during 2023/24, and again in this reporting period, achieving a Green rating, a high standard of quality. In 2024/25, HEROS plans to apply for recognition on the West Berkshire register, which will mark a significant milestone and require substantial preparation.

HEROS continues to build partnerships with Local Education Authorities, land-based Further Education providers, industry governing bodies, and local employers. We remain committed to ensuring our education programmes are aligned with employment opportunities. HEROS actively participates in Youth Engagement and Community Learning Partnerships in Oxfordshire and West Berkshire and contributes to SEND educational provision guidance meetings in Oxfordshire.

We are proud to continue our partnership with Godolphin, whose support enables us to run our Enrichment Programme for 11–16-year-olds in Alternative to School placements.

Programme Structure

HEROS Education offers several pathways for students pursuing equine careers post-GCSEs:

- **Enrichment Programme (11–16 years):** Designed for students struggling in mainstream education, this alternative to school placement allows attendance from one to three days per week.

Post-16 Courses:

- Level 1: For students with basic horse knowledge or those progressing from the Enrichment Programme who can already ride and handle horses.
- Level 2 Apprenticeships: Students typically start at Level 2 Apprenticeship in a relevant placement, which HEROS helps to source. HEROS continues to oversee the programme in partnership with KEITS.
- Diploma Group (EHCP students): Privately funded courses based on Levels 1, 2, and 3 in Horse Care or Animal Care.
- All Diploma students must complete Functional Skills in Maths and English to Level 2 if they did not pass their GCSEs. This teaching is integrated into all post-16 courses.

The curriculum is designed to support careers in equine and racing, including racing-specific entry-level courses, Diplomas, and Apprenticeships. Functional Skills teaching includes Maths, English, Employability, and Life Skills, all tailored to prepare students for the world of work.

To educate and train people supporting former racehorses

HEROS has long prioritised support for individuals rehoming ex-racehorses. Comprehensive information is available on the HEROS website (www.heroscharity.org), which is now clearly divided into sections such as Horses, Education and more. Prospective owners are invited to visit HEROS, where their needs and the suitability of the horse(s) are assessed carefully. Supervised riding opportunities are provided in controlled environments, and multiple visits are encouraged. A home visit - carried out by a designated HEROS staff member - is conducted to ensure the setting is appropriate. Each new owner signs a lease agreement that protects the long-term welfare of the horse. If the placement does not work out, the horse may be returned to HEROS.

In previous years, Grace Muir, CEO of HEROS, along with other professionals, has delivered educational content focused on the health and welfare of Thoroughbreds; these sessions have covered veterinary, nutritional, farriery and behavioural topics relevant to the needs of former racehorses.

Veterinary Education Initiative:

In response to the growing need for higher quality equine welfare and more informed care, HEROS launched a new initiative in 2023/24, aimed at developing the confidence, clinical knowledge, and practical skills of newly graduating veterinary students. This is particularly important as commercial veterinary practices, whether hospitals or ambulatory clinics, who often struggle to provide hands-on, experiential teaching.

A pilot Extra-Mural Studies (EMS) programme was trialled, consisting of a five-day training course focused on Thoroughbreds and other horses at various stages of retraining. Delivered in accordance with RCVS guidelines, the pilot achieved an 87% pass rate, and 100% of students reported improved confidence, knowledge, and practical skills.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Building on this success, HEROS is now rolling out the EMS programme nationally. It is being advertised to veterinary students across the UK, with a soft launch approach that gradually increases the number of available EMS weeks. HEROS is confident that this programme will not only benefit horses transitioning out of racing through more thorough assessment and diagnosis; it will also offer a cost-effective and invaluable learning opportunity for student vets.

The Thoroughbred Forum (TTBF):

HEROS is developing the Thoroughbred Forum (TTBF), a new online platform designed to support the Thoroughbred and former racehorse owners, including HEROS lessors. TTBF will provide expert guidance on everyday topics such as shoeing, nutrition, veterinary issues and end-of-life care, plus much more, in response to the high volume of questions received via social media, particularly Facebook.

In addition to online resources, TTBF will feature in-person clinics and opportunities for direct engagement with equine professionals, offering a “face behind the platform” and fostering a sense of community and trust. This initiative builds on HEROS’ longstanding commitment to education and support for horse owners, and aims to improve welfare outcomes through better access to reliable, expert-led information

Structure, governance and management

Governing document

HEROS is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 January 2006 (amended 2017). HEROS was registered as a charity (number 1115174) with the Charity Commission on 10 July 2016. Miss Grace Muir is the Chief Executive Officer and Ms A H Richardson is the Chair of the Board of Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs V A Hopgood

Mr A McGonnell

Miss H Dorling

Miss C O'Neill

Ms L Minchin

Ms A H Richardson

Mrs M J Sutton

Mr R Phillips

Ms M Begley

Ms F Compostella

(Appointed 23 July 2024)

Recruitment and appointment of trustees

New Trustees were appointed by the Board of Trustees taking account of their knowledge, experience, interests, and with due regard to any gaps in the skill set of the team. One new member of the Board was appointed in the year 2024/25.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

To support the charity's staff team

HEROS operates with a dedicated team of six full-time permanent staff members:

- Chief Executive Officer (CEO)
- Operations Manager
- Equine Manager
- Student Liaison and Development Manager
- Diploma Programme Manager
- Education Administrator

In addition, the Education Department is supported by 9 part-time tutors and one part-time Education Co-ordinator. Staff remuneration is aligned with market rates and HEROS' internal pay scale, which allows for progression and development within the organisation.

Specialist consultants have played a key role in advancing HEROS' visibility and fundraising efforts this year:

- Eimear Grant, Social Media Consultant
- Kate Mills, Fundraising Consultant
- Jess Teague, Design and Website Consultant

Their contributions have significantly strengthened sponsorship, fundraising, and public awareness.

HEROS' financial governance continues to be overseen by Gina Bartlett, a registered accountant who serves as Company Secretary.

Recruitment and staff management are led by CEO Grace Muir, supported by Operations Manager Stephanie Collett, with oversight from the Board of Trustees, which meets quarterly. All potential staff undergo a formal interview followed by trial days, allowing their practical skills and interpersonal qualities to be assessed by both students and the wider team.

HEROS follows rigorous safer recruitment procedures, including full reference checks and enhanced DBS clearance for all staff. Before starting employment, staff must complete Level 2 safeguarding training and receive a comprehensive induction on their first day. Annual safeguarding and health and safety training is provided to all staff.

Performance reviews are conducted twice yearly by the CEO and the Chair of the Trustee Board. Any concerns arising outside of these reviews are addressed directly by Grace Muir. Each staff member also participates in an annual Personal Development Plan (PDP) review, during which Continuing Professional Development (CPD) opportunities are discussed to ensure a balance between individual growth and organisational needs

Board of Trustees

Trustees are made fully aware of the aims and objectives of the charity, the content of HEROS Memorandum and Articles of Association; they are provided with a Trustee Handbook and are briefed on their legal obligations. Trustees are free to meet with staff, visit the yard, speak with colleagues and other experts about their role and are encouraged to widen their experience, for example, by attending the charity's fundraising events and workshops.

Trustees delegate day-to-day management of the charity to the Chief Executive Officer, Grace Muir.

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Other matters

Risk management

HEROS recognises the range of risks associated with its operations, including those faced by paid employees, volunteers, and students attending the HEROS Academy. These risks relate to the charity's core activities—such as horse handling and management, client interaction, education delivery, safeguarding students during training, and fundraising operations.

Members of the Board of Trustees also carry governance-related risks, including financial oversight and potential conflicts of interest. All risks are actively managed in accordance with guidance issued by the Charity Commission.

Risk management is a continuous process at HEROS. Health and Safety is now overseen by Peninsula, with additional support from a Veterinary Health and Safety Consultant who monitors and advises on vet-related activities. HEROS also has an in-house staff member responsible for compiling risk assessments, conducting audits, and implementing necessary changes to ensure a safe and compliant working environment.

In addition to routine operational and educational risk assessments, specific assessments are carried out prior to each fundraising event by Stephanie Collett (Operations Manager) and Grace Muir (CEO).

To minimise potential harm to staff, clients, students, and others, HEROS requires individuals trialling horses for sale or loan to sign a disclaimer. This document outlines the risks involved and protects HEROS from legal liability in the event of an accident. It also specifies the requirement for appropriate safety attire, including suitable footwear, back protectors, and helmets.

HEROS maintains a robust End of Life policy and procedure, which is regularly reviewed to ensure it remains fit for purpose and aligned with best welfare practices. Decisions regarding End-of-Life care are made collaboratively by senior yard staff, organisational leadership—including the CEO and Operations Manager - and the veterinary team. Each case is approached with compassion, dignity and respect for the individual horse, ensuring that welfare remains the highest priority.

Safeguarding remains a key focus. Our Safeguarding Consultant, Sarah Turner, conducts an annual review of the Safeguarding Policy. The Designated Safeguarding Lead is Grace Muir (CEO), with Stephanie Collett serving as the Designated Officer from the HEROS Education team. Oversight of safeguarding policy is provided by Anne Richardson, Chair of Trustees.

Statement of trustees' responsibilities

The trustees, who are also the directors of HEROS for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

HEROS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Auditor

In accordance with the company's articles, a resolution proposing that Haines Watts Swindon Limited be reappointed as auditor of the company will be put at a General Meeting.

Forward Look

HEROS will continue to focus on further developing its business model, create sufficient headroom to underpin a sustainable long-term future and build up a financial reserve.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Ms A H Richardson

Chair of the Board of Trustees

Date: 18th December 2025

HEROS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEROS

Opinion

We have audited the financial statements of HEROS (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 March 2025 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

HEROS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HEROS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 trustees' 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

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 framework applicable to both the charity itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102), Charity SORP and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

HEROS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HEROS

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 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.



Martin Gurney FCA (Senior Statutory Auditor)

For and on behalf of Haines Watts Swindon Limited, Statutory Auditor

Chartered Accountants

Old Station House

Station Approach

Swindon

Wiltshire

SN1 3DU

Date:20/12/2023

HEROS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	427,565	7,000	434,565	732,101	-	732,101
Charitable activities	4	77,731	468,850	546,581	54,121	504,714	558,835
Other trading activities	5	952,388	-	952,388	530,433	-	530,433
Investments	6	6,460	-	6,460	2,138	-	2,138
Other income	7	29,616	-	29,616	26,883	-	26,883
Total income		<u>1,493,760</u>	<u>475,850</u>	<u>1,969,610</u>	<u>1,345,676</u>	<u>504,714</u>	<u>1,850,390</u>
Expenditure on:							
Raising funds	8	32,332	-	32,332	62,635	-	62,635
Charitable activities	9	1,148,877	404,216	1,553,093	794,261	354,789	1,149,050
Total expenditure		<u>1,181,209</u>	<u>404,216</u>	<u>1,585,425</u>	<u>856,896</u>	<u>354,789</u>	<u>1,211,685</u>
Net income		312,551	71,634	384,185	488,780	149,925	638,705
Transfers between funds		45,505	(45,505)	-	13,560	(13,560)	-
Net movement in funds	11	358,056	26,129	384,185	502,340	136,365	638,705
Reconciliation of funds:							
Fund balances at 1 April 2024		669,708	137,115	806,823	167,368	750	168,118
Fund balances at 31 March 2025		<u>1,027,764</u>	<u>163,244</u>	<u>1,191,008</u>	<u>669,708</u>	<u>137,115</u>	<u>806,823</u>

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

HEROS

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	15		258,725		127,266
Current assets					
Stocks	16	236,150		196,050	
Debtors	17	273,306		556,906	
Cash at bank and in hand		757,566		272,439	
		<u>1,267,022</u>		<u>1,025,395</u>	
Creditors: amounts falling due within one year	20	<u>(262,566)</u>		<u>(235,304)</u>	
Net current assets			<u>1,004,456</u>		<u>790,091</u>
Total assets less current liabilities			<u>1,263,181</u>		<u>917,357</u>
Creditors: amounts falling due after more than one year	21		<u>(72,173)</u>		<u>(110,534)</u>
Net assets			<u><u>1,191,008</u></u>		<u><u>806,823</u></u>
The funds of the charity					
Restricted income funds	23		163,244		137,115
Unrestricted funds	24		1,027,764		669,708
			<u>1,191,008</u>		<u>806,823</u>

The financial statements were approved by the trustees on19.12.25.....

.....
Ms A H Richardson
Chair of the Board of Trustees



HEROS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	27		729,403		350,314
Investing activities					
Purchase of tangible fixed assets		(212,218)		(137,622)	
Investment income received		6,460		2,138	
Net cash used in investing activities			(205,758)		(135,484)
Financing activities					
Repayment of bank loans		(34,166)		(32,063)	
Payment of finance leases obligations		(4,352)		29,407	
Net cash used in financing activities			(38,518)		(2,656)
Net increase in cash and cash equivalents			485,127		212,174
Cash and cash equivalents at beginning of year			272,439		60,265
Cash and cash equivalents at end of year			<u>757,566</u>		<u>272,439</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

HEROS is a private company limited by guarantee incorporated in England and Wales. The registered office is The Swallows, North Farm Stud, North Farm, North Fawley, Wantage, Oxfordshire, OX12 9NJ.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation 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:

Plant and equipment	25% straight line on cost
Fixtures and fittings	25% straight line on cost
Computers	25% straight line on cost
Horses	25% straight line on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	263,727	7,000	270,727	160,216	-	160,216
Legacies	163,838	-	163,838	571,885	-	571,885
	<u>427,565</u>	<u>7,000</u>	<u>434,565</u>	<u>732,101</u>	<u>-</u>	<u>732,101</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Retraining and rehoming of ex-racehorses						
Performance related grants	<u>77,731</u>	<u>468,850</u>	<u>546,581</u>	<u>54,121</u>	<u>504,714</u>	<u>558,835</u>

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	<u>952,388</u>	<u>530,433</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	6,460	2,138

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	29,616	26,883

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	32,332	62,635

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Expenditure on charitable activities

	Retraining and rehoming of ex- racehorses 2025 £	Retraining and rehoming of ex- racehorses 2024 £
Direct costs		
Staff costs	411,478	246,805
Depreciation and impairment	80,759	50,425
Retraining and rehoming of ex-racehorses	1,050,851	840,989
	<u>1,543,088</u>	<u>1,138,219</u>
Share of support and governance costs (see note 10)		
Support	10,005	10,831
	<u>1,553,093</u>	<u>1,149,050</u>
Analysis by fund		
Unrestricted funds	1,148,877	794,261
Restricted funds	404,216	354,789
	<u>1,553,093</u>	<u>1,149,050</u>

10 Support costs allocated to activities

	2025 £	2024 £
	<u>10,005</u>	<u>10,831</u>
Analysed between:		
Retraining and rehoming of ex-racehorses	<u>10,005</u>	<u>10,831</u>

11 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,400	8,000
Depreciation of owned tangible fixed assets	<u>80,759</u>	<u>50,425</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Employees

The average monthly number of employees during the year was:

2025 Number	2024 Number
20	14

Employment costs

	2025 £	2024 £
Wages and salaries	382,953	232,841
Social security costs	23,266	11,403
Other pension costs	5,259	2,561
	<u>411,478</u>	<u>246,805</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	<u>60,027</u>	<u>48,521</u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets

	Assets under construction	Plant and equipment	Fixtures and fittings	Computers	Horses	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	-	63,000	165,471	13,063	42,000	283,534
Additions	59,156	38,055	94,452	20,555	-	212,218
At 31 March 2025	59,156	101,055	259,923	33,618	42,000	495,752
Depreciation and impairment						
At 1 April 2024	-	15,750	128,124	7,764	4,630	156,268
Depreciation charged in the year	-	25,264	43,254	6,991	5,250	80,759
At 31 March 2025	-	41,014	171,378	14,755	9,880	237,027
Carrying amount						
At 31 March 2025	59,156	60,041	88,545	18,863	32,120	258,725
At 31 March 2024	-	47,250	37,347	5,299	37,370	127,266

16 Stocks

	2025	2024
	£	£
Stocks	236,150	196,050

17 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	222,245	183,955
Other debtors	25,836	26,951
Prepayments and accrued income	25,225	346,000
	273,306	556,906

18 Loans and overdrafts

	2025	2024
	£	£
Bank loans	81,627	115,793
Payable within one year	32,167	32,167
Payable after one year	49,460	83,626

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Finance lease obligations

Future minimum lease payments due under finance leases:

	2025	2024
	£	£
Within one year	15,735	15,892
Within two and five years	22,713	26,908
	<u>38,448</u>	<u>42,800</u>

Hire purchase obligations are secured against the related assets.

20 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	18	32,167	32,167
Obligations under finance leases	19	15,735	15,892
Other taxation and social security		7,972	5,728
Trade creditors		25,251	27,764
Accruals and deferred income		181,441	153,753
		<u>262,566</u>	<u>235,304</u>

21 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	18	49,460	83,626
Obligations under finance leases	19	22,713	26,908
		<u>72,173</u>	<u>110,534</u>

22 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	5,259	2,561
	<u>5,259</u>	<u>2,561</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Enrichment Programme	-	20,000	(20,000)	-	-
Gerald Leigh Charitable Trust	50,675	-	-	-	50,675
ROR RAP	-	195,000	(195,000)	-	-
Endoscope Fund	25,000	-	-	(23,755)	1,245
JP Foundation	10,156	210,850	(185,866)	-	35,140
Galebreaks	21,284	-	(350)	(1,750)	19,184
Education Centre Project	10,000	47,000	-	-	57,000
RTV Fund	20,000	-	-	(20,000)	-
The Boutell Request	-	3,000	(3,000)	-	-
	<u>137,115</u>	<u>475,850</u>	<u>(404,216)</u>	<u>(45,505)</u>	<u>163,244</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Enrichment Programme	-	20,000	(20,000)	-	-
Gerald Leigh Charitable Trust	-	50,675	-	-	50,675
ROR RAP	-	215,000	(215,000)	-	-
Groundworks UK	750	-	(750)	-	-
Endoscope Fund	-	25,000	-	-	25,000
JP Foundation	-	126,195	(116,039)	-	10,156
Galebreaks	-	34,844	-	(13,560)	21,284
Containers	-	3,000	(3,000)	-	-
Education Centre Project	-	10,000	-	-	10,000
RTV Fund	-	20,000	-	-	20,000
	<u>750</u>	<u>504,714</u>	<u>(354,789)</u>	<u>(13,560)</u>	<u>137,115</u>

Enrichment Programme - Once again £20k donated by Godolphin towards the HEROS Enrichment programme Alternative Provision. This was towards running cost of the programme. HEROS is extremely grateful for the continued involvement of Godolphin

The Gerald Leigh Charitable Trust granted HEROS £50,675 toward the Veterinary EMS Programme on 22 March 2024. The money was for an administrator for the programme and a PT handler in the yard. None of the money had been spent by 31 March 25.

ROR Retraining Assessment Programme (RAP) – HEROS partners with RoR, following the pitch process in May 2022 to work up the RAP scheme. At the end of the final year to 31 March 2025 we had spent £195,000. The programme ran from October to September annually but this changed in year 2 and ran for an extra quarter to 31 December 2025. It is planned that year 3 will run from 1 January 2025 to 31 December 2025.

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Restricted funds

(Continued)

The Julia and Hans Rausing Trust awarded £25,000 for the purchase of an Endoscope for use in the forthcoming Veterinary Education Programme. It remained unspent at 31 March 2024 but the equipment was finally purchased on 17 June 2024 as is being used to great effect for the HEROS horses here.

The John Pearce Foundation awarded £210,850 on 06 September 2024 for the maintenance and welfare of horses used in the education programmes. This was backdated to 1 June 2024 and ran to 31 May 2025, We had spent £185,866 by 31.3.25 and had £35,140 left.

Money from The Elise Pilkington Trust, The Berkshire Community, The Syder Foundation, The Prowling Charitable Trust, The Betty Phillips Trust awarded money towards Galebreaks for the large horsewalker to stop wetting horses in the winter, the bottom end of the indoor arena between the jumps and the arena to secure warmth in the winter months, a curtain over the Hub window, an electronic curtain between the gallery and the arena making it possible to use the gallery as a classroom so created dual use of the space. At 31 March 2025 we had £19,184 left to use for the indoor school project in 2026.

Money collected toward the Education Centre Project is still held in restricted income and is as listed below, we are hopeful that this will start in Summer 2026.

£10,000 Fred and Majorie Sainsbury Trust - 26 January 2023
£ 2,500 Highclere Thoroughbreds - 3 December 2024
£30,000 Ascot Supports - 29 April 2024
£10,000 Peter O'Sullivan Trust - 5 June 2024
£ 2,000 Payne Gallway Trust - 6 November 2024
£ 2,500 Sheepdrove - 13 August 2024

The Childwick Trust awarded £20,000 for purchase of a Kubota RTV for use solely in education and to be used to transport equipment and students to forest school daily. This was purchased and spent on 26.09.24

The Boutell Bequest donated £3,000 which was spent on a forest school container and tools

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	669,708	1,493,760	(1,181,209)	45,505	1,027,764
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	167,368	1,345,676	(856,896)	13,560	669,708
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	258,725	-	258,725
Current assets/(liabilities)	846,712	157,744	1,004,456
Long term liabilities	(72,173)	-	(72,173)
	<u>1,033,264</u>	<u>157,744</u>	<u>1,191,008</u>
Per balance sheet	1,027,764	163,244	1,191,008
Balance to allocate	(5,500)	5,500	-

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	127,266	-	127,266
Current assets/(liabilities)	652,976	137,115	790,091
Long term liabilities	(110,534)	-	(110,534)
	<u>669,708</u>	<u>137,115</u>	<u>806,823</u>

26 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2025 £	2024 £	2025 £	2024 £
North Farm Stud Limited	5,574	2,988	873,980	377,249
	<u>5,574</u>	<u>2,988</u>	<u>873,980</u>	<u>377,249</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

26 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2025 £	2024 £
North Farm Stud Limited	12,647	13,414
	<u>60,027</u>	<u>48,521</u>

Miss G Muir, the Chief Executive Officer of HEROS, is the sole director of North Farm Stud Limited. Miss G Muir is also named as a person with significant control for North Farm Stud Limited as well as North Farm Estates Limited which owns 100% of the shares in North Farm Stud Limited.

27 Cash generated from operations

2025
£

2024
£

Surplus for the year	384,185	638,705
Adjustments for:		
Investment income recognised in statement of financial activities	(6,460)	(2,138)
Depreciation and impairment of tangible fixed assets	80,759	50,425
Movements in working capital:		
(Increase) in stocks	(40,100)	(16,000)
Decrease/(increase) in debtors	283,600	(475,020)
Increase in creditors	27,419	154,342
Cash generated from operations	<u>729,403</u>	<u>350,314</u>

28 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows	At 31 March 2025 £
Cash at bank and in hand	272,439	485,127	757,566
Loans falling due within one year	(32,167)	-	(32,167)
Loans falling due after more than one year	(83,626)	34,166	(49,460)
Obligations under finance leases	(42,800)	4,352	(38,448)
	<u>113,846</u>	<u>523,645</u>	<u>637,491</u>

HEROS

England & Wales - Charity number 1115174

Accounts

REGISTERED COMPANY NUMBER: 05679136 (England and Wales)
REGISTERED CHARITY NUMBER: 1115174

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
HEROS**

Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

HEROS

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HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

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 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Aims

The primary objectives of the charity, as stated in its governing document, are to promote the welfare and rehabilitation of racehorses, former racehorses and other horses, which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, by means of retraining and re-homing. HEROS also aims to deliver various individualised education programmes for students from the age of 11 years old and upwards to help the students work towards getting a fulfilled life in an equine or other career

HEROS aims to deliver the highest standards of re-training and re-homing of horses, and the best quality of training and education for people. This includes meaningful, accredited qualifications to diverse learners including students with Special Educational Needs (SEN) to contribute to the well-publicised shortfall of staff for work in racing and related equine industries. HEROS aims to ensure that each horse coming into HEROS, and each learner, can maximise the opportunities provided by their experience at HEROS based at and partnered by North Farm Stud.

HEROS ultimately hopes that the successful re-homing of ex-racehorses, and improvements in levels of knowledge about their care, will ultimately help to reduce the number of horses who are needlessly destroyed each year, and will give ex-racehorses a useful life when their racing days are over. The quality and individualised education will also expand the availability of experienced staff for the future in the equine industry.

Specific objectives for 2023/24:

- To raise sufficient resources to enable the charity to continue to successfully re-home ex-racehorses in the future and to help as many as possible to move on to useful lives.
- To ensure that funds are sufficient to care for the horses whilst they are undergoing retraining and re-homing including keep, veterinary treatments, and farriery costs.
- To continue to improve and expand learning opportunities and employment for young people wanting to work in racing and equine related industries.
- To educate and train those who take on responsibility for rehomed horses.
- To continue to improve, expand and develop the Education programmes in place for Special Educational Needs (SEN) students to enable more students to benefit from the provision.
- To streamline fundraising activities, focus on those events which raise most money and free up time.
- To maintain financial independence from North Farm Stud Limited and achieve greater headroom with respect to the financial sustainability of the charity.
- To achieve financial self-sustainability for HEROS and the education programme and work in partnership with the racing industry to promote the welfare of thoroughbred ex-racehorses.
- To deliver effective in-service training and ongoing support for the staff team to ensure a high quality of management and teaching outcomes.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES

To rehome ex-racehorses and help them move on to useful lives

Some of HEROS equine aftercare work is done in partnership with Retraining of Racehorses (RoR). This entails assessment, rehabilitation, retraining, rehoming, and providing continued support for ex-racehorses. In May 2022 HEROS was invited to participate in a competitive tender under the auspices of the Horse Welfare Board (HWB). Following a successful pitch income of £250,000 per year was secured for 3 years (2022/3, 2023/4 and 2024/5). Currently, HEROS, is engaged with RoR in a contract designed to focus on vulnerable horses leaving racing The Retraining Assessment Programme (RAP) has now been running since October 2022.

HEROS received £215,000 during 2023/24 for this project and in year one 19 horses were taken into HEROS under this agreement. In addition to horses coming into the scheme, HEROS undertook a review to assess the needs and circumstances of horses leaving 15 training yards across all codes. Plans were developed to increase knowledge, understand the scope and limits of rehoming, and identify the rehoming needs for the most challenged horses. The aim was to learn more about local and national needs for resources, skills and the potential to improve welfare. In addition to RAP scheme horses, of which there were 11, agreement was reached to accept a further 8 vulnerable horses. 23 horses of all types were rehomed in 2023/24, 9 more than last year. 33 new horses were taken into the charity, another increase of 10 on the previous year. This included 4 horses which were returned to HEROS for various unrelated reasons which is a reduction of 2 on last year.

This year, income from horses coming into the schemes increased from £6,000 to £47,000 due to owner donations with incoming horses. Donations for horses going out also increased from £8,150 to £11,500 due to more throughput of numbers going through the system.

11 horses were sadly put to sleep for health or unsoundness issues, as advised by our veterinary team; this included 5 horses out on loan which were put down for emergency veterinary reasons such as colic.

Further to the Agreement with the Board during 2023/24 we retain a core of 15 appropriate horses, able to work in the Education Programme. Care is taken to ensure that their suitability for this work is monitored. We also have 7 non-TB horses which are also used in education for young students starting their teaching. Education horses were funded in 2023/24 by a grant awarded by the John Pearce Charitable Foundation, this grant added huge benefit to the welfare of horses and their management throughout the period. Best welfare practice was followed at all times.

10 horses were included as members of the HEROS Club on 31 March 2024. These horses were primarily funded by monthly donations from Club Member and they include elderly horses or those coming in with a specific donation; some also worked with education students.

On 31 March 2024 HEROS owned a total of 122 horses, both out on life-long lease and at North Farm Stud. The total value of these, as per our stock list on 31 March 2024, is £243,550.

To ensure that funds are sufficient through fundraising and by other means to achieve financial self-sufficiency for the charity

Total income increased by £1,104,967 to £1,850,390 from £745,423 last year. Included in total income is £516,428 of legacy income.

Expenses and overheads increased again to a total of £1,211,685 compared to £695,257, a difference of £516,428. Education turnover increased in 2023/24 to £610,465 from £273,256 in 2022/23, an increase of £337,209. This was mainly due to increase in student numbers.

During this year, trade creditors remained at the 30-day level. Other creditors include a loan from The Racing Foundation of £71,000 which has reduced from £100,000 over the period by £29,000 as per the repayment plan. There was also £50,000 identified as a Bounce Back Loan, taken out during COVID-19.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

HEROS is enormously grateful to the many people who donate to the charity. Thanks are due to The John Pearce Foundation for their valuable support towards the keep and care of horses used in our education programme; The Childwick Trust for funding to purchase an RTV specific to education use; The Julia and Hans Rausing Trust for funding the purchase an endoscope, gastroscope and ridged scope for use in the forthcoming veterinary programme; The Elise Pilkington Charitable Trust Fund, and also the Berkshire Community Fund, The Syder Foundation, Betty Phillips Charitable Trust, The Prowting Charitable Foundation, The Bouttell Bequest for generously supporting new equipment for Forest School, The Doris Field Charitable Trust for support for our Life Skills programme, and Galebreak who funded partitions in several areas necessary on site.

Another extremely generous and much appreciated anonymous donation with no restrictions was also received.

HEROS is also very grateful to The Gerald Leigh Charitable Trust for their generous donation and support towards HEROS forthcoming Veterinary Training programme, due to start taking students in February 2025. The funding was awarded for recruitment of the Veterinary programme Administrator and Co-ordinator and the PT Yard Handler. This is a very exciting project and one that HEROS is honoured to be sharing with The Gerald Leigh Charitable Trust.

The charity would also like to thank Elite Racing for their continued support in the form of monthly donations for support specific horses, and thank West Berkshire lottery, Jonny Allison, Highclere Racing and The Carbine Club for their generous donations. Sponsorship has also been provided by Infineum UK Ltd who named HEROS as one of their charities for the year, thereby raising significant funds on our behalf, and we would like to thank The Red Mills Group for sponsoring HEROS for 3yrs and thank Protexin Equine for their continued sponsorship to supply product and give donations.

The charity is currently fundraising to enable refurbishment of existing barns and build a bespoke Education Centre. This will allow expansion of the classroom space and provide a unique training area for the students to learn with horses and other animals. In 2023/24 The Fred and Majorie Sainsbury Charitable Trust, Highclere Thoroughbreds and The Ascot Racecourse Supports Foundation pledged funding towards the project which we are hopeful will start in the summer of 2025.

General public awareness about the importance of re-training and responsible re-homing for ex-racehorses is raised by HEROS through events, social media and our website and through newsletters and other literature. In addition, the charity hosts events and workshops throughout the year for riders and others with a specific interest in improving their levels of skill and knowledge.

All HEROS staff worked hard to develop, strengthen, and quality-assure delivery of the most effective training for ex-racehorses requiring re-training and re-homing. Training events and in-house clinics with our qualified staff also continue to be offered at HEROS to clients thinking about, or who have already taken an ex-racehorse. In this way, HEROS helps to promote safety, welfare and a long-term future for ex-racehorses.

To improve learning opportunities and employment for Students

The HEROS Education programme was originally developed with support from The Racing Foundation to support an alternative way for learners to enter the racing industry.

Individualised and needs-based, the HEROS Education Programme appeals to students who are not yet ready to live away from home, who may lack the confidence to go straight into a racing yard after just nine weeks of training, or who need a more graduated approach to riding and employment. Starting at Entry Level and going up to a level 3 Apprenticeship, our programme can cater to a wide spectrum of learners with differing levels of prior experience. Our courses appeal to a wider market in Oxfordshire and Berkshire, including students who already have good practical experience and the relevant GCSEs. The programme has already shown itself to be appealing to students and their parents and effective steps have been taken to promote better working relationships with local employers in racing who have already started to offer work experience.

During 2023/24 HEROS developed and continued its relationships with KEITS as training providers for Traineeships, Diplomas and Apprenticeships. HEROS is also 'recognised' by the BHA and has been approved as a "Route to Racing". HEROS courses remain listed on the Careers in Racing website alongside the racing schools and the National Stud.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

In 2024/25, partnerships continued to be made with Local Education Authorities, Further Education land-based education providers, industry governing bodies and local employers. HEROS is fully committed to ensuring that the education programmes stay relevant to employment. For example, the charity has an active presence in Youth Engagement and Community Learning Partnerships in both Oxfordshire and West Berkshire, as well as sitting in on SEND educational provision guidance meetings for Oxfordshire.

HEROS is proud to continue partnering with Godolphin and for their support in our Enrichment Programme for 11 - 16yos in Alternative to Schools placements at HEROS.

The HEROS Education includes several different programmes for students wanting to take up an equine career following taking their GCSEs which can run in conjunction. Firstly, we run an Enrichment programme for 11-16yo's; this is an alternative to school placement for students struggling in mainstream education or school and they can attend from 1 to 3 days weekly.

We also offer several different post 16 courses; firstly, Traineeships at Level 1, for students who already have reasonable horse knowledge or who have attended our Enrichment Programme who can already ride and 'do the basics'. Following a Traineeship students would generally then move on to a Level 2 Apprenticeship in a relevant placement, which we would help source for them. HEROS would then continue to oversee their programme in conjunction with KEITS our Training Provider partner.

We run a Diploma group for students with an Educational Health Care Plan (EHCP); these are privately funded courses based on Level 1, 2 and 3 in Horse Care or Animal Care. All students must do Functional Skills in Maths and English to level 2 if they did not achieve a pass in their GCSEs, and we run this teaching alongside all the courses post 16.

The courses are designed to support careers in equine and the horse-racing industry, including racing-specific entry level courses, Level 1 and 2 Diplomas, and Apprenticeships at Levels 2 and 3. The final component consists of functional skills consisting of general skills teaching and learning (e.g., Maths, English, Employability and life skills) designed to be relevant to the world of work.

HEROS Education plans to continue to expand our education programmes in the coming year and widen our catchment area to include as many students as possible. During 2023/24 HEROS was approved on the DPS Register in South Oxfordshire with a Green rating, which is a high standard, we plan to apply to be recognised on the West Berkshire register during 2024/25: a major milestone and a significant amount of work.

To educate and train those supporting horses

In the past, HEROS has always taken steps to support people who take a rehomed ex-racehorse. For example, information is provided on the HEROS website (www.heroscharity.org) which is now separated into separate sections (horses, education, etc); potential new owners are invited to visit, and their needs and the needs of the horse(s) are reviewed. There is opportunity to ride under supervision and in controlled circumstances; several visits may be made, and a home visit (delivered by a specific member of the HEROS staff) is made to ensure that the setting is appropriate. Each potential new owner signs a lease agreement which ensures long term protection for the welfare of the horse and if the placement breaks down, the horse may be returned to HEROS.

In the past, Grace Muir, CEO and other professionals have delivered supportive and educational information about the health and welfare of TBs, and other opportunities to learn about the veterinary, nutritional and other issues which former racehorses may face.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

A new venture was initiated in 2023/4 to further the need for better information and improve welfare for horses. The aim is to ensure an opportunity to develop the confidence, clinical and practical skills of young, graduating student vets working with horses. This is needed because commercial veterinary businesses (hospitals or ambulatory clinics) find it difficult to offer teaching which is experiential. A pilot of extra-mural-studies (EMS) was trialled consisting of a 5-day training focused on thoroughbred (TB) and other horses at various stages in their training delivered in line with RCVS guidelines. Overall, students achieved pass rates of 87% and in 100% of cases, and they reported that their knowledge, confidence and practical hands-on skills improved. A new contract between HEROS and a leading veterinary college is now in the process of being developed to start in February 2025. HEROS is very optimistic that this will not only help new horses starting out, but it will also help horses leaving racing; this is because they will be more fully assessed and diagnosed. This will speed up each horse's journey to a "new life after racing". It will provide a huge opportunity for the students themselves and will be cost-effective.

To support the charity's staff team

Staffing

HEROS has 4 full time permanent staff: a Chief Executive Officer, an Equine Administrator, an Education Programme Manager and a Forest School Lead Tutor. In addition, 13 part-time tutors and 1 part-time Education Co-ordinator work in the Education Department. Remuneration for staff is set in line with market rates and our in-house pay scales which allow for progression within the workforce.

In March 2023 HEROS started working with, Kate Mills a Fund-Raising Consultant who is paid a day rate and a percentage commission scale for funds raised. We also commissioned Eimear Grant in April 2023 to work as Marketing and Social Media Consultant. Both have worked hard this year to move forward sponsorship, fund raising and awareness.

Jess Teague started in June 2023 as Design and website consultant and has done some great work.

Gina Bartlett, registered accounts has taken over the role of Company Secretary with effect from 14 March 2024.

As CEO, Grace Muir oversees all recruitment and management and supervision of staff, reporting to Board of Trustees which meets quarterly. Potential staff are asked to attend a trial day, once they have passed an interview. This allows for their practical skills and attitudes to be assessed.

Safer recruitment processes are followed; for example, Grace Muir and Stephanie Collett (lead Education Coordinator) attend staff training annually and update procedures as recommended. All staff have an enhanced DBS checks and all references are taken up.

Staff are given an induction on their first day. Before they start, they must complete the enhanced DBS check and the level 2 safeguarding training. Thereafter, staff join the annual safeguarding and health and safety training that is given to all staff.

Staff performance reviews are conducted twice a year by the CEO and the Trustee Board Chair. If concerns are raised at other times, they are addressed by Grace Muir. Each member of staff has an annual personal development (PDP) review and continuing professional development (CPD) is discussed with each individual to ensure a balance of personal interests and those of the business.

Public benefit

HEROS has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Trustees believe that HEROS contributes to public benefit by supporting those who do not have the resources to deliver against their responsibilities for the welfare of horses whose racing days are over.

In addition, Trustees believe that HEROS now delivers a wide range of public benefit through provision of equine-related education and training, partly for those who may be unsuited to mainstream education for whom our programme is delivering clear results, and partly for those wanting to work in racing and related industries where there is a shortfall.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Financial Review

The financial results of the charity for the year ended 31 March 2024 are set out on pages 15 and 16 together with the supporting notes thereafter.

Unrestricted income amounted to £1,345,676 (2023 £589,423). The increase is mainly as a result of the expansion of the Enrichment and Diploma programmes along with legacy income.

Total income received from restricted sources was £504,714 (2023 £156,000).

The charity reported a surplus for the year of £638,705 (2023 £50,166).

Reserves policy

Total reserves at 31 March 2024 amounted to £806,823 (2023 £168,118). This included restricted funds of £137,115 (2023 £750) and unrestricted funds of £669,708 (2023 £127,299).

The Trustees aim to build reserves to a level sufficient to keep and maintain all the ex-racehorses for one year and staff required to support their movement, should donations fall dramatically or cease altogether. This would be approx. £840,000 however Trustees appreciate this is an estimate based on the current numbers and costs. At present free reserves amount to £542,442. The trustees are working towards increasing this to the desired level above.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

HEROS is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 January 2006 (amended 2017). HEROS was registered as a charity (number 3512280) with the Charity Commission on 10 July 2016.

Board of Trustees

Trustees are made fully aware of the aims and objectives of the charity, the content of HEROS Memorandum and Articles of Association; they are provided with a Trustee Handbook and are briefed on their legal obligations. Trustees are free to meet with staff, visit the yard, speak with colleagues and other experts about their role and are encouraged to widen their experience, for example, by attending the charity's fundraising events and workshops.

Trustees delegate day-to-day management of the charity to the Chief Executive Officer, Grace Muir. Key management remuneration is based on market rates.

Forward look/future plans

HEROS will continue to focus on further developing its business model, create sufficient headroom to underpin a sustainable long-term future and build up a financial reserve.

HEROS continues to work closely with the Horse Welfare Board in their Aftercare review programmes.

Trustees also believe that improvements in levels of knowledge about stable management and equine welfare amongst those taking on a thoroughbred ex-racehorse will be key to HEROS future financial sustainability. HEROS in partnership with RoR are planning to build on the Thoroughbred Forum courses that were held in 2023/2024.

HEROS is in the process of establishing a Veterinary Education Programme to provide EMS and IR for students undergoing their veterinary training. The Gerald Leigh Charitable Trust has awarded HEROS a grant to provide for an Administrator/Co-ordinator of the programme and an experienced handler for horses used on a daily basis. HEROS is excited to be working with The Gerald Leigh Charitable Trust on this innovative initiative that we hope will not only be an enormous opportunity to the students but will also add huge value and learning to the horses' transition from racing to their new life after racing. At present we are working on partnerships with universities and hope to start early in 2025.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New Trustees were appointed by the Board of Trustees taking account of their knowledge, experience, interests, and with due regard to any gaps in the skill set of the team. Three new members of the Board were appointed in the year 2023/24, partly due to the loss of two members. The Board would like to express their sadness in relation to the loss of Mrs J A Hubbard, a senior financial expert, Trustee and joint chair of the Board, who died suddenly on 8 June 2023.

We would like to remember and commend Jackie's work with HEROS. Jackie first became a member of the Board in November 2010 and delivered not only a significant level of support for Grace Muir CEO, but she also enabled the charity to secure VAT registration and supported the Board on financial matters. The Board will miss Jackie personally as well as professionally.

The Board would also like to express their sadness in relation to the loss of Mrs Mary Robinson who was Company Secretary from the inception of the Charity in 2006 until the date of her sad passing, following a long illness on 13 March 2024. Mary supported Grace over almost twenty years of financial planning at HEROS and was much missed. Both Jackie and Mary's contributions towards HEROS charity must not be underestimated and will never be forgotten.

On 31 March 2024, members of the Trustee Board were as follows; their biographical details can be found on the website www.heroscharity.org :

Ms A Richardson (Chair) - Clinical Psychologist
Mrs V A Hopgood - Solicitor
Mr A McGonnell - Equine Veterinarian
Mrs L Minchin - Software Engineer
Mr R Phillips - Racehorse Trainer
Mrs M J Sutton - Retired
Miss H Dorling - Insurance Specialist - 15 June 2023
Miss F Compostella - Veterinary Surgeon - 1 August 2023
Miss C O'Neill - VAT Specialist - 18 December 2023

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Risks associated with working for the charity as a paid employee, a volunteer or attending the HEROS Academy as a student, include those operational risks associated with HEROS' core activities such as managing and handling horses, speaking with clients, educating, and keeping students safe whilst they undergo training in the HEROS education programme and fundraising.

Members of the Board of Trustees also carry certain financial risks and risks associated with governance of the charity (e.g., relating to conflicts of interest). All risks are managed actively in accordance with guidance published by the Charity Commission.

The risks that the charity faces are under continuous review by our appointed Health and Safety officer, Tim Stutt who will be stepping down in the coming year. A replacement will be made shortly. In addition to assessment of risks associated with normal day-to-day running and the HEROS Education programme, a risk assessment is undertaken by Stephanie Collett (Education Programme Manager) and Grace Muir (CEO) prior to every fundraising event.

To minimise possible harm to staff, clients, students or others, the Chief Executive Officer requires a disclaimer to be signed by those trying horses prior to sale or loan to ensure they are aware of the risks to themselves and to safeguard HEROS from any legal repercussions in the event of an accident. The disclaimer also describes a requirement for appropriate clothing to be worn (i.e. footwear, back-protector and head protection.)

A euthanasia policy is also reviewed regularly to ensure that it is fit for purpose.

Our Safeguarding consultant, Sarah Turner, annually reviews our Safeguarding Policy. The Designated Safeguarding Lead is Grace Muir (CEO), the Designated Officer is Stephanie Collett from the HEROS education team and safeguarding policy in general is overseen by Anne Richardson, Chair.

Going concern

The Trustees believe it is appropriate to prepare accounts on a going concern basis. We continue to diversify and grow in the field of education and training. In February 2025 HEROS will start a contract with RVC in providing practical rotation and EMS provision for their 4th and 5th year students.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05679136 (England and Wales)

Registered Charity number
1115174

Registered office
The Swallows
North Farm Stud Fawley
Wantage
Oxfordshire
OX12 9NJ

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of HEROS 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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;
- 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.

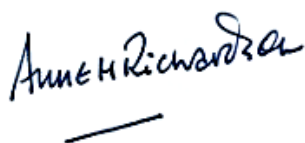
In so far as the trustees are aware:

- 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.

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on26/9/2024..... and signed on the board's behalf by:



Ms A Richardson – Chair of Board of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEROS

Opinion

We have audited the financial statements of HEROS (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 charitable company's affairs as at 31 March 2024 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Comparative Figures

The comparative figures for 2023 are unaudited.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEROS

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

Our responsibilities for the audit of the financial statements

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

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 framework applicable to both the charity itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102), Charity SORP and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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.



Susan Plumb ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Date: 27 September 2024

HEROS

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	732,101	-	732,101	180,160
Charitable activities					
Retraining and rehoming of ex-racehorses	5	54,121	504,714	558,835	171,876
Other trading activities	3	530,433	-	530,433	381,063
Investment income	4	2,138	-	2,138	52
Other income		<u>26,883</u>	<u>-</u>	<u>26,883</u>	<u>12,272</u>
Total		<u>1,345,676</u>	<u>504,714</u>	<u>1,850,390</u>	<u>745,423</u>
EXPENDITURE ON					
Raising funds	6	62,635	-	62,635	27,937
Charitable activities					
Retraining and rehoming of ex-racehorses	7	<u>794,261</u>	<u>354,789</u>	<u>1,149,050</u>	<u>667,320</u>
Total		<u>856,896</u>	<u>354,789</u>	<u>1,211,685</u>	<u>695,257</u>
NET INCOME					
Transfers between funds	21	488,780	149,925	638,705	50,166
		<u>13,560</u>	<u>(13,560)</u>	<u>-</u>	<u>-</u>
Net movement in funds		502,340	136,365	638,705	50,166
RECONCILIATION OF FUNDS					
Total funds brought forward		167,368	750	168,118	117,952
TOTAL FUNDS CARRIED FORWARD		<u>669,708</u>	<u>137,115</u>	<u>806,823</u>	<u>168,118</u>

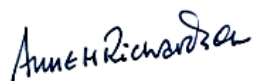
The notes form part of these financial statements

HEROS

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	13	127,266	-	127,266	40,069
CURRENT ASSETS					
Stocks	14	196,050	-	196,050	180,050
Debtors	15	556,906	-	556,906	81,886
Cash at bank		<u>135,324</u>	<u>137,115</u>	<u>272,439</u>	<u>60,265</u>
		888,280	137,115	1,025,395	322,201
CREDITORS					
Amounts falling due within one year	16	(235,304)	-	(235,304)	(70,943)
		<u>652,976</u>	<u>137,115</u>	<u>790,091</u>	<u>251,258</u>
NET CURRENT ASSETS					
		780,242	137,115	917,357	291,327
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	17	(110,534)	-	(110,534)	(123,209)
		<u>669,708</u>	<u>137,115</u>	<u>806,823</u>	<u>168,118</u>
NET ASSETS					
FUNDS	21				
Unrestricted funds				669,708	167,368
Restricted funds				<u>137,115</u>	<u>750</u>
TOTAL FUNDS				<u>806,823</u>	<u>168,118</u>

The financial statements were approved by the Board of Trustees, authorised for issue on 26.09.2024 and were signed on its behalf by:



Ms A Richardson - Trustee

The notes form part of these financial statements

HEROS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

Notes	2024 £	2023 £
Cash flows from operating activities		
Cash generated from operations 1	<u>329,314</u>	<u>(17,033)</u>
Net cash provided by/(used in) operating activities	<u>329,314</u>	<u>(17,033)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(73,522)	(13,197)
Interest received	<u>2,138</u>	<u>52</u>
Net cash used in investing activities	<u>(71,384)</u>	<u>(13,145)</u>
Cash flows from financing activities		
Loan repayments in year	(32,063)	-
Capital repayments in year	<u>(13,693)</u>	<u>(7,684)</u>
Net cash used in financing activities	<u>(45,756)</u>	<u>(7,684)</u>
Change in cash and cash equivalents in the reporting period	212,174	(37,862)
Cash and cash equivalents at the beginning of the reporting period	<u>60,265</u>	<u>98,127</u>
Cash and cash equivalents at the end of the reporting period	<u><u>272,439</u></u>	<u><u>60,265</u></u>

The notes form part of these financial statements

HEROS

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	638,705	50,166
Adjustments for:		
Depreciation charges	50,425	23,286
Interest received	(2,138)	(52)
Transfer of horses to fixed assets	(21,000)	-
Increase in stocks	(16,000)	(45,700)
Increase in debtors	(475,020)	(38,956)
Increase/(decrease) in creditors	<u>154,342</u>	<u>(5,777)</u>
Net cash provided by/(used in) operations	<u><u>329,314</u></u>	<u><u>(17,033)</u></u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1/4/23 £	Cash flow £	Other non-cash changes £	At 31/3/24 £
Net cash				
Cash at bank	<u>60,265</u>	<u>212,174</u>		<u>272,439</u>
	<u>60,265</u>	<u>212,174</u>		<u>272,439</u>
Debt				
Finance leases	(13,393)	13,693	(43,100)	(42,800)
Debts falling due within 1 year	(32,500)	333	-	(32,167)
Debts falling due after 1 year	<u>(115,356)</u>	<u>31,730</u>	<u>-</u>	<u>(83,626)</u>
	<u>(161,249)</u>	<u>45,756</u>	<u>(43,100)</u>	<u>(158,593)</u>
Total	<u><u>(100,984)</u></u>	<u><u>257,930</u></u>	<u><u>(43,100)</u></u>	<u><u>113,846</u></u>

The notes form part of these financial statements

HEROS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

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.

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.

Tangible fixed assets

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

Horses	- at varying rates on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Stocks are stated at either i) the lower of cost or net realisable value or ii) the lower of donated value or net realisable value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

Creditors 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 are recognised at their settlement amount.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Retraining of racehorses	9,000	18,500
Incoming horses	47,000	6,000
Donations - other	67,216	70,424
Recognition of bloodstock	37,000	24,700
Legacies	<u>571,885</u>	<u>60,536</u>
	<u>732,101</u>	<u>180,160</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Fundraising events	45,485	85,361
Payments for goods and services	1,274	5,795
Subscriptions	7,851	7,801
Lease and sale of horses	10,500	8,150
Education and training	<u>465,323</u>	<u>273,956</u>
	<u>530,433</u>	<u>381,063</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>2,138</u>	<u>52</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024 £	2023 £
Grants	Retraining and rehoming of ex-racehorses	<u>558,835</u>	<u>171,876</u>

6. RAISING FUNDS

Raising donations and legacies

	2024 £	2023 £
Fundraising, marketing	<u>62,635</u>	<u>27,937</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Retraining and rehoming of ex-racehorses	<u>1,138,219</u>	<u>10,831</u>	<u>1,149,050</u>

8. SUPPORT COSTS

			Governance costs £
Retraining and rehoming of ex-racehorses			<u>10,831</u>

9. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Independent examiner's fees	-	2,500
Auditors' remuneration	8,000	-
Depreciation - owned assets	<u>50,425</u>	<u>23,286</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	232,841	145,662
Social security costs	11,403	4,629
Other pension costs	<u>2,561</u>	<u>-</u>
	<u><u>246,805</u></u>	<u><u>150,291</u></u>

The average monthly number of employees during the year was as follows:

	2024	2023
Total	<u><u>14</u></u>	<u><u>9</u></u>

No employees received emoluments in excess of £60,000.

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £48,521 (2023:£32,019).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	180,160	-	180,160
Charitable activities			
Retraining and rehoming of ex-racehorses	15,876	156,000	171,876
Other trading activities	381,063	-	381,063
Investment income	52	-	52
Other income	<u>12,272</u>	<u>-</u>	<u>12,272</u>
Total	<u><u>589,423</u></u>	<u><u>156,000</u></u>	<u><u>745,423</u></u>
EXPENDITURE ON			
Raising funds	27,937	-	27,937
Charitable activities			
Retraining and rehoming of ex-racehorses	<u>492,070</u>	<u>175,250</u>	<u>667,320</u>
Total	<u><u>520,007</u></u>	<u><u>175,250</u></u>	<u><u>695,257</u></u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	69,416	(19,250)	50,166
 RECONCILIATION OF FUNDS			
Total funds brought forward	97,952	20,000	117,952
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>167,368</u>	<u>750</u>	<u>168,118</u>

13. TANGIBLE FIXED ASSETS

	Horses £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2023	-	3,450	147,034	23,554	174,038
Additions	21,000	63,000	25,559	7,063	116,622
Disposals	-	(3,450)	(7,122)	(17,554)	(28,126)
Transfer from stocks	<u>21,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,000</u>
At 31 March 2024	<u>42,000</u>	<u>63,000</u>	<u>165,471</u>	<u>13,063</u>	<u>283,534</u>
 DEPRECIATION					
At 1 April 2023	-	3,450	107,053	23,466	133,969
Charge for year	4,630	15,750	28,193	1,852	50,425
Disposals	<u>-</u>	<u>(3,450)</u>	<u>(7,122)</u>	<u>(17,554)</u>	<u>(28,126)</u>
At 31 March 2024	<u>4,630</u>	<u>15,750</u>	<u>128,124</u>	<u>7,764</u>	<u>156,268</u>
 NET BOOK VALUE					
At 31 March 2024	<u>37,370</u>	<u>47,250</u>	<u>37,347</u>	<u>5,299</u>	<u>127,266</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>39,981</u>	<u>88</u>	<u>40,069</u>

14. STOCKS

	2024 £	2023 £
Stocks	<u>196,050</u>	<u>180,050</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	183,955	43,425
VAT	26,951	38,461
Accrued income	<u>346,000</u>	<u>-</u>
	<u>556,906</u>	<u>81,886</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 18)	32,167	32,500
Hire purchase (see note 19)	15,892	5,540
Trade creditors	27,764	24,409
Social security and other taxes	5,728	5,062
Accruals and deferred income	<u>153,753</u>	<u>3,432</u>
	<u>235,304</u>	<u>70,943</u>

Included in accruals and deferred income above is £145,143 of income that will be recognised as income in 2024/2025 (2023 £nil)

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 18)	83,626	115,356
Hire purchase (see note 19)	<u>26,908</u>	<u>7,853</u>
	<u>110,534</u>	<u>123,209</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>32,167</u>	<u>32,500</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>32,167</u>	<u>35,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>51,459</u>	<u>80,356</u>

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2024	2023
	£	£
Net obligations repayable:		
Within one year	15,892	5,540
Between one and five years	<u>26,908</u>	<u>7,853</u>
	<u>42,800</u>	<u>13,393</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

20. SECURED DEBTS

The following secured debts are included within creditors:

	2024 £	2023 £
Hire purchase contracts	<u>42,800</u>	<u>13,393</u>

The hire purchase debt is secured on the related assets.

21. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	Transfers between funds £	At 31/3/24 £
Unrestricted funds				
General fund	167,368	488,780	13,560	669,708
Restricted funds				
Gerald Leigh Charitable Trust	-	50,675	-	50,675
Groundworks UK	750	(750)	-	-
Endoscope fund	-	25,000	-	25,000
JP Foundation	-	10,156	-	10,156
Galebreaks	-	34,844	(13,560)	21,284
Sainsbury	-	10,000	-	10,000
RTV fund	-	20,000	-	20,000
	<u>750</u>	<u>149,925</u>	<u>(13,560)</u>	<u>137,115</u>
TOTAL FUNDS	<u>168,118</u>	<u>638,705</u>	<u>-</u>	<u>806,823</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,345,676	(856,896)	488,780
Restricted funds			
Enrichment programme	20,000	(20,000)	-
Gerald Leigh Charitable Trust	50,675	-	50,675
ROR RAP	215,000	(215,000)	-
Groundworks UK	-	(750)	(750)
Endoscope fund	25,000	-	25,000
JP Foundation	126,195	(116,039)	10,156
Galebreaks total	34,844	-	34,844
Containers	3,000	(3,000)	-
Sainsbury Trust	10,000	-	10,000
RTV fund	20,000	-	20,000
	<u>504,714</u>	<u>(354,789)</u>	<u>149,925</u>
TOTAL FUNDS	<u>1,850,390</u>	<u>(1,211,685)</u>	<u>638,705</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	97,952	69,416	167,368
Restricted funds			
Uniform and tack fund	5,690	(5,690)	-
Gerald Leigh Charitable Trust	14,310	(14,310)	-
Groundworks UK	<u>-</u>	<u>750</u>	<u>750</u>
	<u>20,000</u>	<u>(19,250)</u>	<u>750</u>
TOTAL FUNDS	<u>117,952</u>	<u>50,166</u>	<u>168,118</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	589,423	(520,007)	69,416
Restricted funds			
Enrichment programme	30,000	(30,000)	-
Uniform and tack fund	-	(5,690)	(5,690)
Gerald Leigh Charitable Trust	-	(14,310)	(14,310)
ROR RAP	125,000	(125,000)	-
Groundworks UK	<u>1,000</u>	<u>(250)</u>	<u>750</u>
	<u>156,000</u>	<u>(175,250)</u>	<u>(19,250)</u>
TOTAL FUNDS	<u>745,423</u>	<u>(695,257)</u>	<u>50,166</u>

Education programme - funds given by the Racing Foundation, Chidwick Trust, Alborada Trust and Garfield Weston for running the education programme.

Enrichment programme - Enrichment is the under 16 provision for students in our Alternative to School placement.

The Gerald Leigh Charitable Trust granted HEROS £14,310 to purchase laptops and ipads for use by tutors and students in education. Some of the money was put towards converting the data from the existing server onto "the cloud" to upgrade HEROS existing IT provision. This has been so well received and has made working for all staff much easier. HEROS would like to thank the Trustees of the Gerald Leigh Charitable Trust for their generosity in making this possible.

Groundworks UK - £1,000 received in December 2022. This has all been spent by 31 March 2024.

ROR Retraining Assessment Programme (RAP) – HEROS is partnering RoR, following the pitch process in May 2022 to work up the RAP scheme. This was year 2 of the programme and at 31 March 2024 we had spent £215,000. The programme runs from October to September annually and is in place for 3 years from October 2022 – September 2025.

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

21. MOVEMENT IN FUNDS - continued

The Julia and Hans Rausing Trust awarded £25,000 for the purchase of an Endoscope for use in the forthcoming Veterinary Education Programme. It remained unspent at 31 March 2024 but the equipment was finally purchased on 17 June 2024.

The John Pearce Foundation awarded £126,195 on 23 May 2023 for the maintenance and welfare of horses used in the education programmes. At 31 March 2024 we had spent £116,039 and had £10,156 left.

Money from The Elise Pilkington Trust, The Berkshire Community, The Syder Foundation, The Prowting Charitable Trust, The Betty Phillips Trust awarded money towards Galebreaks for the large horseswalker to stop wetting horses in the winter, the bottom end of the indoor arena between the jumps and the arena to secure warmth in the winter months, a curtain over the Hub window, an electronic curtain between the gallery and the arena making it possible to use the gallery as a classroom so created dual use of the space. At 31 March 2024 we had £21,284 left to hopefully use for a forthcoming project in 2025. However, a further £2,100 was spent in 24 – 25 on an Agridoor to secure the jump store.

The Bouttell Bequest awarded £3000 for the purchase of a secure container and tools for the Forest school.

The Fred and Majorie Sainsbury Trust awarded £10,000 towards the Education Centre Project that we are fund raising for to hopefully start the project in 2025-26.

The Childwick Trust awarded £20,000 for purchase of a Kubota RTV for use solely in education and to be used to transport equipment and students to forest school daily.

Godolphin awarded a further £20,000 to HEROS Enrichment Programme and we are delighted to continue the partnership with them.

22. RELATED PARTY DISCLOSURES

During the year the charity purchased goods and services from North Farm Stud Limited of £617,576 (2022 £377,249). At the year-end £13,414 (2022 £9,557.36) was owed to North Farm Stud Limited. In addition, the charity invoiced goods and services to North Farm Stud Limited of £2,988. £nil was owed by North Farm Stud Limited. Miss G Muir, the Chief Executive Office of Heros, is a director of North Farm Stud Limited.

23. LIMITED BY GUARANTEE

The charity is a private company limited by guarantee. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

24. CONTINGENT ASSETS

A legacy has been notified to the Charity by the year end however, there is a high degree of uncertainty over the timing and amount of this. Accordingly, it does not meet the requirements of Charity SORP FRS 102 to be recognised as income in these financial statements.

HEROS

England & Wales - Charity number 1115174

Accounts

REGISTERED COMPANY NUMBER: 05679136 (England and Wales)
REGISTERED CHARITY NUMBER: 1115174

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
HEROS**

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

HEROS

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HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The primary objectives of the charity, as stated in its governing document, are to promote the welfare and rehabilitation of racehorses, former racehorses and other horses, which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, by means of retraining and re-homing. Also to deliver HEROS various education programmes to students from the age of 11 years old and upwards and to help the students work towards getting a fulfilled life in an equine career suited to each individual.

HEROS ultimately hopes that the successful re-homing of ex-racehorses, and improvements in levels of knowledge about their care, will ultimately reduce the number of horses needlessly destroyed each year and will give ex-racehorses useful lives after their racing days are over. The quality and individualised education we provide will also ensure experienced staff for the future in the equine industry.

HEROS works as an Alternative to School Placement for 11yo - 16yo children in West Berkshire and South Oxfordshire and other local counties. During 2022-23 many students, in this age range, benefited from their interaction with the horses and other animals residing at HEROS.

In all its objectives, HEROS aims to deliver the highest standards of re-training and re-homing of horses, and the best quality of training and education for people. This includes meaningful, accredited qualifications to diverse learners aged 11yo upwards, including students with Special Educational Needs (SEN) to contribute to the well-publicised shortfall of staff for work in racing and related equine industries. HEROS aims to ensure that each horse coming into HEROS, and each learner, can maximise the opportunities provided by their experience at HEROS based at and partnered by North Farm Stud.

Specific objectives for 2022/23 :

- To raise sufficient resources to enable the charity to continue to successfully re-home ex-racehorses in the future and to help as many as possible to move on to useful lives.
- To ensure that funds are sufficient to care for the horses whilst they are undergoing retraining and re-homing including keep, veterinary treatments, and farriery costs.
- To continue to improve and expand learning opportunities and employment for young people wanting to work in racing and equine related industries.
- To educate and train those who take on responsibility for rehomed horses.
- To streamline fundraising activities, focus on those events which raise most money and free up time.
- To maintain financial independence from North Farm Stud Limited and achieve greater headroom with respect to the financial sustainability of the charity.
- To achieve financial self-sustainability for HEROS and the education programme and work in partnership with the racing industry to promote the welfare of thoroughbred ex-racehorses.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Significant activities - Horses

General public awareness about the importance of re-training and responsible re-homing for ex-racehorses is raised by HEROS through events, social media and our website and through newsletters and other literature. In addition, the charity hosts events and workshops throughout the year for riders and others with a specific interest in improving their levels of skill and knowledge.

14 horses of all types were rehomed in 2022/23, 1 more than last year. 23 new horses were taken into the charity, including 6 horses which were returned to HEROS for various unrelated reasons.

9 horses were sadly put to sleep for health or unsoundness issues, as advised by our veterinary team. This includes 2 horses out on loan were put down for emergency veterinary reasons i.e. colic.

Further to the Agreement with the Board during 2022/23 to retain a core of horses able to work in the Education Programme, a number of appropriate horses are still being maintained. Care is taken to ensure that their suitability for this work is monitored. We also have 5 non-TB horses used in education for the young students who are beginning.

10 horses were included as members of the HEROS Club at 31 March 2023. These horses are primarily funded by monthly donations from Club Members and they include elderly horses or those coming in with a specific donation. Some of them also work with the education students.

At 31 March 2023 HEROS owns a total of 98 horses, both out on life-long lease and at North Farm Stud, the total value of these, as per our stock list at 31 March 2023 is £178,550.

All HEROS staff work hard to develop, strengthen, and quality-assure delivery of the most effective training for ex-racehorses requiring re-training and re-homing. Training events and in-house clinics with our qualified staff also continue to be offered at HEROS to clients thinking about, or who have already taken an ex-racehorse. In this way, HEROS helps to promote safety, welfare and a long-term future for ex-racehorses.

Education and training

The HEROS Education includes several different programmes, which can run in conjunction for students wanting to take up an equine career following taking their GCSEs. Firstly, we run an Enrichment programme for 11-16yo's, this is an alternative to school placement for students struggling in mainstream education or school and they can attend from 1 to 3 days weekly.

We offer several different post 16 courses; firstly, Traineeships at Level 1, for students who already have reasonable horse knowledge or who have attended our Enrichment Programme so can already ride and do the basics. Following a Traineeship students would generally move on to a Level 2 apprenticeship in a relevant placement, which we would help source for them. HEROS would then continue to oversee their programme in conjunction with KEITS our Training Provider partner.

We also run a Diploma group for students with an Educational Health Care Plan (EHCP). These are privately funded courses and based on Level 1, 2 and 3 in Horsecare. All students must do Functional Skills in Maths and English to level 2 if they did not achieve a pass in their GCSEs and we also run this teaching alongside all the courses post 16.

The courses are designed to support careers in the horse-racing industry, including racing-specific entry level courses, Level 1 and 2 Diplomas, and Apprenticeships at Levels 2 and 3. The final component consists of functional skills consisting of general skills teaching and learning (e.g., Maths, English, Employability and life skills) designed to be relevant to the world of work.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

1. To continue the development of the HEROS Education Programme in 2022/23, partnerships continued to be made with Local Education Authorities, Further Education land-based education providers, industry governing bodies and local employers. HEROS is fully committed to ensuring that the education programme stays relevant to employment. For example, the charity has an active presence in Youth Engagement and Community Learning Partnerships in both Oxfordshire and West Berkshire, as well as sitting in on SEND educational provision guidance meetings for Oxfordshire. These partnerships continued through 2022/23.
2. The HEROS Education programme was originally developed with support from The Racing Foundation. It offers an alternative way for learners to enter the racing industry. During 2022/23 HEROS developed and continued its relationships with KEITS as training providers for Traineeships, Diplomas and Apprenticeships. HEROS is a 'recognised centre' with the BHA and has been approved as a "Route to Racing". HEROS courses remain listed on the Careers in Racing website alongside the racing schools and the National Stud. Individualised and needs-based, the HEROS Education Programme appeals to students who are not yet ready to live away from home, who may lack the confidence to go straight into a racing yard after just nine weeks of training, or who need a more graduated approach to riding and employment. Our courses also appeal to a wider market in Oxfordshire and Berkshire, including students who already have good practical experience and the relevant GCSEs. Starting at Entry Level and going up to a level 3 Apprenticeship, our programme can cater to a wide spectrum of learners with differing levels of prior experience. The programme has already shown itself to be appealing to students and their parents and effective steps have been taken to promote better working relationships with local employers in racing who have already started to offer work experience.

Income

HEROS is enormously grateful to the many people who donate to the charity.

Thanks are due to The Fred and Majorie Sainsbury Charitable Trust for funding to allow the set up of a new programme within Enrichment. The Horseworld trust for support for new winter rugs for the horses, and Groundwork UK for support for the start up for a breakfast club in HEROS hub for the students. Another generous and much appreciated anonymous donation with no restrictions was also received.

The charity would like to thank Elite Racing for their continued support in the form of monthly donations for support specific horses. HEROS would also like to thank all other donators including; The Barry Green Memorial Fund, The OLBG, Robert Stanley and The Guise Mist Memorial Trust. Rosemary and George Greener kindly donated funds for purchase of a de-fibulator to be installed at the premises.

HEROS are proud to continue partnering with Godolphin and for their support in our Enrichment Programme for 11 - 16yos in Alternative to Schools placements at HEROS.

We would also like to thank the following for fund raising and sponsorship for HEROS; Infineum UK Ltd for naming HEROS as one of their charities for the year and raising significant funds on our behalf, Protexin Equine for their continued sponsorship of both supplying product and donation,

In May 2022 HEROS was invited to take part in a pitch process held at BHA head office which was organised by The Horse Welfare Board. HEROS was chosen after process from 5 finalists in the process to become the Aftercare Lead in the UK to partner with Retraining of Racehorses (RoR). This successful pitch resulted in the offer of £250,000 per year for 3 years. This was to launch a new Retraining Assessment Programme (RAP) for horses taking their first step out of racing. A trainer's review was undertaken by HEROS and RoR where 15 trainers across all codes were interviewed with specific questions in order to learn about the numbers of horses that this new scheme may need to cover. This work is still ongoing and the RAP scheme will be reviewed at the end of September 2023 which will be the end of year 1. HEROS received £125,000 during 2022/23 for this project.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The amount of income from horses going out on loan has also decreased from £8,925 to £8,150 due to reduced numbers.

Education turnover increase in 2022/23 to £273,256 from £148,174 in 2021/22, an increase of £125,082.

Total income has increased by £184,778 to £745,423 from £560,645 last year.

Expenses and overheads have increased again to a total of £695,257 compared to £564,044 a difference of £131,213.

Outlook

2022-23 has been an exciting year, there has been expansion of the Education Programme resulting in extra income. This will continue to expand in 2023/24. HEROS has enjoyed working in partnership with RoR to cement the future of horses leaving training and others who need help when racing days are over.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

HEROS will continue to focus on further developing its business model, create sufficient headroom to underpin a sustainable long-term future and build up a financial reserve. During this year trade creditors remain at the 30-day level. Other creditors include a loan of £100,000 from The Racing Foundation which has now started a repayment plan and a further £50,000 as a Bounce Back Loan, taken out during COVID-19.

HEROS continues to work closely with the Horse Welfare Board in their Aftercare review programmes.

We will also continue to expand our education programmes and widen the catchment area to include as many students as possible.

Trustees also believe that improvements in levels of knowledge about stable management and equine welfare amongst those taking on a thoroughbred ex-racehorse will be key to HEROS future financial sustainability. HEROS in partnership with RoR are planning to start the Thoroughbred Forum courses in April 2023.

Public benefit

HEROS has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Trustees believe that HEROS contributes to public benefit by supporting those who do not have the resources to deliver against their responsibilities for the welfare of horses whose racing days are over.

In addition, Trustees believe that HEROS is able to deliver a wider range of public benefits through provision of equine-related education and training, partly for those who may be unsuited to mainstream education for whom our programme is delivering amazing results, and partly for those wanting to work in racing and related industries where there is a shortfall.

STRATEGIC REPORT

Reserves policy

Total reserves at 31 March 2023 amounted to £168,118 (2022 £117,952). This included restricted funds of £nil (2022 £20,000).

Free reserves at 31 March 2023 amounted to £128,049 (2022 £47,794).

The Trustees aim to build reserves to a level sufficient to keep all the ex-racehorses for two years should donations fall dramatically or cease altogether.

Going concern

The Trustees believe it is appropriate to prepare accounts on a going concern basis. We continue to diversify and grow in the field of education and training.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

HEROS is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 January 2006 (amended 2017). HEROS was registered as a charity (number 3512280) with the Charity Commission on 10 July 2016 with Miss Grace Muir as Chief Executive Officer.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Recruitment and appointment of new trustees

New Trustees were appointed by the Board of Trustees taking into account their knowledge, experience, interests, and with due regard to any gaps in the skill set of the team. At 31 March 2023, the members of the Trustee Board were as follows; their biographical details can be found on the website www.heroscharity.org

Mrs J A Hubbard (Joint Chair) - Accountant
Mrs A Richardson (Joint Chair) - Psychologist
Miss H Dorling – Insurance Specialist
Mrs V A Hopgood - Solicitor
Mrs A McGonnell - Equine Veterinarian
Mrs L Minchin – Software Engineer
Mr Richard Phillips - Racehorse Trainer
Mrs M J Sutton - Retired

Trustees are made fully aware of the aims and objectives of the charity, the content of HEROS Memorandum and Articles of Association; they are provided with a Trustee Handbook and are briefed on their legal obligations. Trustees are free to meet with staff, visit the yard, speak with colleagues and other experts about their role and are encouraged to widen their experience, for example, by attending the charity's fundraising events and workshops.

Trustees delegate day-to-day management of the charity to the Chief Executive Officer, Miss Grace Muir.

Staffing

HEROS has three full time permanent staff: a Chief Executive Officer, a Charity Administrator and an Education Programme Manager. In addition 7 part-time tutors and 1 part-time Education Co-ordinator in the Education Department. Our remuneration is set in line with market rates and our in house pay scales which allow for progression within the workforce.

In March 2023 we started working with a Fund-Raising Consultant who is paid a day rate and also a percentage commission scale for funds raised.

Risk management

Risks associated with working for the charity as a paid employee, a volunteer or attending the HEROS Academy as a student, include those operational risks associated with HEROS' core activities such as managing and handling horses, speaking with clients, educating, and keeping students safe whilst they undergo training in the HEROS education programme and fundraising. Members of the Board of Trustees also carry certain financial risks and risks associated with governance of the charity (e.g., relating to conflicts of interest). All risks are managed actively in accordance with guidance published by the Charity Commission.

The risks that the charity faces are under continuous review by our appointed Health and Safety officer, Tim Stutt. In addition to assessment of risks associated with normal day-to-day running and the HEROS Education programme, a risk assessment is undertaken by Tim Stutt, Stephanie Collett (Education Programme Manager) and Grace Muir (CEO) prior to every fundraising event. To minimise possible harm to staff, clients, students or others, the Chief Executive Officer also requires a disclaimer to be signed by those trying horses prior to sale or loan to ensure they are aware of the risks to themselves and to safeguard HEROS from any legal repercussions in the event of an accident.

The disclaimer also describes a requirement for appropriate clothing to be worn (i.e. footwear, back-protector and head protection.)

Our Safeguarding consultant, Sarah Turner, annually reviews our Safeguarding Policy. The Designated Safeguarding Lead is Grace Muir (CEO) and other Designated Officers are Stephanie Collett and Jenni Dimbylow from the HEROS education team. The policy is also overseen by Anne Richardson, the Chair of the Board.

A euthanasia policy is also reviewed regularly to ensure that it is fit for purpose.

HEROS

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05679136 (England and Wales)

Registered Charity number
1115174

Registered office
The Swallows
North Farm Stud Fawley
Wantage
Oxfordshire
OX12 9NJ

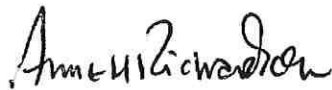
Trustees

Mrs J A Hubbard (Joint Chair) - Accountant
Mrs A Richardson (Joint Chair) - Psychologist
Miss H Dorling – Insurance Specialist
Mrs V A Hopgood - Solicitor
Mrs A McGonnell - Equine Veterinarian
Mrs L Minchin – Software Engineer
Mr Richard Phillips - Racehorse Trainer
Mrs M J Sutton - Retired

Company Secretary
Mrs M Robinson

Independent Examiner
Susan Plumb ACA
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30.1.23 and signed on the board's behalf by:



.....
Mrs A Richardson - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HEROS**

Independent examiner's report to the trustees of HEROS ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

SPumb ACA

Susan Plumb ACA

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Date: 30 Aug 2023

HEROS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	180,160	-	180,160	236,036
Charitable activities					
Retraining and rehoming of ex-racehorses	5	15,876	156,000	171,876	90,690
Other trading activities	3	381,063	-	381,063	212,197
Investment income	4	52	-	52	8
Other income		<u>12,272</u>	-	<u>12,272</u>	<u>21,714</u>
Total		<u>589,423</u>	<u>156,000</u>	<u>745,423</u>	<u>560,645</u>
EXPENDITURE ON					
Raising funds	6	27,937	-	27,937	200
Charitable activities					
Retraining and rehoming of ex-racehorses	7	<u>492,070</u>	<u>175,250</u>	<u>667,320</u>	<u>563,844</u>
Total		<u>520,007</u>	<u>175,250</u>	<u>695,257</u>	<u>564,044</u>
NET INCOME/(EXPENDITURE)		69,416	(19,250)	50,166	(3,399)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>97,952</u>	<u>20,000</u>	<u>117,952</u>	<u>121,351</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>167,368</u></u>	<u><u>750</u></u>	<u><u>168,118</u></u>	<u><u>117,952</u></u>

The notes form part of these financial statements

HEROS

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	40,069	-	40,069	50,158
CURRENT ASSETS					
Stocks	14	180,050	-	180,050	134,350
Debtors	15	81,886	-	81,886	42,930
Cash at bank		<u>59,515</u>	<u>750</u>	<u>60,265</u>	<u>98,127</u>
		321,451	750	322,201	275,407
CREDITORS					
Amounts falling due within one year	16	(70,943)	-	(70,943)	(146,720)
NET CURRENT ASSETS					
		<u>250,508</u>	<u>750</u>	<u>251,258</u>	<u>128,687</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		290,577	-	291,327	178,845
CREDITORS					
Amounts falling due after more than one year	17	(123,209)	-	(123,209)	(60,893)
NET ASSETS					
		<u>167,368</u>	<u>750</u>	<u>168,118</u>	<u>117,952</u>
FUNDS					
Unrestricted funds	21			167,368	97,952
Restricted funds				<u>750</u>	<u>20,000</u>
TOTAL FUNDS					
				<u>168,118</u>	<u>117,952</u>

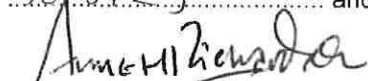
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 30.8.23 and were signed on its behalf by:


 Mrs A Richardson - Trustee

HEROS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(17,033)</u>	<u>(15,744)</u>
Net cash used in operating activities		<u>(17,033)</u>	<u>(15,744)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(13,197)	(10,336)
Interest received		<u>52</u>	<u>8</u>
Net cash used in investing activities		<u>(13,145)</u>	<u>(10,328)</u>
Cash flows from financing activities			
Capital repayments in year		<u>(7,684)</u>	<u>(5,540)</u>
Net cash used in financing activities		<u>(7,684)</u>	<u>(5,540)</u>
Change in cash and cash equivalents in the reporting period			
		(37,862)	(31,612)
Cash and cash equivalents at the beginning of the reporting period		<u>98,127</u>	<u>129,739</u>
Cash and cash equivalents at the end of the reporting period		<u>60,265</u>	<u>98,127</u>

HEROS

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	50,166	(3,399)
Adjustments for:		
Depreciation charges	23,286	22,809
Interest received	(52)	(8)
Increase in stocks	(45,700)	(32,850)
Increase in debtors	(38,956)	(9,653)
(Decrease)/increase in creditors	<u>(5,777)</u>	<u>7,357</u>
Net cash used in operations	<u>(17,033)</u>	<u>(15,744)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank	<u>98,127</u>	<u>(37,862)</u>	<u>60,265</u>
	<u>98,127</u>	<u>(37,862)</u>	<u>60,265</u>
Debt			
Finance leases	(18,933)	5,540	(13,393)
Debts falling due within 1 year	(102,500)	70,000	(32,500)
Debts falling due after 1 year	<u>(47,500)</u>	<u>(67,856)</u>	<u>(115,356)</u>
	<u>(168,933)</u>	<u>7,684</u>	<u>(161,249)</u>
Total	<u>(70,806)</u>	<u>(30,178)</u>	<u>(100,984)</u>

The notes form part of these financial statements

HEROS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

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.

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.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks & work in progress

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Costs include all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. An element of profit is included where the outcome of the project may reasonably be determined.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

Creditors 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 are recognised at their settlement amount.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Retraining of racehorses	18,500	8,500
Incoming horses	6,000	4,000
Donations - other	70,424	22,224
Recognition of bloodstock	24,700	28,350
Grants	-	172,962
Legacies	60,536	-
	<u>180,160</u>	<u>236,036</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Government support - CJRS	-	3,155
Racing Foundation - COVID support	-	169,807
	<u>-</u>	<u>172,962</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	85,361	38,221
Payments for goods and and services	5,795	8,941
Subscriptions	7,801	7,936
Lease and sale of horses	8,150	8,925
Education and training	273,956	148,174
	<u>381,063</u>	<u>212,197</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

4. INVESTMENT INCOME		2023	2022
		£	£
Deposit account interest		<u>52</u>	<u>8</u>
5. INCOME FROM CHARITABLE ACTIVITIES		2023	2022
	Activity	£	£
Grants	Retraining and rehoming of ex-racehorses	<u>171,876</u>	<u>90,690</u>
6. RAISING FUNDS			
Raising donations and legacies		2023	2022
		£	£
Other		<u>27,937</u>	<u>200</u>
7. CHARITABLE ACTIVITIES COSTS			
		Direct Costs	Support costs (see note 8)
		£	£
Retraining and rehoming of ex-racehorses		<u>661,372</u>	<u>5,948</u>
			Totals
			£
			<u>667,320</u>
8. SUPPORT COSTS			Governance costs
			£
Retraining and rehoming of ex-racehorses			<u>5,948</u>
9. NET INCOME/(EXPENDITURE)			
Net income/(expenditure) is stated after charging/(crediting):			
		2023	2022
		£	£
Depreciation - owned assets		<u>23,286</u>	<u>22,809</u>

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	145,662	124,085
Social security costs	<u>4,629</u>	<u>3,489</u>
	<u>150,291</u>	<u>127,574</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Total	<u>9</u>	<u>6</u>

No employees received emoluments in excess of £60,000.

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing, and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £32,019 (2022: £32,076).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	236,036	-	236,036
Charitable activities			
Retraining and rehoming of ex-racehorses	60,690	30,000	90,690
Other trading activities	212,197	-	212,197
Investment income	8	-	8
Other income	<u>21,714</u>	<u>-</u>	<u>21,714</u>
Total	<u>530,645</u>	<u>30,000</u>	<u>560,645</u>
EXPENDITURE ON			
Raising funds	200	-	200
Charitable activities			
Retraining and rehoming of ex-racehorses	<u>522,644</u>	<u>41,200</u>	<u>563,844</u>
Total	<u>522,844</u>	<u>41,200</u>	<u>564,044</u>
NET INCOME/(EXPENDITURE)	7,801	(11,200)	(3,399)

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued		Unrestricted funds £	Restricted funds £	Total funds £	
	RECONCILIATION OF FUNDS				
	Total funds brought forward	90,151	31,200	121,351	
		<hr/>	<hr/>	<hr/>	
	TOTAL FUNDS CARRIED FORWARD	<u>97,952</u>	<u>20,000</u>	<u>117,952</u>	
13. TANGIBLE FIXED ASSETS					
		Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
	COST				
	At 1 April 2022	3,450	133,837	23,554	160,841
	Additions	<hr/> -	<hr/> 13,197	<hr/> -	<hr/> 13,197
	At 31 March 2023	<u>3,450</u>	<u>147,034</u>	<u>23,554</u>	<u>174,038</u>
	DEPRECIATION				
	At 1 April 2022	3,450	84,288	22,945	110,683
	Charge for year	<hr/> -	<hr/> 22,765	<hr/> 521	<hr/> 23,286
	At 31 March 2023	<u>3,450</u>	<u>107,053</u>	<u>23,466</u>	<u>133,969</u>
	NET BOOK VALUE				
	At 31 March 2023	<u>-</u>	<u>39,981</u>	<u>88</u>	<u>40,069</u>
	At 31 March 2022	<u>-</u>	<u>49,549</u>	<u>609</u>	<u>50,158</u>
14. STOCKS					
			2023 £	2022 £	
	Stocks		<u>180,050</u>	<u>134,350</u>	
15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
			2023 £	2022 £	
	Trade debtors		43,425	21,778	
	VAT		<u>38,461</u>	<u>21,152</u>	
			<u>81,886</u>	<u>42,930</u>	

HEROS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Bank loans and overdrafts (see note 18)	32,500	102,500
Hire purchase (see note 19)	5,540	5,540
Trade creditors	24,409	32,607
Social security and other taxes	5,062	2,938
Accruals and deferred income	<u>3,432</u>	<u>3,135</u>
	<u>70,943</u>	<u>146,720</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2023	2022
	£	£
Bank loans (see note 18)	115,356	47,500
Hire purchase (see note 19)	<u>7,853</u>	<u>13,393</u>
	<u>123,209</u>	<u>60,893</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>32,500</u>	<u>102,500</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>35,000</u>	<u>10,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>80,356</u>	<u>37,500</u>

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023	2022
	£	£
Net obligations repayable:		
Within one year	5,540	5,540
Between one and five years	<u>7,853</u>	<u>13,393</u>
	<u>13,393</u>	<u>18,933</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

20. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Hire purchase contracts	<u>13,393</u>	<u>18,933</u>

The hire purchase debt is secured on the related assets.

21. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	97,952	69,416	167,368
Restricted funds			
Uniform and tack fund	5,690	(5,690)	-
Gerald Leigh Charitable Trust	14,310	(14,310)	-
Groundworks UK	-	750	750
	<u>20,000</u>	<u>(19,250)</u>	<u>-</u>
TOTAL FUNDS	<u>117,952</u>	<u>50,166</u>	<u>168,118</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	589,423	(520,007)	69,416
Restricted funds			
Enrichment programme	30,000	(30,000)	-
Uniform and tack fund	-	(5,690)	(5,690)
Gerald Leigh Charitable Trust	-	(14,310)	(14,310)
ROR RAP	125,000	(125,000)	-
Groundworks UK	1,000	(250)	750
	<u>156,000</u>	<u>(175,250)</u>	<u>(19,250)</u>
TOTAL FUNDS	<u>745,423</u>	<u>(695,257)</u>	<u>50,166</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS - continued

The Gerald Leigh Charitable Trust granted HEROS £14,310 to purchase laptops and ipads for use by tutors and students in education. Some of the money was put towards converting the data from the existing server onto "the cloud" to upgrade HEROS existing IT provision. This has been so well received and has made working for everyone much easier. HEROS would like to thank the Trustees of the Gerald Leigh Charitable Trust for their generosity in making this possible.

Groundworks UK – £1,000 received in December 2022. Therefore, HEROS have spent on a pro-rata basis £250 of the £1000 so far. This leaves a balance of £750.

ROR RAP – The £250,000 annual grant is paid quarterly in advance. The first quarter related to 1.10.22 - 31.12.22 and the second quarter 01.01.23 – 31.03.23 therefore this money has been received and used in the period that it related to.

22. RELATED PARTY DISCLOSURES

During the year the charity purchased goods and services from North Farm Stud Limited of £377,249. At the year-end £9557.36 was owed to North Farm Stud Limited. In addition, the charity invoiced goods and services to North Farm Stud Limited of £13,148. £nil was owed by North Farm Stud Limited. Miss G Muir, the Chief Executive Office of Heros, is a director of North Farm Stud Limited.

23. LIMITED BY GUARANTEE

The charity is a private company limited by guarantee. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

HEROS

England & Wales - Charity number 1115174

Accounts

REGISTERED COMPANY NUMBER: 05679136 (England and Wales)
REGISTERED CHARITY NUMBER: 1115174

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
HEROS**

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

HEROS

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HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The primary objectives of the charity, as stated in its governing document, are to promote the welfare and rehabilitation of racehorses, former racehorses and other horses, which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, by means of retraining and re-homing. Also to deliver HEROS various education programmes to students from the age of 11 years old and upwards and to help the students work towards getting a fulfilled life in an equine career suited to each individual.

HEROS ultimately hopes that the successful re-homing of ex-racehorses, and improvements in levels of knowledge about their care, will ultimately reduce the number of horses needlessly destroyed each year and will give ex-racehorses useful lives after their racing days are over. The quality and individualised education we provide will also ensure experienced staff for the future in the equine industry.

HEROS works as an Alternative to School Placement for 11yo – 16yo children in West Berkshire and South Oxfordshire and other local counties. During 2021-22 many students, in this age range, benefited from their interaction with the horses and other animals residing at HEROS.

In all its objectives, HEROS aims to deliver the highest standards of re-training and re-homing of horses, and the best quality of training and education for people. This includes meaningful, accredited qualifications to diverse learners aged 11yo upwards, including students with Special Educational Needs (SEN) to contribute to the well-publicised shortfall of staff for work in racing and related equine industries. HEROS aims to ensure that each horse coming into HEROS, and each learner, can maximise the opportunities provided by their experience at HEROS based at and partnered by North Farm Stud.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Specific objectives for 2021/22 :

" To raise sufficient resources to enable the charity to continue to successfully re-home ex-racehorses in the future and to help as many as possible to move on to useful lives.

" To ensure that funds are sufficient to care for the horses whilst they are undergoing retraining and re-homing including keep, veterinary treatments, and farriery costs.

" To improve learning opportunities and employment for young people wanting to work in racing and related industries.

" To educate and train those who take on responsibility for rehomed horses.

" To streamline fundraising activities, focus on those events which raise most money and free up time and resources for re-homing.

" To maintain financial independence from North Farm Stud Limited and achieve greater headroom with respect to the financial sustainability of the charity.

" To achieve financial self-sustainability for HEROS and the education programme and work in partnership with the racing industry to promote the welfare of thoroughbred ex-racehorses.

OBJECTIVES AND ACTIVITIES

Significant activities

Horses

General public awareness about the importance of re-training and responsible re-homing for ex-racehorses is raised by HEROS through events, social media and our website and through newsletters and other literature. In addition, the charity hosts events and workshops throughout the year for riders and others with a specific interest in improving their levels of skill and knowledge.

13 horses of all types were rehomed in 2021/22, 1 more than last year because HEROS was still impacted by the COVID-19 constraints and were unable to have consistent visitors throughout the year. 5 new horses were taken into the charity, the same as last year and 9 horses were returned to HEROS for various unrelated reasons, 1 more than in the previous year

8 horses were sadly put to sleep for health or unsoundness issues, as advised by our veterinary team. A further 4 horses out on loan were put down for emergency veterinary reasons i.e. colic.

Further to the Agreement with the Board during 2020/21 to retain a core of horses able to work in the Education Programme, a number of appropriate horses are still being maintained. Care is taken to ensure that their suitability for this work is monitored and they remain available to be re-homed if the education role becomes unsuitable, or a good loan home becomes available. A non-TB horse was purchased for Education in 2021/22.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

11 horses were included as members of the HEROS Club at 31 March 2022. These horses are primarily funded by monthly donations from Club Members and they include elderly horses or those coming in with a specific donation. Some of them are able to also work with the education students.

At 31 March 2022 HEROS owns a total of 98 horses, both out on life-long lease and at North Farm Stud, the total value of these, as per our stock list at 31 March 2022 is £132,850.

All HEROS staff work hard to develop, strengthen, and quality-assure delivery of the most effective training for ex-racehorses requiring re-training and re-homing. Training events and in-house clinics with our qualified staff also continue to be offered at HEROS to clients thinking about, or who have already taken an ex-racehorse. In this way, HEROS helps to promote safety, welfare and a long-term future for ex-racehorses.

Education and training

The HEROS Education programme includes several different programmes, which can run in conjunction for students wanting to take up an equine career following taking their GCSEs. Firstly, we run an Enrichment programme for 11-16yo's, this is an alternative to school placement for students struggling in mainstream education or school and they can attend from 1 to 3 days weekly.

We offer several different post 16 courses; firstly, Traineeships at Level 1, for students who already have reasonable horse knowledge or who have attended our Enrichment Programme so can already ride and do the basics. Following a Traineeship students would generally move on to a Level 2 apprenticeship in a relevant placement, which we would help source for them. HEROS would then continue to oversee their programme in conjunction with KEITS our Training Provider partner.

We also run a Diploma group for students with an Educational Health Care Plan (EHCP). These are privately funded courses and based on Level 1, 2 and 3 in Horsecare. All students must do Functional Skills in Maths and English to level 2 if they did not achieve a pass in their GCSEs and we also run this teaching alongside all the courses post 16.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The courses are designed to support careers in the horse-racing industry, including racing-specific entry level courses, Level 1 and 2 Diplomas, and Apprenticeships at Levels 2 and 3. The final component consists of functional skills consisting of general skills teaching and learning (e.g., Maths, English, Employability and life skills) designed to be relevant to the world of work.

OBJECTIVES AND ACTIVITIES

1. To support development of the HEROS Education Programme in 2021/22, partnerships were made with Local Education Authorities, Further Education land-based education providers, industry governing bodies and local employers. HEROS is committed to ensuring that the education programme stays relevant to employment. For example, the charity has an active presence in Youth Engagement and Community Learning Partnerships in both Oxfordshire and West Berkshire, as well as sitting in on SEND educational provision guidance meetings for Oxfordshire. These partnerships continued through 2021/22.

2. The HEROS Education programme was developed with support from The Racing Foundation. It offers a completely new way for learners to enter the racing industry. During 2021/22 HEROS developed and continued its relationships with KEITS as training providers for Traineeships, Diplomas and Apprenticeships. HEROS is a 'recognised centre' with the BHA and has been approved as a "Route to Racing". HEROS courses remain listed on the Careers in Racing website alongside the racing schools and the National Stud. Individualised and needs-based, the HEROS Education Programme appeals to students who are not yet ready to live away from home, who may lack the confidence to go straight into a racing yard after just nine weeks of training, or who need a more graduated approach to riding and employment. Our courses also appeal to a wider market in Oxfordshire and Berkshire, including students who already have good practical experience and the relevant GCSEs. Starting at Entry Level and going up to a level 3 Apprenticeship, our programme can cater to a wide spectrum of learners with differing levels of prior experience. The programme has already shown itself to be appealing to students and their parents and effective steps have been taken to promote better working relationships with local employers in racing who have already started to offer work experience.

Income

HEROS is enormously grateful to the many people who donate to the charity. Particular thanks are due to the Racing Foundation and their stakeholders for their continued support to see us through the COVID Pandemic.

Thanks, are also due to Mr and Mrs Greener for uniform for Students, Godolphin who support the Enrichment Programme, The Anne Duchess or Westminster Trust towards post 16 education, The Gerald Leigh trust for their donation towards IT for Education and another generous and much appreciated anonymous donator with no restrictions. The charity would like to thank Elite Racing for their continued support in the form of monthly donations for support specific horses.

Retraining of Racehorses (RoR) has historically provided a significant level of financial support for HEROS. HEROS very much appreciates the interest they have taken in the past. However, HEROS received income in 2021/2022 from the RoR of £8,500 compared to £40,700 in 2020/21 and funding levels continued to drop.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

We are proud to continue partnering with Godolphin in our Enrichment Programme for 11 - 16yos in Alternative to Schools placements at HEROS.

Donations made by those gifting horses to the charity has been impacted by not being able to take in many horses. We needed to keep a close eye on finances when fundraising during the pandemic was restricted and income has decreased this year to £4,000 compared to £8,000 the previous year.

The amount of income from horses going out on loan has also decreased from £11,994 to £8,925 due to lockdown impacting on people coming to try horses.

Education turnover increase in 2021/22 to £148,174 from £108,691 in 2020/21, an increase of £39,483.

Total income has decreased by £52,150 to £560,645 from £612,795 last year.

Expenses and overheads have increased again to a total of £564,044 compared to £547,337 a difference of £16,707.

Outlook

As 2021-22 has been a continued challenge due to the post Covid-19 restrictions, HEROS' aim is to rebuild our finances to pre covid levels.

HEROS will continue to focus on further developing its business model, create sufficient headroom to underpin a sustainable long-term future and build up a financial reserve. During this year trade creditors remain at the 30-day level. Other creditors include a loan of £100,000 from The Racing Foundation and a further £50,000 as a Bounce Back Loan, taken out during COVID-19.

The Horse Welfare Board has recruited a team to focus on welfare of the horse within the sport. One of the first items to be addressed is the aftercare of thoroughbreds after racing and we are interested to see what opportunities this may give to HEROS moving forward. HEROS is however determined to revive its retraining model and increase the throughput of horses going into the public domain in 2022/23. We hope to work closely with the Horse Welfare Board to enable this.

We will also continue to expand our education programmes and widen the catchment area to include as many students as possible.

Trustees also believe that improvements in levels of knowledge about stable management and equine welfare amongst those taking on a thoroughbred ex-racehorse will be key to HEROS future financial sustainability.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Public benefit

HEROS has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Trustees believe that HEROS contributes to public benefit by supporting those who do not have the resources to deliver against their responsibilities for the welfare of horses whose racing days are over.

In addition, Trustees believe that HEROS is able to deliver a wider range of public benefits through provision of equine-related education and training, partly for those who may be unsuited to mainstream education for whom

our programme is delivering clear results, and partly for those wanting to work in racing and related industries where there is a shortfall.

Reserves policy

The financial position of the charity at the yearend is set out on page 12. Total reserves at 31 March 2022 amounted to £117,952 (2021 £121,351). This included restricted funds of £20,000.

Free reserves at 31 March 2022 amounted to £47,794 (2021 £27,520).

The Trustees aim to build reserves to a level sufficient to keep all the ex-racehorses for two years should donations fall dramatically or cease altogether.

Going concern

The Trustees believe it is appropriate to prepare accounts on a going concern basis. We continue to diversify and grow in the field of education and training with the help of The Racing Foundation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

HEROS is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 January 2006 (amended 2017). HEROS was registered as a charity (number 3512280) with the Charity Commission on 10 July 2016 with Miss Grace Muir as Chief Executive Officer.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New Trustees were appointed by the Board of Trustees taking into account their knowledge, experience, interests, and with due regard to any gaps in the skill set of the team. At 31 March 2022, the members of the Trustee Board were as follows; their biographical details can be found on the website www.heroscharity.org

Mrs J A Hubbard (Joint Chair) - Accountant
Mrs A Richardson (Joint Chair) - Psychologist
Mrs V A Hopgood - Solicitor
Mrs A McGonnell – Equine Veterinarian
Mrs M J Sutton
Mr Richard Phillips - Racehorse Trainer

Trustees are made fully aware of the aims and objectives of the charity, the content of HEROS Memorandum and Articles of Association; they are provided with a Trustee Handbook and are briefed on their legal obligations. Trustees are free to meet with staff, visit the yard, speak with colleagues and other experts about their role and are encouraged to widen their experience, for example, by attending the charity's fundraising events and workshops.

Trustees delegate day-to-day management of the charity to the Chief Executive Officer, Miss Grace Muir.

Staffing

HEROS has three full time permanent staff: a Chief Executive Officer, a Charity Administrator, and a Level 2 Apprentice Administrator, four part-time tutors and 1 part-time Education Co-ordinator in the Education Department. Remuneration is set in line with market rates.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Risks associated with working for the charity as a paid employee, a volunteer or attending the HEROS Academy as a student, include those operational risks associated with HEROS' core activities such as managing and handling horses, speaking with clients, educating, and keeping students safe whilst they undergo training in the HEROS education programme and fundraising. Members of the Board of Trustees also carry certain financial risks and risks associated with governance of the charity (e.g., relating to conflicts of interest). All risks are managed actively in accordance with guidance published by the Charity Commission.

The risks that the charity faces are under continuous review by our appointed Health and Safety officer, Tim Stutt. In addition to assessment of risks associated with normal day-to-day running and the HEROS Education programme, a risk assessment is undertaken by Tim Stutt, Hilary Parsons (Administrator) and Grace Muir (CEO) prior to every fundraising event. To minimise possible harm to staff, clients, students or others, the Chief Executive Officer also requires a disclaimer to be signed by those trying horses prior to sale or loan to ensure they are aware of the risks to themselves and to safeguard HEROS from any legal repercussions in the event of an accident.

The disclaimer also describes a requirement for appropriate clothing to be worn (i.e. footwear, back-protector and head protection.)

Our Safeguarding Officer, Sarah Turner, reviews the Safeguarding Policy regularly. The Designated Safeguarding Lead is Grace Muir (CEO) and the policy is also overseen by Anne Richardson, the Chair of the Board.

A euthanasia policy is also reviewed regularly to ensure that it is fit for purpose.

Going concern

The Trustees believe it is appropriate to prepare accounts on a going concern basis. We continue to diversify and grow in the field of education and training set up with the help of The Racing Foundation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05679136 (England and Wales)

Registered Charity number

1115174

Registered office

The Swallows
North Farm Stud Fawley
Wantage
Oxfordshire
OX12 9NJ

HEROS

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Mrs V A Hopgood Solicitor
Mrs J A Hubbard Accountant
Mr R Phillips Racehorse Trainer
Mrs A H Richardson Govt Official
Mrs G Rowland-Clark (resigned 5.8.21)
Mrs M J Sutton
Mr C Bennett (resigned 5.8.21)
Ms F Compostella (resigned 17.9.21)
Mr A McGonnell Veterinary Surgeon (appointed 30.9.21)

Company Secretary

Mrs M Robinson

Independent Examiner

Susan Plumb ACA
ICAEW
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30/9/2022 and signed on the board's behalf by:



.....
Mrs J A Hubbard - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HEROS**

Independent examiner's report to the trustees of HEROS ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S Plumb ACA

Susan Plumb ACA
ICAEW
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Date: *30 Sept 2022*

HEROS

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	236,036	-	236,036	416,190
Charitable activities					
Retraining and rehoming of ex-racehorses		60,690	30,000	90,690	40,700
Other trading activities	3	212,197	-	212,197	136,350
Investment income	4	8	-	8	13
Other income		<u>21,714</u>	<u>-</u>	<u>21,714</u>	<u>19,542</u>
Total		<u>530,645</u>	<u>30,000</u>	<u>560,645</u>	<u>612,795</u>
EXPENDITURE ON					
Raising funds	6	200	-	200	701
Charitable activities					
Retraining and rehoming of ex-racehorses	7	<u>522,644</u>	<u>41,200</u>	<u>563,844</u>	<u>546,636</u>
Total		<u>522,844</u>	<u>41,200</u>	<u>564,044</u>	<u>547,337</u>
NET INCOME/(EXPENDITURE)		7,801	(11,200)	(3,399)	65,458
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>90,151</u>	<u>31,200</u>	<u>121,351</u>	<u>55,893</u>
TOTAL FUNDS CARRIED FORWARD		<u>97,952</u>	<u>20,000</u>	<u>117,952</u>	<u>121,351</u>

The notes form part of these financial statements

HEROS

STATEMENT OF FINANCIAL POSITION
31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	50,158	-	50,158	62,631
CURRENT ASSETS					
Stocks	14	134,350	-	134,350	101,500
Debtors	15	42,930	-	42,930	33,277
Cash at bank		<u>78,127</u>	<u>20,000</u>	<u>98,127</u>	<u>129,739</u>
		255,407	20,000	275,407	264,516
CREDITORS					
Amounts falling due within one year	16	(146,720)	-	(146,720)	(44,363)
		<u>108,687</u>	<u>20,000</u>	<u>128,687</u>	<u>220,153</u>
NET CURRENT ASSETS					
		158,845	20,000	178,845	282,784
CREDITORS					
Amounts falling due after more than one year	17	(60,893)	-	(60,893)	(161,433)
		<u>97,952</u>	<u>20,000</u>	<u>117,952</u>	<u>121,351</u>
NET ASSETS					
FUNDS					
	21			97,952	90,151
Unrestricted funds				<u>20,000</u>	<u>31,200</u>
Restricted funds					
TOTAL FUNDS					
				<u>117,952</u>	<u>121,351</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

HEROS

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2022

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on30/9/22..... and were signed on its behalf by:



.....
Mrs J A Hubbard - Trustee

The notes form part of these financial statements

HEROS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

Notes	2022 £	2021 £
Cash flows from operating activities		
Cash generated from operations 1	<u>(15,744)</u>	<u>71,875</u>
Net cash (used in)/provided by operating activities	<u>(15,744)</u>	<u>71,875</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(10,336)	(24,325)
Interest received	<u>8</u>	<u>13</u>
Net cash used in investing activities	<u>(10,328)</u>	<u>(24,312)</u>
Cash flows from financing activities		
New loans in year	-	50,000
Capital repayments in year	<u>(5,540)</u>	<u>(3,227)</u>
Net cash (used in)/provided by financing activities	<u>(5,540)</u>	<u>46,773</u>
Change in cash and cash equivalents in the reporting period		
Cash and cash equivalents at the beginning of the reporting period	<u>129,739</u>	<u>35,403</u>
Cash and cash equivalents at the end of the reporting period	<u>98,127</u>	<u>129,739</u>

The notes form part of these financial statements

HEROS

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(3,399)	65,458
Adjustments for:		
Depreciation charges	22,809	17,233
Interest received	(8)	(13)
(Increase)/decrease in stocks	(32,850)	10,150
(Increase)/decrease in debtors	(9,653)	58,852
Increase/(decrease) in creditors	<u>7,357</u>	<u>(79,805)</u>
Net cash (used in)/provided by operations	<u>(15,744)</u>	<u>71,875</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank	<u>129,739</u>	<u>(31,612)</u>	<u>98,127</u>
	<u>129,739</u>	<u>(31,612)</u>	<u>98,127</u>
Debt			
Finance leases	(24,473)	5,540	(18,933)
Debts falling due within 1 year	(7,500)	(95,000)	(102,500)
Debts falling due after 1 year	<u>(142,500)</u>	<u>95,000</u>	<u>(47,500)</u>
	<u>(174,473)</u>	<u>5,540</u>	<u>(168,933)</u>
Total	<u>(44,734)</u>	<u>(26,072)</u>	<u>(70,806)</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

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.

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.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks & work in progress

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Costs include all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. An element of profit is included where the outcome of the project may reasonably be determined.

Taxation

The charity is exempt from corporation tax on its charitable activities.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES - continued**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.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

Creditors 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 are recognised at their settlement amount.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Retraining of racehorses	8,500	26,000
Incoming horses	4,000	8,000
Donations - other	22,224	52,125
Recognition of bloodstock	28,350	-
Grants	172,962	328,565
Legacies	-	1,500
	<u>236,036</u>	<u>416,190</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Government support - CJRS	3,155	22,664
Business Interruption loan interest	-	1,250
Council grant - COVID support	-	30,000
Racing Foundation - COVID support	169,807	274,651
	<u>172,962</u>	<u>328,565</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	38,221	644
Payments for goods and services	8,941	8,685
Subscriptions	7,936	6,336
Lease and sale of horses	8,925	11,994
Education and training	<u>148,174</u>	<u>108,691</u>
	<u>212,197</u>	<u>136,350</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>8</u>	<u>13</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Retraining and rehoming of ex-racehorses	<u>90,690</u>	<u>40,700</u>

6. RAISING FUNDS**Raising donations and legacies**

	2022	2021
	£	£
Other	<u>200</u>	<u>701</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Retraining and rehoming of ex-racehorses	<u>555,058</u>	<u>8,786</u>	<u>563,844</u>

8. SUPPORT COSTS

	Governance costs £
Retraining and rehoming of ex-racehorses	<u>8,786</u>

9. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	<u>22,809</u>	<u>17,233</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	124,085	113,046
Social security costs	<u>3,489</u>	<u>2,915</u>
	<u>127,574</u>	<u>115,961</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Total	<u>6</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing, and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £35,285 (2021:£35,755).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	396,190	20,000	416,190
Charitable activities			
Retraining and rehoming of ex-racehorses	23,500	17,200	40,700
Other trading activities	136,350	-	136,350
Investment income	13	-	13
Other income	<u>19,542</u>	<u>-</u>	<u>19,542</u>
Total	<u>575,595</u>	<u>37,200</u>	<u>612,795</u>
EXPENDITURE ON			
Raising funds	701	-	701
Charitable activities			
Retraining and rehoming of ex-racehorses	<u>540,636</u>	<u>6,000</u>	<u>546,636</u>
Total	<u>541,337</u>	<u>6,000</u>	<u>547,337</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME	34,258	31,200	65,458
RECONCILIATION OF FUNDS			
Total funds brought forward	55,893	-	55,893
TOTAL FUNDS CARRIED FORWARD	<u>90,151</u>	<u>31,200</u>	<u>121,351</u>

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2021	3,450	123,501	23,554	150,505
Additions	<u>-</u>	<u>10,336</u>	<u>-</u>	<u>10,336</u>
At 31 March 2022	<u>3,450</u>	<u>133,837</u>	<u>23,554</u>	<u>160,841</u>
DEPRECIATION				
At 1 April 2021	3,450	62,746	21,678	87,874
Charge for year	<u>-</u>	<u>21,542</u>	<u>1,267</u>	<u>22,809</u>
At 31 March 2022	<u>3,450</u>	<u>84,288</u>	<u>22,945</u>	<u>110,683</u>
NET BOOK VALUE				
At 31 March 2022	<u>-</u>	<u>49,549</u>	<u>609</u>	<u>50,158</u>
At 31 March 2021	<u>-</u>	<u>60,755</u>	<u>1,876</u>	<u>62,631</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. STOCKS

	2022	2021
	£	£
Stocks	<u>134,350</u>	<u>101,500</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	21,778	7,771
VAT	21,152	18,006
Prepayments and accrued income	-	7,500
	<u>42,930</u>	<u>33,277</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 18)	102,500	7,500
Hire purchase (see note 19)	5,540	5,540
Trade creditors	32,607	25,452
Social security and other taxes	2,938	2,709
Accruals and deferred income	3,135	3,162
	<u>146,720</u>	<u>44,363</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 18)	47,500	42,500
Other loans (see note 18)	-	100,000
Hire purchase (see note 19)	13,393	18,933
	<u>60,893</u>	<u>161,433</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>102,500</u>	<u>7,500</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,000</u>	<u>10,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>37,500</u>	<u>32,500</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Other loans more 5yrs non-inst	<u>-</u>	<u>100,000</u>

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2022	2021
	£	£
Net obligations repayable:		
Within one year	5,540	5,540
Between one and five years	<u>13,393</u>	<u>18,933</u>
	<u>18,933</u>	<u>24,473</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Hire purchase contracts	<u>18,933</u>	<u>24,473</u>

The hire purchase debt is secured on the related assets.

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	90,151	7,801	97,952
Restricted funds			
Enrichment programme	20,000	(20,000)	-
Uniform and tack fund	11,200	(5,510)	5,690
Gerald Leigh Charitable Trust	-	14,310	14,310
	<u>31,200</u>	<u>(11,200)</u>	<u>20,000</u>
TOTAL FUNDS	<u>121,351</u>	<u>(3,399)</u>	<u>117,952</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	530,645	(522,844)	7,801
Restricted funds			
Enrichment programme	-	(20,000)	(20,000)
Uniform and tack fund	5,690	(11,200)	(5,510)
Anne Duchess of Westminster	10,000	(10,000)	-
Gerald Leigh Charitable Trust	14,310	-	14,310
	<u>30,000</u>	<u>(41,200)</u>	<u>(11,200)</u>
TOTAL FUNDS	<u>560,645</u>	<u>(564,044)</u>	<u>(3,399)</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	55,893	34,258	90,151
Restricted funds			
Enrichment programme	-	20,000	20,000
Uniform and tack fund	-	<u>11,200</u>	<u>11,200</u>
	-	<u>31,200</u>	<u>31,200</u>
TOTAL FUNDS	<u>55,893</u>	<u>65,458</u>	<u>121,351</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	575,595	(541,337)	34,258
Restricted funds			
Enrichment programme	20,000	-	20,000
Uniform and tack fund	11,200	-	11,200
Kitchen fitout fund	<u>6,000</u>	<u>(6,000)</u>	-
	<u>37,200</u>	<u>(6,000)</u>	<u>31,200</u>
TOTAL FUNDS	<u>612,795</u>	<u>(547,337)</u>	<u>65,458</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	55,893	42,059	97,952
Restricted funds			
Uniform and tack fund	-	5,690	5,690
Gerald Leigh Charitable Trust	-	<u>14,310</u>	<u>14,310</u>
	<u>-</u>	<u>20,000</u>	<u>20,000</u>
TOTAL FUNDS	<u>55,893</u>	<u>62,059</u>	<u>117,952</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,106,240	(1,064,181)	42,059
Restricted funds			
Enrichment programme	20,000	(20,000)	-
Uniform and tack fund	16,890	(11,200)	5,690
Kitchen fitout fund	6,000	(6,000)	-
Anne Duchess of Westminster	10,000	(10,000)	-
Gerald Leigh Charitable Trust	<u>14,310</u>	<u>-</u>	<u>14,310</u>
	<u>67,200</u>	<u>(47,200)</u>	<u>20,000</u>
TOTAL FUNDS	<u>1,173,440</u>	<u>(1,111,381)</u>	<u>62,059</u>

Education programme - funds given by the Racing Foundation, Chidwick Trust, Alborada Trust and Garfield Weston for running the education programme.

Kitchen fund - funds donated to build a new kitchen as part of the Education programme.

Enrichment programme - Enrichment is our under 16 provision for students in our Alternative to School placement.

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS - continued

Extra funding was given by :

George and Rosemary Greener granted £5,690 on 24 February 2022 to pay for new Uniform for the students. The saddles and tack, which took a long time to come, finally arrived in February 22 and were fitted in March 2022.

Anne D of Westminster granted £10,000 towards post 16 students who do not have EHCP's to enable them to do the diploma courses but who would be able to do an extended traineeship with this funding.

The Gerald Leigh Charitable Trust granted HEROS £14,310 to purchase laptops and ipads for use by tutors and students in education. Some of the money was put towards converting the data from the existing server onto "the cloud" to upgrade HEROS existing IT provision. This has been so well received and has made working for everyone much easier. HEROS would like to thank the Trustees of the Gerald Leigh Charitable Trust for their generosity in making this possible.

22. RELATED PARTY DISCLOSURES

During the year the charity purchased goods and services from North Farm Stud Limited of £313,030 (2021 £330,386). At the year-end £18,054 (2021 £15,234) was owed to North Farm Stud Limited. In addition, the charity invoiced goods and services to North Farm Stud Limited of £14,178 and nothing was owed by North Farm Stud Limited. Miss G Muir, the Chief Executive Office of HEROS, is a director of North Farm Stud Limited.

23. LIMITED BY GUARANTEE

The charity is a private company limited by guarantee. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

HEROS

England & Wales - Charity number 1115174

Accounts

REGISTERED COMPANY NUMBER: 05679136 (England and Wales)
REGISTERED CHARITY NUMBER: 1115174

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
HEROS**

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The primary objectives of the charity, as stated in its governing document, are to promote the welfare and rehabilitation of racehorses, former racehorses and other horses, which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, by means of retraining and re-homing. Also to deliver HEROS various education programmes to students from the age of 11 years old and upwards and to help the students work towards getting a fulfilled life in an equine career suited to each individual.

HEROS ultimately hopes that the successful re-homing of ex-racehorses, and improvements in levels of knowledge about their care, will ultimately reduce the number of horses needlessly destroyed each year and will give ex-racehorses useful lives after their racing days are over. The quality and individualised education we provide will also ensure experienced staff for the future in the equine industry.

HEROS works as an Alternative to School Placement for 11 – 16 year old children in West Berkshire and South Oxfordshire and other local counties. During 2020–21 many students benefited from their interaction with the horses and other animals residing at HEROS, even though COVID-19 reduced the time they were able to attend.

In all its objectives, HEROS aims to deliver the highest standards of re-training and re-homing of horses, and the best quality of training and education for people. This includes meaningful, accredited qualifications to diverse learners aged 11 year old upwards, including students with Special Educational Needs (SEN) to contribute to the well-publicised shortfall of staff for work in racing and related industries. HEROS aims to ensure that each horse coming into HEROS, and each learner, can maximise the opportunities provided by their experience at HEROS based and partnered by North Farm Stud.

Specific objectives for 2020/21 :

- To raise sufficient resources to enable the charity to continue to successfully re-home ex-racehorses in the future and to help as many as possible to move on to useful lives.
- To ensure that funds are sufficient to care for the horses whilst they are undergoing retraining and re-homing including keep, veterinary treatments, and farriery costs.
- To improve learning opportunities and employment for young people wanting to work in racing and related industries.
- To educate and train those who take on responsibility for rehomed horses.
- To streamline fundraising activities, focus on those events which raise most money and free up time and resources for re-homing.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

- To maintain financial independence from North Farm Stud Limited and achieve greater headroom with respect to the financial sustainability of the charity.
- To achieve financial self-sustainability for HEROS and the education programme and work in partnership with the racing industry to promote the welfare of thoroughbred ex-racehorses.

OBJECTIVES AND ACTIVITIES

Significant activities

Horses

General public awareness about the importance of re-training and responsible re-homing for ex-racehorses is raised by HEROS through events, social media and our website and through newsletters and other literature. In addition, the charity hosts events and workshops throughout the year for riders and others with a specific interest in improving their levels of skill and knowledge.

12 horses of all types were rehomed in 2020/21, 15 fewer than last year because HEROS was heavily impacted by the COVID-19 lockdown and unable to have visitors for the majority of the year. For this reason, only 5 new horses were taken into the charity, 28 fewer than last year and 8 horses were returned to HEROS for various unrelated reasons, half the number in the previous year. In addition, some horses which had been out on lease for many years were returned.

9 horses were sadly put to sleep for health or unsoundness issues, as advised by our veterinary team. A further 5 horses out on loan were put down for emergency veterinary reasons i.e. colic.

Further to the Agreement with the Board during 2019/20 to retain a core of horses able to work in the Education Programme, a number of appropriate horses are still being maintained. Care is taken to ensure that their suitability for this work is monitored and they remain available to be re-homed if the education role becomes unsuitable, or a good loan home becomes available. In 2019/20 RoR gave a grant to HEROS to help with the keep costs for these horses. Unfortunately this was not granted in 2020/21.

11 horses were included as members of the HEROS Club at 31 March 2021. These horses are primarily funded by monthly donations from Club Members and they include elderly horses or those coming in with a specific donation. Some of them are able to also work with the education students.

All HEROS staff work hard to develop, strengthen, and quality-assure delivery of the most effective training for ex-racehorses requiring re-training and re-homing. Training events and in-house clinics with our qualified staff also continue to be offered at HEROS to clients thinking about, or who have already taken an ex-racehorse. In this way, HEROS helps to promote safety, welfare and a long-term future for ex-racehorses.

Education and training

The HEROS Education programme includes several different programmes, which can run in conjunction for students wanting to take up an equine career following taking their GCSEs. Firstly, we run an Enrichment programme for 11-16yo's, this is an alternative to school placement for students struggling in mainstream education or school and they can attend from 1 to 3 days weekly.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

We offer several different post 16 courses; firstly, Traineeships at Level 1, for students who already have fairly good horse knowledge or who have attended our Enrichment Programme so can already ride and do the basics. Following a Traineeship students would generally move on to an apprenticeship in a relevant placement which we would help source for them. We would then continue to oversee their programme in conjunction with KEITS our Training Provider partner. We also run a Diploma group for students with an Educational Health Care Plan (EHCP). These are privately funded courses and based on Level 1 and 2 in Horsecare. All students must do Functional Skills in Maths and English to level 2 if they did not achieve a pass in their GCSEs and we also run this teaching alongside all the courses post 16.

The courses are designed to support careers in the horse-racing industry, including racing-specific entry level courses, Level 1 and 2 Diplomas, and Apprenticeships at Levels 2 and 3. The final component consists of functional skills consisting of general skills teaching and learning (e.g., Maths, English, Employability and life skills) designed to be relevant to the world of work.

OBJECTIVES AND ACTIVITIES

1. To support development of the HEROS Education Programme in 2019/20, partnerships were made with Local Education Authorities, Further Education land-based education providers, industry governing bodies and local employers. HEROS is committed to ensuring that the education programme stays relevant to employment. For example, the charity has an active presence in Youth Engagement and Community Learning Partnerships in both Oxfordshire and West Berkshire, as well as sitting in on SEND educational provision guidance meetings for Oxfordshire. These partnerships continued through 2020/21.
2. The HEROS Education programme as a whole was developed with support from the Racing Foundation. It offers a completely new way for learners to enter the racing industry. During 2020/21 HEROS developed and continued its relationships with KEITS as training providers for Traineeships, Diplomas and Apprenticeships. HEROS is a 'recognised centre' with the BHA and has been approved as a training provider. HEROS courses remain listed on the Careers in Racing website alongside the racing schools and the National Stud. Individualised and needs-based, the HEROS Education Programme appeals to students who are not yet ready to live away from home, who may lack the confidence to go straight into a racing yard after just nine weeks of training, or who need a more graduated approach to riding and employment. Our courses also appeal to a wider market in Oxfordshire and Berkshire, including students who already have good practical experience and the relevant GCSEs. Starting at Entry Level and going up to a level 3 Apprenticeship, our programme can cater to a wide spectrum of learners with differing levels of prior experience. The programme has already shown itself to be appealing to students and their parents and effective steps have been taken to promote better working relationships with local employers in racing who have already started to offer work experience.
3. The Education programme was affected hugely by COVID-19. HEROS was locked-down for a large part of the academic year and all tutors were furloughed although this helped financially. It was also a challenge to get the students back into their routines when the Government guidelines permitted HEROS to re-open. However, by March 2021 all the signs were in place that HEROS full programme would recover.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Income

HEROS is enormously grateful to the many people who donate to the charity. Particular thanks are due to the Racing Foundation and their stakeholders for their prompt support at the very start of the coronavirus pandemic which threatened the continuation of the important work of the charity.

Thanks are also due to Fred and Marjorie Sainsbury Trust, Mr and Mrs Greener, Godolphin, and the Barry Green Memorial Fund. The charity would like to thank Elite Racing for their continued support in the form of monthly donations for support specific horses.

Retraining of Racehorses (RoR) has previously provided a significant level of financial support for HEROS. HEROS very much appreciates the interest they have taken in the past. However, HEROS received income in 2020/2021 from the RoR of £40,700 compared to £153,782 in 2019/20 and continued lower levels of funding from the primary source of industry backing for ex-racehorse welfare continues to be a source of concern. HEROS maintains a positive relationship with the RoR and is running a dressage Day for them in 2021 which had to be postponed several times in 2020/21 due to COVID restrictions.

We are proud to partner with Godolphin in our Enrichment Programme for 11 – 16yos in Alternative to Schools placements at HEROS. We would like to thank Godolphin for making a superb video about HEROS Enrichment.

Donations made by those gifting horses to the charity has been impacted by not being able to take in many horses. We needed to keep a close eye on finances when fundraising during the pandemic was restricted and income has decreased this year to £8,000 compared to £16,625 the previous year.

The amount of income from horses going out on loan has also decreased from £17,130 to £11,994 due to lockdown impacting on people coming to try horses.

Total income has increased by £101,365 to £612,795 from £511,430 last year. This includes £30,000 Government grant for rates re COVID-19.

Expenses and overheads have increased again to a total of £547,377 compared to £483,724 a difference of £63,653.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Outlook

As 2020-21 has been such a challenge due to the Covid-19 restrictions, HEROS' aim is to rebuild our output to at least pre-Covid level as quickly as possible.

HEROS will continue to focus on further developing its business model, create sufficient headroom to underpin a sustainable long-term future and build up a financial reserve. During this year trade creditors remain at the 30-day level. Other creditors include a loan of £100,000 from The Racing Foundation and a further £50,000 as a Bounce Back Loan, taken out during COVID-19.

Depending on the outcome of the BHA Welfare Review, HEROS will concentrate on reviving its retraining model and increasing the throughput of horses going out into the public domain. We hope to work closely with the Racing Industry to achieve this.

We will continue to expand our education programmes and widen the catchment area to include as many students as possible.

Trustees also believe that improvements in levels of knowledge about stable management and equine welfare amongst those taking on a thoroughbred ex-racehorse will be key to HEROS future financial sustainability.

Public benefit

HEROS has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Trustees believe that HEROS contributes to public benefit by supporting those who do not have the resources to deliver against their responsibilities for the welfare of horses whose racing days are over.

In addition, Trustees believe that HEROS is able to deliver a wider range of public benefits through provision of equine-related education and training, partly for those who may be unsuited to mainstream education for whom our programme is delivering clear results, and partly for those wanting to work in racing and related industries where there is a shortfall.

Reserves policy

Total reserves at 31 March 2021 amounted to £121,351 (2019 £55,893). This includes restricted funds of £31,200.

Free reserves at 31 March 2021 amounted to £27,520 (2020 £28,054).

The Trustees aim to build reserves to a level sufficient to keep all the ex-racehorses for two years should donations fall dramatically or cease altogether.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

HEROS is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 18 January 2006 (amended 2017). HEROS was registered as a charity (number 3512280) with the Charity Commission on 10 July 2016 with Miss Grace Muir as Chief Executive Officer.

Recruitment and appointment of new trustees

New Trustees were appointed by the Board of Trustees taking into account their knowledge, experience, interests, and with due regard to any gaps in the skill set of the team. At 31 March 2021, the members of the Trustee Board were as follows; their biographical details can be found on the website www.heroscharity.org

Mrs J A Hubbard (Joint Chair) - Accountant
Mrs A Richardson (Joint Chair) - Psychologist
Mrs V A Hopgood - Solicitor
Mrs M J Sutton
Mr Richard Phillips - Racehorse Trainer
Mrs Gilly Rowland-Clark - Racehorse Owner
Miss Francesca Compostella - Veterinary Surgeon
Mr Cees Bennett - Veterinary Surgeon

Trustees are made fully aware of the aims and objectives of the charity, the content of HEROS Memorandum and Articles of Association; they are provided with a Trustee Handbook and are briefed on their legal obligations. Trustees are free to meet with staff, visit the yard, speak with colleagues and other experts about their role and are encouraged to widen their experience, for example, by attending the charity's fundraising events and workshops.

Trustees delegate day-to-day management of the charity to the Chief Executive Officer, Miss Grace Muir.

Staffing

HEROS has two full time permanent staff: a Chief Executive Officer and a Charity Administrator: plus four part-time tutors and 1 part-time education co-ordinator in the Education Department. Remuneration is set in line with market rates.

HEROS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Risks associated with working for the charity as a paid employee, a volunteer or attending the HEROS Academy as a student, include those operational risks associated with HEROS' core activities such as managing and handling horses, speaking with clients, educating and keeping students safe whilst they undergo training in the HEROS education programme and fundraising. Members of the Board of Trustees also carry certain financial risks and risks associated with governance of the charity (e.g., relating to conflicts of interest). All risks are managed actively in accordance with guidance published by the Charity Commission.

The risks that the charity faces are under continuous review by our appointed Health and Safety officer, Tim Stutt. In addition to assessment of risks associated with normal day-to-day running and the HEROS Education programme, a risk assessment is undertaken by Tim Stutt, Hilary Parsons (Administrator) and Grace Muir (CEO) prior to every fundraising event. To minimise possible harm to staff, clients, students or others, the Chief Executive Officer also requires a disclaimer to be signed by those trying horses prior to sale or loan to ensure they are aware of the risks to themselves and to safeguard HEROS from any legal repercussions in the event of an accident.

The disclaimer also describes a requirement for appropriate clothing to be worn (i.e. footwear, back-protector and head protection.)

Our Safeguarding Officer, Sarah Turner, reviews the Safeguarding Policy regularly. The Designated Safeguarding Lead is Grace Muir (CEO) and the policy is also overseen by Anne Richardson, the Chair of the Board.

A euthanasia policy is also reviewed regularly to ensure that it is fit for purpose.

Going concern

The Trustees believe it is appropriate to prepare accounts on a going concern basis. We continue to diversify and grow in the field of education and training with the help of The Racing Foundation, which has extended its funding for a further two years to 2020/21.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05679136 (England and Wales)

Registered Charity number

1115174

Registered office

The Swallows
North Farm Stud Fawley
Wantage
Oxfordshire
OX12 9NJ

HEROS

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Mrs V A Hopgood Solicitor
Mrs J A Hubbard Accountant
Mr R Phillips Race Horse Trainer
Mrs A H Richardson Govt Official
Mrs G Rowland-Clark Housewife
Mrs M J Sutton Retired
Mr C Bennett Tba (appointed 28.4.20)
Ms F Compostella Veterinary Surgeon (appointed 15.4.20)

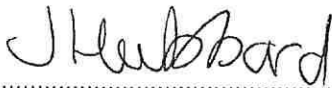
Company Secretary

Mrs M Robinson

Independent Examiner

Susan Plumb ACA
ICAEW
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on13-11-21..... and signed on the board's behalf by:



pf ~~Mrs A H Richardson~~ Trustee
MRS J. HUBBARD

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HEROS**

Independent examiner's report to the trustees of HEROS ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S Plumb ACA

Susan Plumb ACA
ICAEW
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Date: *16 Nov 2021*

HEROS

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	396,190	20,000	416,190	180,234
Charitable activities					
Retraining and rehoming of ex-racehorses	5	23,500	17,200	40,700	153,782
Other trading activities	3	136,350	-	136,350	152,032
Investment income	4	13	-	13	14
Other income		<u>19,542</u>	<u>-</u>	<u>19,542</u>	<u>25,368</u>
Total		575,595	37,200	612,795	511,430
EXPENDITURE ON					
Raising funds	6	701	-	701	1,206
Charitable activities					
Retraining and rehoming of ex-racehorses	7	540,636	6,000	546,636	482,518
Total		541,337	6,000	547,337	483,724
NET INCOME		34,258	31,200	65,458	27,706
RECONCILIATION OF FUNDS					
Total funds brought forward		55,893	-	55,893	28,187
TOTAL FUNDS CARRIED FORWARD		<u>90,151</u>	<u>31,200</u>	<u>121,351</u>	<u>55,893</u>

The notes form part of these financial statements

HEROS

STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	62,631	-	62,631	27,839
CURRENT ASSETS					
Stocks	14	101,500	-	101,500	111,650
Debtors	15	33,277	-	33,277	92,129
Cash at bank		<u>98,539</u>	<u>31,200</u>	<u>129,739</u>	<u>35,403</u>
		233,316	31,200	264,516	239,182
CREDITORS					
Amounts falling due within one year	16	<u>(44,363)</u>	-	<u>(44,363)</u>	<u>(111,128)</u>
NET CURRENT ASSETS					
		<u>188,953</u>	<u>31,200</u>	<u>220,153</u>	<u>128,054</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		251,584	31,200	282,784	155,893
CREDITORS					
Amounts falling due after more than one year	17	<u>(161,433)</u>	-	<u>(161,433)</u>	<u>(100,000)</u>
NET ASSETS					
		<u>90,151</u>	<u>31,200</u>	<u>121,351</u>	<u>55,893</u>
FUNDS					
Unrestricted funds	21			90,151	55,893
Restricted funds				<u>31,200</u>	<u>-</u>
TOTAL FUNDS					
				<u>121,351</u>	<u>55,893</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

HEROS

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2021

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 13-11-21 and were signed on its behalf by:

J Hubbard

.....
Mrs A H Richardson - Trustee

MRS J HUBBARD

pp

HEROS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>71,875</u>	<u>(72,451)</u>
Net cash provided by/(used in) operating activities		<u>71,875</u>	<u>(72,451)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,325)	(14,400)
Interest received		<u>13</u>	<u>14</u>
Net cash used in investing activities		<u>(24,312)</u>	<u>(14,386)</u>
Cash flows from financing activities			
New loans in year		50,000	100,000
Capital repayments in year		<u>(3,227)</u>	<u>-</u>
Net cash provided by financing activities		<u>46,773</u>	<u>100,000</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>35,403</u>	<u>22,240</u>
Cash and cash equivalents at the end of the reporting period		<u>129,739</u>	<u>35,403</u>

The notes form part of these financial statements

HEROS

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	65,458	27,706
Adjustments for:		
Depreciation charges	17,233	13,280
Interest received	(13)	(14)
Decrease/(increase) in stocks	10,150	(8,450)
Decrease/(increase) in debtors	58,852	(70,978)
Decrease in creditors	<u>(79,805)</u>	<u>(33,995)</u>
Net cash provided by/(used in) operations	<u><u>71,875</u></u>	<u><u>(72,451)</u></u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/20	Cash flow	Other non-cash changes	At 31/3/21
	£	£	£	£
Net cash				
Cash at bank	<u>35,403</u>	<u>94,336</u>		<u>129,739</u>
	<u>35,403</u>	<u>94,336</u>		<u>129,739</u>
Debt				
Finance leases	-	3,227	(27,700)	(24,473)
Debts falling due within 1 year	-	(7,500)	-	(7,500)
Debts falling due after 1 year	<u>(100,000)</u>	<u>(42,500)</u>	<u>-</u>	<u>(142,500)</u>
	<u>(100,000)</u>	<u>(46,773)</u>	<u>(27,700)</u>	<u>(174,473)</u>
Total	<u><u>(64,597)</u></u>	<u><u>47,563</u></u>	<u><u>(27,700)</u></u>	<u><u>(44,734)</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

Going concern

The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations, funding, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is that, given the measures that could be undertaken to mitigate the current adverse conditions and the current resources available, they can continue to adopt the going concern basis 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.

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.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks & work in progress

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Costs include all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Stocks & work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. An element of profit is included where the outcome of the project may reasonably be determined.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

Creditors 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 are recognised at their settlement amount.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Retraining of racehorses	26,000	66,500
Incoming horses	8,000	16,625
Donations - other	52,125	88,659
Recognition of bloodstock	-	6,950
Grants	328,565	-
Legacies	<u>1,500</u>	<u>1,500</u>
	<u>416,190</u>	<u>180,234</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Government support - CJRS	22,664	-
Business Interruption loan interest	1,250	-
Council grant - COVID support	30,000	-
Racing Foundation - COVID support	<u>274,651</u>	<u>-</u>
	<u>328,565</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	644	9,301
Payments for goods and services	8,685	5,121
Subscriptions	6,336	6,702
Lease and sale of horses	11,994	17,130
Education and training	<u>108,691</u>	<u>113,778</u>
	<u>136,350</u>	<u>152,032</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>13</u>	<u>14</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Activity		
Retraining and rehoming of ex-racehorses	40,700	153,782
	<u>40,700</u>	<u>153,782</u>

6. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Other	701	200
Annual Horse Show	-	1,006
	<u>701</u>	<u>1,206</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Retraining and rehoming of ex- racehorses	<u>541,721</u>	<u>4,915</u>	<u>546,636</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS

	Governance costs £
Retraining and rehoming of ex-racehorses	<u>4,915</u>

9. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	<u>17,233</u>	<u>13,280</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	113,046	119,264
Social security costs	<u>2,915</u>	<u>6,247</u>
	<u>115,961</u>	<u>125,511</u>

The average monthly number of employees during the year was as follows:

<u>2021</u>	<u>2020</u>
6	6

No employees received emoluments in excess of £60,000.

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £35,775 (2020: £33,840).

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	180,234	-	180,234
Charitable activities			
Retraining and rehoming of ex-racehorses	16,024	137,758	153,782
Other trading activities	152,032	-	152,032
Investment income	14	-	14
Other income	<u>25,368</u>	<u>-</u>	<u>25,368</u>
Total	373,672	137,758	511,430
EXPENDITURE ON			
Raising funds	1,206	-	1,206
Charitable activities			
Retraining and rehoming of ex-racehorses	330,380	152,138	482,518
Total	331,586	152,138	483,724
NET INCOME/(EXPENDITURE)	42,086	(14,380)	27,706
Transfers between funds	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>
Net movement in funds	44,586	(16,880)	27,706
RECONCILIATION OF FUNDS			
Total funds brought forward	11,307	16,880	28,187
TOTAL FUNDS CARRIED FORWARD	<u>55,893</u>	<u>-</u>	<u>55,893</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2020	3,450	71,818	23,212	98,480
Additions	<u>-</u>	<u>51,683</u>	<u>342</u>	<u>52,025</u>
At 31 March 2021	<u>3,450</u>	<u>123,501</u>	<u>23,554</u>	<u>150,505</u>
DEPRECIATION				
At 1 April 2020	3,450	46,885	20,306	70,641
Charge for year	<u>-</u>	<u>15,861</u>	<u>1,372</u>	<u>17,233</u>
At 31 March 2021	<u>3,450</u>	<u>62,746</u>	<u>21,678</u>	<u>87,874</u>
NET BOOK VALUE				
At 31 March 2021	<u>-</u>	<u>60,755</u>	<u>1,876</u>	<u>62,631</u>
At 31 March 2020	<u>-</u>	<u>24,933</u>	<u>2,906</u>	<u>27,839</u>

14. STOCKS

	2021 £	2020 £
Stocks	<u>101,500</u>	<u>111,650</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	7,771	62,839
VAT	18,006	21,374
Prepayments and accrued income	<u>7,500</u>	<u>7,916</u>
	<u>33,277</u>	<u>92,129</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 18)	7,500	-
Hire purchase (see note 19)	5,540	-
Trade creditors	25,452	91,028
Social security and other taxes	2,709	2,133
Accruals and deferred income	<u>3,162</u>	<u>17,967</u>
	<u>44,363</u>	<u>111,128</u>

Included in creditors due in less than one year is £nil (2020 £14,700) deferred income to be released in full in the coming year.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 18)	42,500	-
Other loans (see note 18)	100,000	100,000
Hire purchase (see note 19)	<u>18,933</u>	<u>-</u>
	<u>161,433</u>	<u>100,000</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>7,500</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>32,500</u>	<u>-</u>
Other loans:		
Racing Foundation loan. The loan is interest free with no specific repayment terms set at present.	<u>100,000</u>	<u>100,000</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021	2020
	£	£
Net obligations repayable:		
Within one year	5,540	-
Between one and five years	<u>18,933</u>	<u>-</u>
	<u>24,473</u>	<u>-</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Hire purchase contracts	<u>24,473</u>	<u>-</u>

The hire purchase debt is secured on the related assets.

21. MOVEMENT IN FUNDS

	At 1/4/20	Net movement in funds	At 31/3/21
	£	£	£
Unrestricted funds			
General fund	55,893	34,258	90,151
Restricted funds			
Enrichment programme	-	20,000	20,000
Uniform and tack fund	<u>-</u>	<u>11,200</u>	<u>11,200</u>
	<u>-</u>	<u>31,200</u>	<u>31,200</u>
TOTAL FUNDS	<u>55,893</u>	<u>65,458</u>	<u>121,351</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	575,595	(541,337)	34,258
Restricted funds			
Enrichment programme	20,000	-	20,000
Uniform and tack fund	11,200	-	11,200
Kitchen fitout fund	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>
	<u>37,200</u>	<u>(6,000)</u>	<u>31,200</u>
TOTAL FUNDS	<u>612,795</u>	<u>(547,337)</u>	<u>65,458</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General fund	11,307	42,086	2,500	55,893
Restricted funds				
Education programme	16,880	(16,880)	-	-
Kitchen fund	<u>-</u>	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>
	<u>16,880</u>	<u>(14,380)</u>	<u>(2,500)</u>	<u>-</u>
TOTAL FUNDS	<u>28,187</u>	<u>27,706</u>	<u>-</u>	<u>55,893</u>

HEROS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	373,672	(331,586)	42,086
Restricted funds			
Education programme	135,258	(152,138)	(16,880)
Kitchen fund	<u>2,500</u>	<u>-</u>	<u>2,500</u>
	<u>137,758</u>	<u>(152,138)</u>	<u>(14,380)</u>
TOTAL FUNDS	<u>511,430</u>	<u>(483,724)</u>	<u>27,706</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	11,307	76,344	2,500	90,151
Restricted funds				
Education programme	16,880	(16,880)	-	-
Kitchen fund	-	2,500	(2,500)	-
Enrichment programme	-	20,000	-	20,000
Uniform and tack fund	<u>-</u>	<u>11,200</u>	<u>-</u>	<u>11,200</u>
	<u>16,880</u>	<u>16,820</u>	<u>(2,500)</u>	<u>31,200</u>
TOTAL FUNDS	<u>28,187</u>	<u>93,164</u>	<u>-</u>	<u>121,351</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	949,267	(872,923)	76,344
Restricted funds			
Education programme	135,258	(152,138)	(16,880)
Kitchen fund	2,500	-	2,500
Enrichment programme	20,000	-	20,000
Uniform and tack fund	11,200	-	11,200
Kitchen fitout fund	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>
	<u>174,958</u>	<u>(158,138)</u>	<u>16,820</u>
TOTAL FUNDS	<u>1,124,225</u>	<u>(1,031,061)</u>	<u>93,164</u>

Education programme - funds given by the Racing Foundation, Chidwick Trust, Alborada Trust and Garfield Weston for running the education programme.

Kitchen fund - funds donated to build a new kitchen as part of the Education programme.

Enrichment programme - Enrichment is our under 16 provision for students in our Alternative to School placement.

Uniform and Tack fund -this money was given to fund uniforms and tack for the students and specifically for education. The saddles and tack have been on order for 3 months and are due to arrive in January 2022.

Kitchen fitout fund -the money came from a grant maker who would like to remain anonymous and was used to fit out the above kitchen.

22. RELATED PARTY DISCLOSURES

During the year the charity purchased goods and services from North Farm Stud Limited of £330,386 (2020 £268,375). At the year-end £15,234 (2020 £72,618) was owed to North Farm Stud Limited. In addition, the charity invoiced goods and services to North Farm Stud Limited of £16,408. £2,641 was owed by North Farm Stud Limited. Miss G Muir, the Chief Executive Office of Heros, is a director of North Farm Stud Limited.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

23. LIMITED BY GUARANTEE

The charity is a private company limited by guarantee. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.