

Charity Number: 1159571

THE HUMANE EDUCATION SOCIETY

Report of the Trustees and financial statements for the year ended
31 December 2021

THE HUMANE EDUCATION SOCIETY

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THE HUMANE EDUCATION SOCIETY

TRUSTEES AND ADVISERS

HONORARY PRESIDENT Mrs L Dutton

TRUSTEES	Mr C Barton	Mrs C Brown
	Mrs A Brenninkmeijer	Dr C Reed
	Dr E Broadbelt	Mrs E van der Zeil

CHARITY NUMBER 1159571

REGISTERED OFFICE The Animal Sanctuary
Newgate
Wilmslow
Cheshire
SK9 5LN

BANKERS NatWest plc
4 Grove Street
Wilmslow
Cheshire
SK9 1EJ

FINANCIAL ADVISER Justin Heap
Swiftsure Wealth Management
1, Church Hill
Knutsford
Cheshire
WA16 6DH

Paul Gold
Head of Private Clients
Swiftsure Wealth Management
1, Church Hill
Knutsford
Cheshire
WA16 6DH

INDEPENDENT EXAMINER Mr A Pannell ACA CTA
8, Arlington Crescent
Wilmslow
Cheshire
SK9 6BJ

THE HUMANE EDUCATION SOCIETY

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The Trustees of the Humane Education Society present their annual report for the year ended 31st December 2021 under the Charities Act 2011, together with the financial statements for the year. The financial statements comply with the Charities Act 2011; the charity's governing document, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

STRUCTURE, GOVERNANCE AND ADMINISTRATION

The charity is a Charitable Incorporated Organisation (CIO) with a constitution, and was registered with the Charities Commission in December 2014.

The Board of Trustees is responsible for the day to day governance and administration of the CIO. Decisions regarding rehoming and animal welfare are delegated to the staff except when significant veterinary fees are involved. Then the trustees will deliberate with the staff on the best way forward.

The Board of Trustees is responsible for the appointment of new trustees. New trustees will only be appointed after due consideration is given to their eligibility, personal competence and skills. New trustees, when appointed, are inducted into the working of the CIO by the existing trustees.

The Annual General Meeting of the charity was held on Wednesday 27th October 2021, and at this meeting the decision of the Board of Trustees (9th December 2020) to elect Mr Colin Barton to the Chair of Trustees and Mrs Elaine van der Zeil to the Board was ratified by the membership. On 9th May, Mrs Elizabeth Broadbelt tendered her resignation from the Board and this was accepted by the Chair. The Board thanked Mrs Broadbelt for her service to the Society.

Sadly, Mrs Lin Dutton, the Society's Honorary President, passed away in November 2021.

The Trustees have identified the major risks to which the CIO is exposed, and have put procedures in place to manage those risks.

OBJECTIVES AND ACTIVITIES

The objectives of the CIO are:

1. to promote the education of young people and adults in the humane principles and right treatment of all living creatures; and
2. to promote humane behaviour towards animals by taking into its animal sanctuary animals that need care and attention due to sickness,

THE HUMANE EDUCATION SOCIETY

maltreatment or poor circumstances, and treating and caring for them until they can be found homes.

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

The CIO achieves these objectives by organising educational talks and visits to/from schools and groups, by providing volunteering opportunities, by offering work placements for secondary school pupils, college and university students, and by effectively running the Wilmslow Animal Sanctuary. Donations, legacies and grants received, together with the fundraising activities of the volunteers, provide the necessary funds for these activities.

FINANCIAL REVIEW

A summary of the year's results can be found on page 10 of this document.

Income

During 2021 income from charitable activities was £195,177 compared to £210,052 in 2020. However, on top of this the charity received £78,326 in compensation from St James's Place for mismanagement of the Society's investment. Excluding that sum, the reduction of £14,875 in income was due to a decrease in donations and fundraising activities.

The coronavirus pandemic continued to have a detrimental effect on fundraising income during 2021, although we were able to hold two small on-site fundraising events. The first, a plant sale, raised over £1,300 and our second summer afternoon tea proved very popular, raising around £1,500. One of our volunteers, Patti Wilson, organised a local street event which raised nearly £2,500 for the Society; we are extremely lucky to have such dedicated volunteers. Sales on eBay continued to be lucrative bringing in over £8,500. Around £1,200 of this was due to a very large donation of clothes and accessories from a local celebrity, Ampika Pickston, who was a star in several series of the Real Housewives of Cheshire. We are very grateful to her for her support. A new event for the Sanctuary was a pop-up "charity shop" during one week in December. A variety of clothes, accessories and household items were on sale as well as our calendars and Christmas cards, and this proved popular raising around £1,200. As COVID-19 restrictions continue to be eased we look forward to a fruitful year of fundraising in 2022.

In the second quarter of 2021 the Trustees held meetings with the charity's investment advisor Renzo Giovannini regarding the poor performance of their investments during 2020 and early 2021. During the course of these meetings it became clear that the Trustees' instructions regarding their investment had not been followed in some respects, and that they had not been made fully aware of some of the issues surrounding their choice of an ethical portfolio. As a result, a complaint was lodged with St James's Place, and Paul Gold replaced Renzo Giovannini as the Society's investment advisor. In addition,

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the investment was shifted into an alternative ethical portfolio. Substantial compensation (£78,326) was received from St James's Place and the investment also grew by £38,699 during the second half of the year.

We would like to thank all those who remembered us in their wills, in particular: Sheila Rothwell (£40,000), Valerie Fitton (£16,400) and Mrs A Roberts (£2,000).

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Expenditure

Total expenditure in 2021 was £200,755 compared to £214,079 in 2020. This reduction was, in the main, due to 2020 wage costs being higher than normal because an extra person had been employed during lockdown.

ACHIEVEMENTS

Throughout 2021 the Trustees held regular meetings to manage the affairs of the CIO and to develop strategies for moving it forward. Major achievements of 2021 included:

1. Continuing to provide high standards of animal care and to rehome animals during the continuing challenging conditions of a pandemic and national lockdowns
2. Finalising plans for a major refurbishment of the horse barn
3. Installation of a 'Memorial Garden'

Animal Care and Rehoming

New animal homing protocols developed during 2020 continued to be used during 2021 and have proved to be extremely successful.

Rehoming figures for 2021 are shown below:

Animal	Admitted	Returned	Rehomed
Cat/Kitten	154	5	112
Rabbit	4	0	3
Guinea Pig	6	0	1
Equine	0	0	1
Other	11	0	1

Refurbishment of the Horse Barn

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The fabric of the horse barn has been deteriorating for some years, and during 2021 the decision was made to tackle this issue. In addition to the obvious problems with the side walls, a survey of the barn highlighted the fact that many of the structural pillars were showing signs of decay and would need replacing, and the asbestos roof was deemed to be unsafe due to the amount of moss growing on it. Several contractors were invited to visit the site to discuss the way forward and to tender for the project. After much consultation the Trustees took the decision to:

- Replace the structural pillars where necessary.
- Clad the side walls with box profile metal with Perspex sheets at the top to increase the light in the barn.
- Remove the asbestos roof and replace it with metal sheeting with skylights.
- Replace the front with box metal sheeting incorporating large, high wooden gates so that high vehicles can access the barn.

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

- Replace the back with box metal sheeting incorporating large gates so that the horses can easily access the back paddock.

This work is planned to start in January 2022 and has funded by donations from two very generous supporters and a legacy.

The Memorial Garden

For some years the Trustees have been considering developing a 'Memorial Garden', a space in which people can sit quietly and remember their departed pets, and also commemorate them in a permanent way. During 2021 a generous supporter provided the funds for this project and a local garden designer (Blue Tulip Garden Design) donated her time to design an appropriate space. The work was completed in the autumn and is a delightful area that enhances the Sanctuary grounds. Wires are strung between pergola uprights, and animals can be commemorated with engraved stainless steel leaves that



hang from the wires.

**TRUSTEES ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

STATEMENT OF TRUSTEES RESPONSIBILITIES

Charity 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 its financial activities for the period together with its assets and liabilities at the end of the period, and to adequately distinguish any material special trust or other restricted funds of the charity. In preparing these financial statements the Trustees are required to:

- a) Select suitable accounting policies and apply them consistently
- b) Make judgements and estimates that are reasonable and prudent
- c) State whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements, and
- d) Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity 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 charity. 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.

On behalf of the Trustees:



Colin Barton

(Chair of Trustees)

Date

13 Sep 2022

THE HUMANE EDUCATION SOCIETY

INDEPENDENT REVIEWER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

I report on the accounts for the year ended 31 December 2021, which are set out on pages 10 to 20.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) Which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or

(2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr A Pannell ACA CTA

.....*A. Pannell*.....

Date

.....1/9/22.....

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2021**

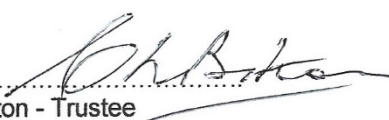
	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible Assets	4		185,289		205,406
Investments	5		429,273		390,574
Total Fixed Assets			<u>614,562</u>		<u>595,980</u>
Debtors	6	181,994		5,501	
Cash at bank and in hand		439,319		522,368	
Total current Assets		<u>621,313</u>		<u>527,869</u>	
Creditors amounts falling due within one year	7	(7,908)		(7,329)	
Net Current Assets			<u>613,405</u>		<u>520,540</u>
Total Net Assets			<u>1,227,967</u>		<u>1,116,520</u>
The Funds of the Charity					
Unrestricted Funds	9		<u>1,227,967</u>		<u>1,116,520</u>

The notes on pages 13-18 form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note s	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	10	<u>(77,419)</u>	<u>12,761</u>
Cash flows from Investing Activities			
Interest Income		547	1,187
Purchase of Tangible Fixed Assets		(6,177)	(113,638)
Net Cash used in investing activities		<u>(5,630)</u>	<u>(112,451)</u>
Cash flows from financing activities			
Change in cash and cash equivalents in the reporting period		(83,049)	(99,690)
Cash and cash equivalents at the beginning of the reporting period		522,368	622,058
Cash and cash equivalents at the end of the reporting period	11	<u><u>439,319</u></u>	<u><u>522,368</u></u>

Approved on behalf of the Trustees


C Barton - Trustee

13 Sep 2022
Date


C Reed - Trustee

13/9/22
Date

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the basis that this CIO (charity 1159571) and charity 207513 have always been part of the same reporting entity. Therefore, the assets and liabilities of charity 207513 (£200 cash at the bank) have been included in the balance sheet.

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The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. There are no significant areas of judgements and key assumptions that affect items in the accounts except for depreciation which is detailed in note 1.8.

1.2 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income is only deferred when the criterion for income recognition has not been met, and occurs in the following circumstances:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions, which must be met before the charity has unconditional entitlement.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.3 Investment income

Interest on funds is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.4 Volunteers

In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

1.5 Expenditure

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Expenditure is included on an accrual basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

1.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1.7 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 Depreciation

Depreciation has been provided on tangible assets to write off their cost less estimated residual value over their expected useful economic lives as follows:

Land	Not depreciated
Buildings	10% written down value
Motor vehicles	25% written down value
Animal welfare equipment	10% of the original cost
Furniture and office equipment	25% of the original cost

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.9 DEBTORS

Sundry debtors are recognised at the settlement amount. Prepayments are valued at the net amount prepaid.

1.10 CREDITORS

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

discounts due.

2. CHARITABLE ACTIVITIES

	31 Dec 2021	31 Dec 2020
Animal Sanctuary expenses :		
Feeding and care of horses and other animals	11,618	13,619
Blacksmith and veterinary fees	26,347	31,532
Salaries and NIC	102,455	110,205
Motor vehicle and travelling expenses	2,638	1,705
Rent, rates and water	881	785
Heating and lighting	8,609	7,702
Telephone	219	595
Insurance	3,007	2,588
Printing, postage and stationery	1,826	1,294
Bank and streamline charges	125	531
Advertising (fundraising)	7,336	1,303
Repairs and renewals	5,499	17,366
Sundry expenses	1,900	1,160
Depreciation	26,294	21,421
Loss on disposal of fixed assets	0	0
Accounting and other professional fees	2,001	2,273
	<u>£200,755</u>	<u>£214,079</u>

3. STAFF COSTS

Salaries	97,413	104,299
National Insurance	3,057	3,864
Employer's pension contribution	1,985	2,042
	<u>£102,455</u>	<u>£110,205</u>

The average headcount of employees during the year was 5 (2020: 5.5)

The Trustees received no remuneration during the year (2020 : £0) and did not receive any expenses

during the year (2020: £0)

No employee earned in excess of £60,000 in the current or previous year.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. FIXED ASSETS

	Sanctuary Buildings	Motor Vehicles	Animal Welfare Equipmen t	Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
At 1 January 2021	434,582	37,170	30,491	27,746	529,989
Additions	-	-	-	6,177	6,177
Disposals	-	-	-	-	-
At 31 December	<u>434,582</u>	<u>37,170</u>	<u>30,491</u>	<u>33,923</u>	<u>536,166</u>

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2021

Depreciation

At 1 January 2021	270,001	28,055	7,623	18,904	324,583
Charge in year	16,458	2,279	3,049	4,508	26,294
Disposals	-	-	-	-	-
At 31 December 2021	286,459	30,334	10,672	23,412	350,877
Net Book Value					
At 31 December 2021	148,123	6,836	19,819	10,511	185,289
At 31 December 2020	164,581	9,115	22,868	8,842	205,406

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. INVESTMENT ASSETS

The charity holds an investment through Rowan Dartington investment advisers. This investment is valued at market value at 31 December 2021 in the Balance Sheet. Gains or losses in its value for the year are included in the SOFA.

5.1 Compensation was awarded for not following the investment wishes of the Trustees of the charity. This was taken as cash and not reinvested.

2021

2020

6. DEBTORS

Prepayments and accrued income	180,617	3,596
Other debtors	1,377	1,905
	-----	-----
	£181,994	£5,501
	-----	-----

7. CREDITORS: Amounts falling due within one year

Trade creditors	7,086	6,447
Accruals and deferred income	822	882

THE HUMANE EDUCATION SOCIETY

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£7,908	£7,329
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8. RELATED PARTY TRANSACTIONS

Aggregate donations by the trustees to the charity:

2021	2020
£23,306	£16,039

There are no outstanding balances with related parties as at 31 December 2021 (2020: £nil).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. ANALYSIS OF FUNDS

	Funds 1 Jan 2021 £	Incom e £	Expendit ure £	Investm ent Gain £	Funds 31 Dec 2021 £
		273,503			
Unrestricted funds	1,116,520		200,755	38,699	1,227,967

The total net assets are allocated to the unrestricted fund, as there are no other fund types.

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW

FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net movement in funds	111,447	(19,089)
Adjustments for :		
Depreciation charge	26,294	21,421
Loss on disposal of assets	0	0
(Gain)/loss in Valuation of Investment	(38,699)	15,062
Interest Income	(547)	(1,187)
(Increase)/decrease in Debtors	(176,493)	(1,211)
Increase/(decrease) in Creditors	579	(2,235)

THE HUMANE EDUCATION SOCIETY

Net Cash provided by operating activities	(77,419)	12,761
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11. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash in hand	439,319	522,368
Total cash and cash equivalents	439,319	522,368

The following pages do not form part of the statutory financial statements

**REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Income		
Legacies received/receivable	58,494	54,461
	136,13	154,40
Subscriptions and donations	6	4
Interest on bank deposit accounts	547	1,187
	195,17	210,05
	7	2
	200,75	214,07
	5	9
Deduct Expenditure		
(see separate schedule)		
Excess of Income over Expenditure for the year	(5,578)	(4,027)
		(15,06
Change in value of portfolio investment	38,699	2)
Investment compensation	78,326	
	111,44	(19,08
	7	9)
Net Income/(expenditure) for the year		

This page does not form part of the statutory financial statements

**EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**


	2021 £	2021 £	2020 £	2020 £
EXPENDITURE				
Animal Sanctuary Expenses				
Feeding and care of horses and small animals	11,618		13,619	
Blacksmith and veterinary fees	26,347		31,532	
	102,45		110,20	
Wages, salaries and Social Security contributions	5		5	
		140,420		155,356
Motor vehicle and travelling expenses	2,638		1,705	
Rent, rates and water	881		785	
Heating and lighting	8,609		7,702	
Telephone	219		595	
Insurance	3,007		2,588	
Printing, postage and stationery	1,826		1,294	
Sundry expenses	1,900		1,160	
Advertising (fundraising)	7,336		1,303	
Repairs and renewals	5,499		17,366	
		31,915		34,498
Bank and Streamline Charges	125		531	
Professional fees				
-Accountancy				
-Taxation, payroll & bookkeeping	992		999	
-Other professional fees	1,009		1,274	
		2,126		2,804
Depreciation				
-Buildings	16,458		10,863	
-Motor vehicles & trailers	2,279		3,038	
-Animal welfare equipment	3,049		3,049	
-Furniture & office equipment	4,508		4,471	
-Loss on disposal of Fixed Assets				
		26,294		21,421
		200,755		214,079
Total Expenditure		<u>5</u>		<u>9</u>

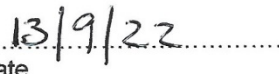
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Approved on behalf of the Trustees


.....
C Barton - Trustee


.....
C Reed - Trustee


.....
Date


.....
Date