

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 January 2021
for
New Beginnings Horses CIO

New Beginnings Horses CIO

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for the Year Ended 31 January 2021

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New Beginnings Horses CIO

Report of the Trustees **for the Year Ended 31 January 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 January 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 charity's objects as stated in its constitution are:

"For the benefit of the public to relieve the suffering of racehorses in need of care and attention by providing and maintaining a rescue home or other facilities for the reception, care and treatment of such animals.

To promote humane behaviour towards racehorses by providing care, protection, treatment and security for racehorses which are in need of care and attention by reason of sickness, maltreatment, poor circumstances or ill usage and to educate the public in matters pertaining to animal welfare in general and the prevention of cruelty and suffering among animals."

New Beginnings was established in 2010 as a CIC (Community Interest Company) and became a registered Charity in 2016. Since its inception New Beginnings has strived to build its reputation to now becoming recognised as the Centre of Excellence for rehabilitation, retraining and re-homing of former racehorses in the North East of England. The Charity has got this reputation by always putting the horse's welfare first and foremost. The Charity is also one of only ten centres accredited to the RoR (Retraining of Racehorses the official Charity of the British Horseracing Association)

The references to racehorses includes former racehorses.

New Beginnings Horses CIO

Report of the Trustees **for the Year Ended 31 January 2021**

OBJECTIVES AND ACTIVITIES

Significant activities

Horses are taken in by the charity directly from trainers, owners, from post racing private homes and the RoR through their Vulnerable Horses Scheme. At this stage the horse comes under the care of the charity and belongs to the charity. An inward donation is requested in all cases to contribute to the future cost of stabling, rehabilitating and retraining the horses before re-homing.

The horse is assessed and may be turned away for a period of time to adjust from its former situation. When ready, the horse will be brought into work at a pace suitable for each individual horse.

When the horse has been retrained, can carry itself in an outline, is hacking out alone or in company and is considered suitable to be offered out on loan, their details will be added to the website so potential loaners can view their details and see if they may be compatible.

Where potential loaners have contacted the charity with or without seeing the details of the current horses available on the website, they will be sent a Horse Enquiry Form asking questions in relation to their experience along with what they are looking for. These will then be discussed and if any horses are considered suitable for them, a visit by the potential loaner to the charity's base will be arranged so horses and loaner can meet and be assessed together.

The process of re-homing the horses is taken carefully and the charity will not re-home a horse until they are satisfied it is a suitable match for the horse, and the loaner is fully aware of the ongoing training requirements to achieve a successful move and can continue with the horse's development into a ridden horse. The process can take several weeks to match horse and loaner.

Once loaned out, the horses cannot be sold by the loaner, they will always belong to the charity. If the circumstances change and the horse needs to be returned to the charity, the charity will take the horse back to ensure its security and where suitable, a new home will be sought for the horse, whilst continuing its schooling.

The charity can attend up to 20 race meetings per year. Racecourses usually attended include York, Pontefract, Ripon, Wetherby, and Doncaster. They also work with York Racecourse for their emergency procedures day. The charity also take their exhibition unit to the RoR Championship Show at Aintree, Middleham Stables Open Day and Malton Festival of Racing along with numerous local shows.

Most race meetings will consist of taking two former racehorses, this allows the public to meet and touch a horse, many for the first time. During the past eleven years the charity have seen many of the then children, progress and learn to ride, just because they saw and touched one of their former racehorses. This also helps to promote the charity's objectives and aims to the wider public, many of whom have never considered what happens to racehorses once they are no longer active in the sport.

The charity also takes part in ridden parades at Ripon, Pontefract, Wetherby and Doncaster, where they take several former racehorses. These can be either horses that they have retrained and are ready to be re-homed, or horses that are out on loan ridden by the loaner.

The charity feel that this is important as it shows the true versatility of these wonderful horses.

Public benefit

The trustees give due regard to guidance published by the Charity Commission on public benefit. The trustees consider the care, protection, treatment and security offered to racehorses and former racehorses to be a benefit to the public.

New Beginnings Horses CIO

Report of the Trustees **for the Year Ended 31 January 2021**

OBJECTIVES AND ACTIVITIES

Volunteers

The charity get support from businesses who donate a day, where they will donate their time to do the routine tasks like painting or specific projects. Due to the temperament and vulnerability of some of the horses that come to New Beginnings they do not have volunteers on the yard. They do however appreciate their help when attending race meetings and other events, to promote the charity and raise funds, supporting Kevin Atkinson and Pam Atkinson, the trustees who undertake these tasks on a day to day basis.

The assistance of the volunteers is invaluable to the charity.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Retraining of former racehorses

During the period £31,921 (£42,043: 2020) was received from the RoR (Retraining of Racehorses Charity) in respect of vulnerable horses taken into the care of New Beginnings Horses.

Fundraising activities

The charity fortunately managed to hold one main fundraising event before being locked down due to the COVID-19 restrictions which was its annual Charity Ball and Auction in February 2020.

The charity rely on their "Friends of New Beginnings" these are the individuals and businesses who donate a monthly amount to help support the charity's activities, without whom the past financial year would have been very different.

The charity received donations of feed from British Horse Feeds and Spillers which helped enormously through these difficult times.

The charity would also like to thank The Racing Foundation for the invaluable financial support that it provided through its COVID-19 Emergency Core Funding Grants.

FINANCIAL REVIEW

Financial position

During the period the charity had a total income of £259,642 (£246,154: 2020). £74,321 (£69,100: 2020) of the income was from grants, the remaining £185,321 (£177,054: 2020) was raised from regular donations, gift aid claims, collections, fundraising, sale of merchandise, holiday cottage income and covid related grants.

Expenditure and depreciation of fixed assets amounted to £204,792 (£176,859: 2020), leaving a surplus income/(deficit) of £54,850 (£66,964 unrestricted, (£12,114) restricted) (£69,295: 2020)

The surplus income arose on unrestricted funds due to normal activity and the need to create income surplus' to be able to reinvest in non-grant funded improvements or capital additions, and the surplus also helps maintain the general reserve as described in the reserves policy.

The restricted deficit in the year is expended grant capital for assets and their depreciation relating to the specific projects the funding was received for.

In the year a total of £65,931 (£17,019: 2020) was invested in equipment additions and yard improvements.

Fund balances at the balance sheet date were:

Unrestricted £148,398 (£81,434: 2020)

Restricted £107,097 (£119,211: 2020)

Total £255,495 (£200,645: 2020)

New Beginnings Horses CIO

Report of the Trustees **for the Year Ended 31 January 2021**

FINANCIAL REVIEW

Principal funding sources

It remains essential that the level of income received each year is increased by way of building on existing fundraising sources and regular donations, but also the seeking of grants and donations towards specific projects wherever possible. New Beginnings Horses funded the majority of its own growth in the past (when the activities were carried out through a CIC prior to becoming a CIO and registered charity) and needs to concentrate on seeking funding for capital projects wherever possible so that its regular income can be used for the day to day running costs and support costs that will increase to enable the number of horses re-homed each year to rise.

Reserves policy

The trustees review the policy on reserves at least once per year with reference to the guidance issued by the Charity Commission.

As the charity is responsible for the care of horses, the trustees consider that a general reserve equivalent to two months' regular costs directly relating to the premises costs and insurance, wages, housing, feeding, farriery and veterinary care of the horses on site is appropriate. 30 horses are regularly stabled on site throughout any period. Considering the costs reported, an amount of £25,000 should be available at all times to protect the welfare of the horses, should any sudden change in the charity's income streams arise.

The general reserve is part of the unrestricted funds that are freely available to spend i.e. excluding restricted funds and tangible fixed assets.

This reserves policy also considers that horses can be returned from loan homes where circumstances have changed.

The level of free reserves, that is those unrestricted funds not tied up in tangible fixed assets, nor held in designated funds stood at £49,803 at 31 January 2021. Although these reserves are higher than the £25,000 referred to above, the excess was required to see the charity through the remaining lockdown period where fundraising and income opportunities were still extremely limited.

FUTURE PLANS

New Beginnings hosted its annual charity ball in February 2020. The ball in 2021 was unable to take place due to the pandemic. It is hoped the ball will be able to take place in February 2022 provided the pandemic does not prevent this.

They will also be the Charity Partner for Bramham Horse Trials in 2022 (rescheduled from 2020 and 2021 due to the pandemic cancelling both years). This will allow them to show the work of retraining and rehoming a former racehorse and the work of the charity to a far larger equestrian audience.

The charity continues to have a presence at York and other racecourses in the region to promote awareness about a racehorse's life after racing, the work of the charity, along with raising funds.

In 2019, they paraded several ridden horses retrained and rehomed by the charity at Ripon, Pontefract, Doncaster and Wetherby racecourses prior to a racing. This will be repeated in future years, as New Beginnings feels that it is important to show the racing public the true versatility of these fantastic horses.

New Beginnings will continue to expand on its attendance at Local and County Shows, to promote "Life Past the Post" and the general awareness of New Beginnings and the work they do. The main purpose of which will be to drive more suitable people to New Beginnings when they are looking for a former racehorse or indeed a horse.

New Beginnings takes suitable retrained but not yet rehomed horses to local competitions, they intend to continue with this to again highlight the level and quality of some of the horses that they are retraining and drive more people looking for a horse to them.

New Beginnings Horses CIO

Report of the Trustees **for the Year Ended 31 January 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

New Beginnings Horses is a charitable incorporated organisation (CIO) and is governed by its constitution dated 13 January 2016.

Organisational structure

The trustees of the CIO are individuals who undertake to act in good faith to further the purposes of the CIO.

The trustees Kevin Atkinson and Pam Atkinson are responsible for the day to day running of the charity.

Decision making

The affairs of the CIO are managed by the trustees. Decisions are made by simple majority of votes at a meeting of trustees, in the case of equality of votes, the chairperson shall have a second or casting vote. Resolutions made in writing or electronic form will also be decided upon by simple majority, unless they are required to be agreed by all members who are entitled to vote.

Induction and training of new trustees

New trustees will have an induction meeting with existing trustees and receive an induction information pack.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1165357

Principal address

The Grange
Ings Lane
Bishop Wilton
York
East Yorkshire
YO42 1AQ

Trustees

Mr K P Atkinson (Chairman)
Mrs P M Atkinson (Secretary)
Mr M Shinnars
Mr G Orange
Miss L S Bollons (Treasurer) (appointed 1.5.20)

There must be a minimum of three trustees and a maximum of five trustees. Apart from the first charity trustees, every trustee must be appointed (for a term of three years) by a resolution passed at a properly convened meeting of the charity trustees.

Day to day management of the charity's affairs and line management of staff is carried out by two of the trustees; Kevin Atkinson and Pam Atkinson.

New Beginnings Horses CIO

Report of the Trustees
for the Year Ended 31 January 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Tracy Bramley
ACMA CGMA
Orchard House Accounting
Orchard House
72 Low Moorgate
Rillington
Malton
North Yorkshire
YO17 8JW

Advisers

Bankers:
Weatherbys Bank
Sanders Road
Wellingbrough
Northamptonshire
NN8 4BX

Approved by order of the board of trustees on 30 November 2021 and signed on its behalf by:

Mr K P Atkinson - Trustee

Independent Examiner's Report to the Trustees of
New Beginnings Horses CIO

Independent examiner's report to the trustees of New Beginnings Horses CIO

I report to the charity trustees on my examination of the accounts of New Beginnings Horses CIO (the Trust) for the year ended 31 January 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 CIMA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Tracy Bramley
ACMA CGMA
Orchard House Accounting
Orchard House
72 Low Moorgate
Rillington
Malton
North Yorkshire
YO17 8JW

30 November 2021

New Beginnings Horses CIO

Statement of Financial Activities
for the Year Ended 31 January 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	210,134	-	210,134	209,180
Other trading activities	3	27,753	-	27,753	23,769
Investment income	4	10,282	-	10,282	13,205
Other income	5	11,473	-	11,473	-
Total		259,642	-	259,642	246,154
EXPENDITURE ON					
Raising funds	6	13,372	1,488	14,860	19,821
Charitable activities	7				
Retraining of former racehorses		177,330	10,626	187,956	141,541
Other	10	1,976	-	1,976	15,497
Total		192,678	12,114	204,792	176,859
NET INCOME/(EXPENDITURE)		66,964	(12,114)	54,850	69,295
RECONCILIATION OF FUNDS					
Total funds brought forward		81,434	119,211	200,645	131,350
TOTAL FUNDS CARRIED FORWARD		148,398	107,097	255,495	200,645

The notes form part of these financial statements

New Beginnings Horses CIO

Balance Sheet
31 January 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	17	98,495	43,872	142,367	106,514
Investments	18	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>
		98,595	43,872	142,467	106,514
CURRENT ASSETS					
Stocks	19	750	-	750	750
Debtors	20	16,256	-	16,256	14,664
Cash at bank and in hand	21	<u>62,329</u>	<u>63,225</u>	<u>125,554</u>	<u>102,232</u>
		79,335	63,225	142,560	117,646
CREDITORS					
Amounts falling due within one year	22	<u>(18,843)</u>	<u>-</u>	<u>(18,843)</u>	<u>(18,515)</u>
NET CURRENT ASSETS		<u>60,492</u>	<u>63,225</u>	<u>123,717</u>	<u>99,131</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		159,087	107,097	266,184	205,645
CREDITORS					
Amounts falling due after more than one year	23	<u>(10,689)</u>	<u>-</u>	<u>(10,689)</u>	<u>(5,000)</u>
NET ASSETS		<u>148,398</u>	<u>107,097</u>	<u>255,495</u>	<u>200,645</u>
FUNDS	26				
Unrestricted funds				148,398	81,434
Restricted funds				<u>107,097</u>	<u>119,211</u>
TOTAL FUNDS				<u>255,495</u>	<u>200,645</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 November 2021 and were signed on its behalf by:

Mr K P Atkinson - Trustee

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on reducing balance
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33.33% on cost

Stocks

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

Taxation

The charity is exempt from 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations, loan and rehab fees	125,720	128,667
Gift aid	10,093	11,413
Grants	74,321	69,100
	<u>210,134</u>	<u>209,180</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	25,305	19,758
Merchandise sales	2,448	4,011
	<u>27,753</u>	<u>23,769</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Rents Holiday Cottage	10,245	13,164
Interest received	37	41
	<u>10,282</u>	<u>13,205</u>

5. OTHER INCOME

	2021	2020
	£	£
CJRS grants	1,473	-
Local authority grants	10,000	-
	<u>11,473</u>	<u>-</u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

6. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Fundraising expenses	8,322	5,437
Travelling and subsistence	977	4,085
Motor expenses	2,123	2,734
Depreciation	<u>2,080</u>	<u>2,774</u>
	<u>13,502</u>	<u>15,030</u>

Other trading activities

	2021	2020
	£	£
Opening stock	750	750
Purchases	<u>152</u>	<u>2,410</u>
	<u>902</u>	<u>3,160</u>

Investment management costs

	2021	2020
	£	£
Administrative expenses	236	48
Holiday cottage expenses	<u>220</u>	<u>1,583</u>
	<u>456</u>	<u>1,631</u>

Aggregate amounts	<u>14,860</u>	<u>19,821</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Retraining of former racehorses	<u>156,740</u>	<u>31,216</u>	<u>187,956</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Rent	31,296	29,514
Rates and water	2,560	4,632
Insurance	5,161	4,683
Light and heat	5,369	3,560
Feed	3,284	2,161
Veterinary	13,204	8,400
Tack etc	803	301
Farrier, physio etc	5,348	4,387
Schooling and yard staff – employed and self employed	38,075	36,898
Miscellaneous horse expenses	1,349	1,597
Motor expenses	2,123	2,734
Hay and haylage	7,960	9,617
Bedding	3,565	5,401
Travelling and subsistence	977	-
Repairs and maintenance	10,049	-
Professional fees	2,107	-
Depreciation	23,230	17,038
Loss on sale of assets	280	-
	<u>156,740</u>	<u>130,923</u>

In 2020, repairs and maintenance costs were categorised under 'other costs', the comparative for 2020 is £11,506 as can be seen at note 10.

Pension costs in 2020, being the employer contributions made, were also shown under 'other costs' in note 10, being £421 in 2020. This year these are included in Schooling and yard staff, under direct costs of charitable activities and they amounted to £386. Schooling and yard staff includes wage and pension costs for all employed staff, plus costs of self employed schooling and yard workers.

9. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
	£	£	£	£
Retraining of former racehorses	<u>29,386</u>	<u>386</u>	<u>1,444</u>	<u>31,216</u>

10. OTHER

	2021	2020
	£	£
Staff costs	-	421
Repairs and renewals	-	11,506
Sundry expenses	<u>1,976</u>	<u>3,570</u>
	<u>1,976</u>	<u>15,497</u>

In 2021, repairs and renewals costs have been re-allocated to repairs and maintenance costs under direct costs of charitable activities. The total for the current year is £10,049 as can be seen at note 8.

Staff costs in 2020 of £421 related to employer pension contributions. In the current year, and going forwards these are now included in schooling and yard staff costs under direct costs of charitable activities at note 8. This year these amounted to £386.

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

11. TRUSTEES' REMUNERATION AND BENEFITS

No Trustee received any remuneration in their capacity as a Trustee during the year.

Please also see note 27.

Trustees' expenses

No expenses were reimbursed to Trustees in the year (£nil:2020).

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries - schooling and yard staff	19,540	21,200
Wages and salaries - key management staff	23,012	6,160
Pension costs	386	421
	<u>42,938</u>	<u>27,781</u>

Employer's national insurance was covered in full by Employment Allowance this year and last year.

Self employed schooling and yard staff costs in the year amounted to £18,149 (2020: £15,277)

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

	2021	2020
Manager	2	1
Staff	1	1
	<u>3</u>	<u>2</u>

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	161,552	47,628	209,180
Other trading activities	23,769	-	23,769
Investment income	<u>13,205</u>	<u>-</u>	<u>13,205</u>
Total	198,526	47,628	246,154
EXPENDITURE ON			
Raising funds	14,511	5,310	19,821
Charitable activities			
Retraining of former racehorses	132,082	9,459	141,541

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Other	<u>15,145</u>	<u>352</u>	<u>15,497</u>
Total	<u>161,738</u>	<u>15,121</u>	<u>176,859</u>
NET INCOME	36,788	32,507	69,295
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>44,646</u>	<u>86,704</u>	<u>131,350</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>81,434</u></u>	<u><u>119,211</u></u>	<u><u>200,645</u></u>

14. FEES FOR EXAMINATION OF THE ACCOUNTS

Fees for examination of the accounts £850 (2020: £750) are included in accountancy and legal fees.

15. DEFINED PENSION CONTRIBUTION SCHEME

The charity operates a defined contributions pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in independently administered funds. The total charge included in the accounts amounts to £386 (2020: £421). At the balance sheet date there were accrued contributions of £32 of which £14 related to employer contributions (2020: £99).

Pension expenses relating to staff allocated to a particular activity have been allocated directly to that activity. The employer pension cost is allocated between restricted and unrestricted funds in line with the allocation of the corresponding staff salaries.

No pension costs relate to management staff.

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

16. RENT

The lease for the premises at The Grange, where the Charity is based, is in the names of Kevin Atkinson and Pam Atkinson personally, on trust for the Charity itself. The rent and lease are treated as being the Charity's expenditure and commitment.

The landlord is fully aware the Charity occupies the property under the lease and is also a donor and supporter of the Charity.

17. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 February 2020	9,891	102,878	22,570
Additions	-	37,364	24,789
Disposals	-	(2,740)	-
At 31 January 2021	9,891	137,502	47,359
DEPRECIATION			
At 1 February 2020	2,408	36,919	7,693
Charge for year	748	15,201	5,951
Eliminated on disposal	-	(760)	-
At 31 January 2021	3,156	51,360	13,644
NET BOOK VALUE			
At 31 January 2021	6,735	86,142	33,715
At 31 January 2020	7,483	65,959	14,877
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 February 2020	43,200	3,191	181,730
Additions	-	3,778	65,931
Disposals	-	-	(2,740)
At 31 January 2021	43,200	6,969	244,921
DEPRECIATION			
At 1 February 2020	26,566	1,630	75,216
Charge for year	4,158	2,040	28,098
Eliminated on disposal	-	-	(760)
At 31 January 2021	30,724	3,670	102,554
NET BOOK VALUE			
At 31 January 2021	12,476	3,299	142,367
At 31 January 2020	16,634	1,561	106,514

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

17. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
Additions	<u>22,590</u>
DEPRECIATION	
Charge for year	<u>3,389</u>
NET BOOK VALUE	
At 31 January 2021	<u><u>19,201</u></u>
At 31 January 2020	<u><u>-</u></u>

18. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
Additions	<u>100</u>
NET BOOK VALUE	
At 31 January 2021	<u><u>100</u></u>
At 31 January 2020	<u><u>-</u></u>

There were no investment assets outside the UK.

19. STOCKS

	2021	2020
	£	£
Stocks	<u>750</u>	<u>750</u>

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	10,677	11,411
Prepayments	<u>5,579</u>	<u>3,253</u>
	<u><u>16,256</u></u>	<u><u>14,664</u></u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

21. CASH AT BANK AND IN HAND

	General fund £	Racing Foundation Business Development Grant £	All Weather Arena £
Cash in hand	136	-	-
Weatherbys and Unity Trust	62,169	126	51,989
Paypal and Square	24	-	-
Total	<u>62,329</u>	<u>126</u>	<u>51,989</u>

	Painted Horse £	Exhibition Unit Fit-out and Promotional Material £	2021 Total funds £	2020 Total funds £
Cash in hand	-	-	136	29
Weatherbys and Unity Trust	3,245	7,865	125,394	102,121
Paypal and Square	-	-	24	82
Total	<u>3,245</u>	<u>7,865</u>	<u>125,554</u>	<u>102,232</u>

22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans (see note 24)	6,487	12,421
Hire purchase (see note 25)	6,108	-
Trade creditors	2,999	4,777
Other creditors	507	567
Accrued expenses	<u>2,742</u>	<u>750</u>
	<u>18,843</u>	<u>18,515</u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

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

	2021	2020
	£	£
Other loans (see note 24)	-	5,000
Hire purchase (see note 25)	<u>10,689</u>	<u>-</u>
	<u>10,689</u>	<u>5,000</u>

24. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>6,487</u>	<u>12,421</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>-</u>	<u>5,000</u>

This loan is owed to the trustees Kevin Atkinson and Pam Atkinson. The loan will be repaid by the charity to the trustees as unrestricted funds allow and not to the detriment of the charity. No interest is payable on the loan nor does the loan carry any charge or security over the assets.

25. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021	2020
	£	£
Net obligations repayable:		
Within one year	6,108	-
Between one and five years	<u>10,689</u>	<u>-</u>
	<u>16,797</u>	<u>-</u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

26. MOVEMENT IN FUNDS

	At 1.2.20 £	Net movement in funds £	At 31.1.21 £
Unrestricted funds			
General fund	81,434	66,964	148,398
Restricted funds			
Racing Foundation Business Development Grant	126	-	126
Racewood Simulator	844	(127)	717
Horse Walker	14,960	(2,244)	12,716
Two Stall Horsebox	11,897	(2,974)	8,923
10 stables	5,525	(829)	4,696
4 Stables	1,445	(217)	1,228
All Weather Arena	54,300	(2,311)	51,989
Exhibition Unit Trailer	7,095	(1,064)	6,031
Painted Horse	5,000	(263)	4,737
Exhibition Unit Fit-out and Promotional Material	17,100	(1,947)	15,153
Solarium	919	(138)	781
	<u>119,211</u>	<u>(12,114)</u>	<u>107,097</u>
TOTAL FUNDS	<u>200,645</u>	<u>54,850</u>	<u>255,495</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	259,642	(192,678)	66,964
Restricted funds			
Racewood Simulator	-	(127)	(127)
Horse Walker	-	(2,244)	(2,244)
Two Stall Horsebox	-	(2,974)	(2,974)
10 stables	-	(829)	(829)
4 Stables	-	(217)	(217)
All Weather Arena	-	(2,311)	(2,311)
Exhibition Unit Trailer	-	(1,064)	(1,064)
Painted Horse	-	(263)	(263)
Exhibition Unit Fit-out and Promotional Material	-	(1,947)	(1,947)
Solarium	-	(138)	(138)
	<u>-</u>	<u>(12,114)</u>	<u>(12,114)</u>
TOTAL FUNDS	<u>259,642</u>	<u>(204,792)</u>	<u>54,850</u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

26. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.2.19 £	Net movement in funds £	At 31.1.20 £
Unrestricted funds			
General fund	44,646	36,788	81,434
Restricted funds			
Restricted fund	508	(508)	-
Racing Foundation Business Development Grant	2,586	(2,460)	126
Racewood Simulator	994	(150)	844
Horse Walker	18,272	(3,312)	14,960
Two Stall Horsebox	19,663	(7,766)	11,897
10 stables	6,504	(979)	5,525
4 Stables	1,700	(255)	1,445
All Weather Arena	26,700	27,600	54,300
Exhibition Unit Trailer	8,347	(1,252)	7,095
Painted Horse	-	5,000	5,000
Exhibition Unit Fit-out and Promotional Material	-	17,100	17,100
Solarium	1,430	(511)	919
	<u>86,704</u>	<u>32,507</u>	<u>119,211</u>
TOTAL FUNDS	<u><u>131,350</u></u>	<u><u>69,295</u></u>	<u><u>200,645</u></u>

New Beginnings Horses CIO

Notes to the Financial Statements - continued
for the Year Ended 31 January 2021

26. 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	198,526	(161,738)	36,788
Restricted funds			
Restricted fund	-	(508)	(508)
Racing Foundation Business Development Grant	-	(2,460)	(2,460)
Racewood Simulator	-	(150)	(150)
Horse Walker	(672)	(2,640)	(3,312)
Two Stall Horsebox	(3,800)	(3,966)	(7,766)
10 stables	-	(979)	(979)
4 Stables	-	(255)	(255)
All Weather Arena	27,600	-	27,600
Exhibition Unit Trailer	-	(1,252)	(1,252)
Painted Horse	5,000	-	5,000
Exhibition Unit Fit-out and Promotional Material	19,500	(2,400)	17,100
Solarium	-	(511)	(511)
	<u>47,628</u>	<u>(15,121)</u>	<u>32,507</u>
TOTAL FUNDS	<u>246,154</u>	<u>(176,859)</u>	<u>69,295</u>

The purpose of the restricted funds are as follows:

Business development grant - provided by the Racing Foundation (£26,000)

This fund covered fees to help generate income for the charity and make grant applications

Racewood simulator - funded by Persula Foundation (£1,620)

This fund relates to a specific grant to purchase the simulator. The balance will fund the depreciation of the simulator.

Horse walker - contributions from RoR (£18,912) and Godolphin (£5,000)

These grants assisted in the purchase and installation of the Claydon Horse Exerciser. The balance will fund the depreciation of the simulator.

2 Stall Horsebox - funded by The Sir Peter O'Sullivan Charitable Trust (£28,200)

This grant was for the purchase of the 2 stall horsebox. The balance will fund the depreciation of the simulator.

10 stables - contribution by Persula Foundation (£9,000)

This grant was a contribution towards the costs incurred installing 10 stables in an outbuilding and associated costs. The balance will fund the depreciation of the 10 stables.

4 stables - contribution by Persula Foundation (£2,000)

This grant was a contribution towards the costs incurred installing 4 stables in an outbuilding and associated costs. The balance will fund the depreciation of the 4 stables.

New Beginnings Horses CIO

Notes to the Financial Statements - continued **for the Year Ended 31 January 2021**

26. MOVEMENT IN FUNDS - continued

All weather arena - contributions from RoR (£26,700) and Alborada Trust (£27,600)

A total of £54,300 of grants are held awaiting the raising of further funds to install a roof over the all weather arena. This project is now unlikely to proceed. Enquiries will be made to Alborada Trust as to whether or not their grant is to be returned to them, or if it can be allocated to a different project. RoR have already confirmed at the date of this report, but after 31 January 2021, that their grant can be allocated to unrestricted funds.

Exhibition unit trailer - funded by the Racing Foundation (£9,820)

This grant was for the purchase of the exhibition unit trailer. The balance will fund the depreciation of the trailer.

Painted Horse - funded by Persula Foundation (£5,000)

This grant was for the purchase of a life size horse model painted to show the anatomy of the horse. The project came in under budget and the remaining funds will be put towards another project or other costs as agreed with the funder. The balance will fund the depreciation of the trailer.

Exhibition unit fit out and promotional material - funded by The Sir Peter O'Sullivan Charitable Trust (£19,500)

This grant is to cover the costs of fitting out the exhibition unit and associated promotional material and to cover future depreciation.

Solarium - funded by a disbanded association, Harrogate Bridleways, (£1,430) given for a specific project

This grant was allocated to the costs incurred acquiring and installing a solarium used in the care of the horses. The balance will fund the depreciation of the solarium.

27. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

Trustee remuneration and benefits

Two of the trustees, Kevin Atkinson and Pam Atkinson, work in excess of full time for the charity as key management staff. The remuneration paid by the charity in the period for the management roles was:

£12,210 (£6,160: 2020) to Kevin Atkinson

£10,802 (£nil) to Pam Atkinson

The constitution allows for trustees to be remunerated with no more than a reasonable remuneration, provided that a majority of the trustees do not benefit under this provision.

Onsite residential accommodation with an estimated market value of £6,000 per annum (£6,000: 2020) and rates of £2,661 (£2,155: 2020) was provided for the trustees Kevin Atkinson and Pam Atkinson, and paid for by the charity. These trustees provide constant on site security and care for the horses on site at New Beginnings Horses. As the provision of residential accommodation for onsite trustees is essential for the welfare of the horses to enable them to be monitored and cared for continually, this is considered to be an exempt benefit from a taxation and national insurance position.

Transactions with related parties

The trustees Kevin Atkinson and Pam Atkinson are jointly owed £6,487 (£17,421: 2020) by the charity at 31 January 2021. This will be repaid as unrestricted funds allow.

During the year an amount of £50 was paid to Kevin Atkinson's son, James Atkinson, for an occasion of work done cleaning and maintaining the horse box.

New Beginnings Horses CIO

Detailed Statement of Financial Activities
for the Year Ended 31 January 2021

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations, loan and rehab fees	125,720	-	125,720	128,667
Gift aid	10,093	-	10,093	11,413
Grants	74,321	-	74,321	69,100
	<u>210,134</u>	<u>-</u>	<u>210,134</u>	<u>209,180</u>
Other trading activities				
Fundraising events	25,305	-	25,305	19,758
Merchandise sales	2,448	-	2,448	4,011
	<u>27,753</u>	<u>-</u>	<u>27,753</u>	<u>23,769</u>
Investment income				
Rents Holiday Cottage	10,245	-	10,245	13,164
Interest received	37	-	37	41
	<u>10,282</u>	<u>-</u>	<u>10,282</u>	<u>13,205</u>
Other income				
CJRS grants	1,473	-	1,473	-
Local authority grants	10,000	-	10,000	-
	<u>11,473</u>	<u>-</u>	<u>11,473</u>	<u>-</u>
Total incoming resources	259,642	-	259,642	246,154
EXPENDITURE				
Raising donations and legacies				
Fundraising expenses	8,322	-	8,322	5,437
Travelling and subsistence	977	-	977	4,085
Motor expenses	2,123	-	2,123	2,734
Motor vehicles depreciation	592	1,488	2,080	2,774
	<u>12,014</u>	<u>1,488</u>	<u>13,502</u>	<u>15,030</u>
Other trading activities				
Opening stock	750	-	750	750
Merchandise for resale	152	-	152	2,410
	<u>902</u>	<u>-</u>	<u>902</u>	<u>3,160</u>

This page does not form part of the statutory financial statements

New Beginnings Horses CIO

Detailed Statement of Financial Activities
for the Year Ended 31 January 2021

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Other trading activities				
Investment management costs				
Administrative expenses	236	-	236	48
Holiday cottage expenses	220	-	220	1,583
	<u>456</u>	<u>-</u>	<u>456</u>	<u>1,631</u>
Charitable activities				
Rent	31,296	-	31,296	29,514
Rates and water	2,560	-	2,560	4,632
Insurance	5,161	-	5,161	4,683
Light and heat	5,369	-	5,369	3,560
Feed	3,284	-	3,284	2,161
Veterinary	13,204	-	13,204	8,400
Tack etc	803	-	803	301
Farrier, physio etc	5,348	-	5,348	4,387
Schooling and yard staff	38,075	-	38,075	36,898
Miscellaneous horse expenses	1,349	-	1,349	1,597
Motor expenses	2,123	-	2,123	2,734
Hay and haylage	7,960	-	7,960	9,617
Bedding	3,565	-	3,565	5,401
Travelling and subsistence	977	-	977	-
Repairs and maintenance	9,845	204	10,049	-
Professional fees	-	2,107	2,107	-
Plant and machinery depreciation	10,348	4,853	15,201	11,641
Fixtures and fittings depreciation	4,904	1,046	5,950	2,625
Motor vehicles depreciation	592	1,487	2,079	2,772
Loss on sale of intangible fixed assets	280	-	280	-
	<u>147,043</u>	<u>9,697</u>	<u>156,740</u>	<u>130,923</u>
Other				
Pensions	-	-	-	421
Repairs and renewals	-	-	-	11,506
Sundry expenses	1,976	-	1,976	3,570
	<u>1,976</u>	<u>-</u>	<u>1,976</u>	<u>15,497</u>
Support costs				
Management				
Wages	23,012	-	23,012	6,160
Telephone	2,481	-	2,481	2,097
Postage and stationery	1,106	-	1,106	917
Improvements to property depreciation	748	-	748	831
Computer equipment depreciation	1,110	929	2,039	780
	<u>28,457</u>	<u>929</u>	<u>29,386</u>	<u>10,785</u>

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New Beginnings Horses CIO

Detailed Statement of Financial Activities
for the Year Ended 31 January 2021

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Management				
Finance				
Bank charges	276	-	276	183
HP interest	110	-	110	-
	386	-	386	183
Governance costs				
Accountancy and legal fees	1,444	-	1,444	(350)
Total resources expended	192,678	12,114	204,792	176,859
Net income	66,964	(12,114)	54,850	69,295

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