

THE HUGS FOUNDATION

England & Wales · Charity number 1175633

Details

Status Registered

Legal form CIO

Registered 2017-11-08

Register [View on the Charity Commission register](#)

Contact

Address Higher Whitley
Bodmin
PL31 2NT

Phone 0120876761

Email enquiries@hugsfoundation.org.uk

Website www.hugsfoundation.org.uk

Activities

Objects: THE OBJECTS OF THE CIO ARE:(1) TO PROMOTE HUMANE BEHAVIOURS TOWARDS ANIMALS BY PROVIDING APPROPRIATE CARE, PROTECTION, TREATMENT AND SECURITY FOR ANIMALS 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(2) THE RELIEF OF PHYSICAL AND MENTAL SICKNESS OF PERSONS IN NEED, IN PARTICULAR BY THE PROVISION OF COUNSELLING AND SUPPORT

Activities: The rescue and rehabilitation of abandoned, abused and unwanted equines. The provisions of mental well-being services for children, young people, the elderly and military veterans. We provide supportive interventions to those who are experiencing a range of difficulties using a diverse range of therapeutic activities in a natural environment or bring the natural environment to beneficiaries.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, Animals
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£422,611	£418,407	-	-
2024-05-31	£512,954	£358,933	£239,083	10
2023-05-31	£329,252	£334,705	-	-
2022-05-31	£273,117	£254,429	-	-
2021-05-31	£266,379	£254,704	-	-

Trustees

Name	Role	Appointed
Annette Caston		2025-10-10
Catherine Bowden		2025-03-09
Natalie Wilkerson		2026-04-14
Paul Dransfield		2021-01-18
Shelley Tilley		2025-10-10

THE HUGS FOUNDATION

England & Wales - Charity number 1175633

Accounts



Trustees' annual report (including Directors' report) for the period

From: 1st June 2024 Period start date

To: 31st May 2025 Period end date

Charity name: The Hugs Foundation

Charity registration number: 1175633

Company number: n/a CIO

Objectives and activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	The Hugs Foundation was founded in 2017 as an equine rescue centre; however, it soon became apparent that our calm, nurturing environment would benefit humans as well. As the charity has evolved, we now also provide well-being support to children, young people and the elderly.
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	<p>We provide a safe space for respite and healing to help service users to lead positive, fulfilling lives through a range of holistic nature-based interventions at our equine rescue centre. Our unique mix of support includes animal assisted services, nature activities, outdoor learning, teambuilding, arts, crafts, forest-based activities and practical skills, such as growing vegetables, learning about coping strategies, the environment and sustainability. Our animal rescues each have a unique rehabilitation plan. Many of these plans are integrated with the well-being support we provide, creating a circular relationship where both animals and humans benefit from spending time together and caring for each other. This relationship building allows the opportunity for growth and healing, making a positive difference to both lives by supporting them to learn to cope with and move on from the trauma or challenges they are experiencing. This then further supports our animals to progress through their rehabilitation to find their forever homes.</p>
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The trustees are aware of the guidance issued by the Charities Commission on public benefit with regard to the need for them to exercise their powers and duties for the benefit of the public. Every trustee has complied with their duty to have due regard on public benefit.

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	N/A
Policy on social investment including program related investment	Para 1.38	N/A
Contribution made by volunteers	Para 1.38	<p>Volunteers remain a vital resource for our charity, supporting us across a wide range of activities including animal care, essential yard tasks, home checks, gardening, maintenance, events, raising awareness and fundraising. Their contribution benefits both the charity, it's future growth and the volunteers themselves.</p> <p>Through these diverse activities, our volunteers not only make a tangible difference in the lives of both animals and people but also help strengthen our connection with the wider community. In this charity year alone, volunteers have generously given 2,712 hours of their time to The Hugs Foundation, an extraordinary contribution that underpins everything we do. This is an increase of 953 hours compared to last year and a 53% increase in volunteering hours overall, which is incredible.</p> <p>This year, our Operations and Volunteer Manager has continued to develop our volunteer recruitment, to further embed volunteers into our organisation and has begun exploring new opportunities for volunteering programmes, enabling anyone and everyone to get involved. Thanks to this, volunteer numbers are steadily rising and are lined up to be full of interviews with new potential volunteers, hopefully joining our team in 2026. With more volunteers on board, we are able to rescue and rehabilitate more horses, support more vulnerable people through our well-being services, and extend our community outreach programmes.</p>
Other		N/A

Achievements and performance

<p>Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.</p>	<p>Para 1.20</p>	<p><u>Animal Welfare:</u></p> <p>In this charity year we have rescued 24 equines. 33% of our intakes were surrender cases. Due to owner illness, financial difficulties, loss of grazing/livery, or unmet welfare needs.</p> <p>42% were unclaimed equines, including equines from Bodmin and Dartmoor, plus joint welfare intakes with partner organisations.</p> <p>25% of our intakes were welfare based including collaborative rescues and direct or reported welfare concerns.</p> <p>Over 67% of the equines who came into our care were suffering from neglect, poor welfare or were completely unhandled. A staggering percentage of the animals in our care either didn't know any human kindness or had suffered at the hand of humans.</p> <p>Within this period we were also able to find homes for 28 of our rescued equines; some came to us as their last option where our rehabilitation programme and professional support was their only chance, some were long term rehabilitations who had come into our care in 2019 and finally finished their journey to recovery and also some complicated medical cases who had finally healed and were given the all clear to find their home including two equines who had undergone nasal operations.</p> <p>Rescue is only the beginning, true recovery happens through consistent care, trust-building, and expert rehabilitation. Every animal receives an individual plan tailored to their physical, emotional, and behavioural needs.</p> <p>Our process includes:</p> <ul style="list-style-type: none">• Emergency and ongoing veterinary care• Professional farriery and physiotherapy support• Specialised nutrition and grazing management• Behavioural training and socialisation• Physical exercise and groundwork programmes <p>Our multi-disciplinary team; vets, farriers, physiotherapists, experienced staff, and dedicated volunteers, work together to deliver every stage of this recovery, from treatment to rehoming.</p> <p>Freedom, Forage, and Friends guide our grazing and herd management philosophy. Carefully</p>
--	------------------	---

planned turnout and social interaction promote movement, strengthen muscles, and support emotional well-being. Daily land and biosecurity management—fencing, field rotation, parasite control, and shelter care maintain a safe, healthy environment for all animals and for our well-being programmes.

Rehoming is a partnership, supported through home checks, advice, and post-adoption visits to ensure long-term success and welfare.

Veterinary impact

- This year, our team has carried out over 120 vital veterinary treatments, each one giving equines the chance to live free from pain and suffering.
- 10 colts were gelded, helping to prevent future overbreeding and allowing them to live calmer, happier lives.
- 3 equines received life-changing treatment for gastric ulcers, easing their pain, giving them a future and the comfort they deserve. One of these equines was passed through multiple homes due to his behaviours, all of which stemmed from being uncomfortable and in pain which led to physical behaviours to demonstrate his pain. Luckily with some training, understanding of his needs and being pain free, his behavioural rehabilitation meant that he was able to be rehomed.
- 2 equines with severe asthma were successfully treated, no longer struggling to breathe.
- 4 equines battling laminitis and Equine Metabolic Syndrome (EMS) were carefully rehabilitated, moving from chronic pain to confident steps once again.

The Hugs Foundation offers a 24/7 emergency line. This is used for emergency welfare support to other inspectors, members of the public, and owners in crisis. Community engagement and education plays a vital role in our charity operations. We have explored new collaborations and built on existing collaboration with schools, cub scouts and community groups to promote animal welfare education through on these site tours and activities or off-site talks. We have attended emergency school visits with two of our equines; to give wellness talks, lift spirits and give hope in time of difficulties.

We actively involve ourselves in the community by supporting our fellow local charities, community groups, events and organisations; playing a crucial role in events, shows, rallies and talks. We have showcased our rescue and well-

being equines at some of these shows and events and valued our volunteers with their help in coordinating and fundraising during them.

We have conducted corporate volunteering days that have helped improve biodiversity across our site, aid maintenance and given us a chance to show the work and challenges we have here.

Well-Being:

In this charity year, we have reached 138 children and young people, 90 of which were new to Hugs and 48 attended an additional course of sessions. Hugs delivered 792 hours of well-being interventions this year. This brings our total number of individual children and young people supported to 903 and over 7,954 hours of well-being sessions conducted. This doesn't include the educational animal care and human well-being visits undertaken in schools. Our project is continuing to evidence a positive increase in health and well-being, social inclusion, life skills and optimism for our young people. The long-term impact of this project is contributing to more successful futures, including reintegration and accomplishment in education and more positive family relationships. The project is enabling service users to access help and support in a timely manner, instead of waiting months for help or treatment.

This year, we launched our Supported Volunteer Project. A new initiative designed to help children develop their communication skills and foster greater social inclusion. The program was created as a progression pathway for children and young people who have previously taken part in our well-being sessions. We carefully selected participants, pairing them with like-minded peers to set them up for success in a supportive and engaging environment. We're proud to share that the first group showed incredibly positive results, even taking the initiative to organise their own outings outside of Hugs. A testament to their growing confidence and connection

We did then offer the opportunity out to a local secondary school where over the course of a year they brought 18 students to us with the maximum being 13 in one session. The team saw huge improvements with the individuals that attended this including some being able to integrate back into mainstream education and others being able to take on work experience independently

		<p>We also take our amazing rescue well-being pony, Dude, out to care homes, nursing homes and hospices. Many of the residents we visit are bed-bound or only able to participate in activities within the grounds of their home. By bringing Dude indoors, we're able to bring the outside world to them. Along with the unique textures, comforting smells and gentle company that a visit from Dude brings, we have also found that Dude's presence is able to unlock forgotten memories, whether that's from a childhood pet or their own experiences with equines - this has at times left care givers speechless or emotional, showing just how big a difference these visits can make.</p>
--	--	---

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	
Investment performance against objectives	Para 1.41	
Other		<p>We are very proud to have been the first organisation in Cornwall to be accepted onto the Human Equine Interaction Register UK (HEIR). There have been no regulations in the UK to protect the service users that access organisations for support or the equines that work in therapeutic sessions. The register has been created to ensure all people involved in the field of human equine interactions operate credible, high quality, safe and ethical practice standards for their service provision. Our staff are also the first in Cornwall to be qualified in the new OCNLR Level 3 Equine Assisted Diploma. The only qualification of its kind in the UK regulated by Ofqual with these standards. We have continued to work collaboratively with the National Equine Welfare Council (NEWC), the Federation of Horses in Education and Therapy International</p>

		(HETI) UK, and attend the South West Equine Assisted Practitioners Regional Meetings to ensure we provide the best services possible to both humans and equines
--	--	---

Financial review

<p>Review of the charity's financial position at the end of the period</p>	<p>Para 1.21</p>	<p>At the end of the financial period, the charity's overall financial position remains stable, with a strong balance sheet reflecting our commitment to fulfilling our charitable objectives. The charity's total income for the period amounted to £422,611, primarily generated from donations, grants and fundraising events.</p> <p>Our total expenditure for the year was £418,407, which includes key areas of expenditure, such as programme costs, staff salaries and operational expenses. The charity has continued to allocate funds efficiently towards its core mission, with 91% of the total expenses directed towards direct charitable activities. The remaining funds were used for administrative and fundraising purposes.</p> <p>As a result of careful financial management, the charity has recorded a net surplus of £4,204 at the end of the period, increasing the charity's net assets to £243,287 compared to £239,083 in the previous year. This surplus is in line with our strategic objectives and provides a solid foundation for the charity's continued operations in the coming years.</p>
<p>Statement explaining the policy for holding reserves stating why they are held</p>	<p>Para 1.22</p>	<p>The charity has a policy in place for holding reserves to ensure financial sustainability and to safeguard against unforeseen circumstances. The reserve policy aims to ensure that the charity can continue its operations in the event of unexpected changes in income, emergency situations, or periods of reduced funding.</p> <p>The reserves are held for the following purposes:</p> <p>To maintain liquidity: Ensuring the charity can meet its financial obligations without disruption, particularly during periods of uncertain income or unforeseen expenditure.</p> <p>To fund future initiatives: The charity plans to use reserves to fund future charitable projects, capital improvements, or expansion of services.</p> <p>To manage risks: Reserves act as a buffer to protect against financial risks, including changes</p>

		<p>in government funding, unexpected operational costs, or market fluctuations that may impact income streams.</p> <p>The reserve policy is reviewed annually by the Board to ensure it aligns with the charity's long-term objectives and financial circumstances.</p>
Amount of reserves held	Para 1.22	<p>At the end of the financial period, the charity held total reserves of £243,287. The reserves are allocated as follows:</p> <p>Restricted reserves: £68, 538 earmarked for specific purposes as defined by donors or grant agreements.</p> <p>Unrestricted reserves: £174,749, which can be used to support the charity's ongoing operations and future plans.</p> <p>The charity has carefully managed its reserves to ensure that it can continue to deliver its mission while maintaining financial flexibility and resilience.</p>
Reasons for holding zero reserves	Para 1.22	N/A
Details of fund materially in deficit	Para 1.24	N/A
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	N/A

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	
Other		

--	--	--

Structure, governance and management

Description of charity's trusts:		
Type of governing document: for example, trust deed , memorandum and articles of association etc	Para 1.25	Constitution of a Charitable Incorporated Organisation
How is the charity constituted? for example limited company , unincorporated association , CIO	Para 1.25	CIO
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Trustees can be selected in various ways including; approaching the charity themselves through CV or application or nomination by existing Trustees. Current Trustees will consider potential new Trustees who have skills which will help the charity e.g. animal welfare knowledge, children's mental health, safeguarding, fundraising and charity management. Applications/nominations are brought to Trustee meeting to discuss. They are appointed upon approval by majority vote, familiarised with the day to day running of the charity and briefed on the governance and their responsibilities.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and administrative details

Charity name	The Hugs Foundation
Other name the charity uses	N/A
Registered charity number	1175633
Charity's principal address	Higher Whitley Farm Helland Road Bodmin Cornwall PL31 2NT

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Andrew Frederick Bowden	Chairman		
2	Tracy Jayne Lewis	Trustee		
3	Paul Jonathan Dransfield	Trustee		
4	Catherine Bowden	Trustee	Appointed 09/03/25	
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

16			
17			
18			
19			
20			

Corporate trustees – names of the directors at the date the report was approved

Director name	

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	N/A
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	N/A
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	N/A

Additional information (optional)

Names and addresses of advisers (optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (optional information)

--

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--

Other optional information


--

Declarations

The company has taken advantage of the small companies' exemption in preparing the report above.

The trustees declare that they have approved the trustees' report (including directors' report) above.

Signed on behalf of the charity's trustees/directors

Signature(s)		
Full name(s)	Andrew Frederick Bowden	
Position (for example Secretary, Chair, etc)	Chairperson	
Date	3 rd November 2025	



Charity Name	The Hugs Foundation	1175633	
Annual accounts for the period			
Period start date	1 June 2024	To	31 May 2025

Section A Statement of financial activities

Recommended categories by activity	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	257,080	-	257,080	285,485
Charitable activities	36,415	121,830	158,245	225,720
Other trading activities	7,286	-	7,286	1,750
Total	300,781	121,830	422,611	512,954
Resources expended (Note 5)				
Expenditure on:				
Raising funds	37,433	-	37,433	28,039
Charitable activities	242,283	138,691	380,974	330,893
Total	279,716	138,691	418,407	358,933
Net income/(expenditure) before transfers	21,065	- 16,861	4,204	154,023
Transfers	-	-	-	
Net income/(expenditure)	21,065	- 16,861	4,204	154,023
Reconciliation of funds:				
Total funds brought forward	153,684	85,399	239,083	85,059
Total funds carried forward	174,749	68,538	243,287	239,083

Section B

Balance sheet

	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets				
Tangible assets (Note 9)	67,582	11,315	78,897	41,066
Total fixed assets	67,582	11,315	78,897	41,066
Current assets				
Debtors (Note 10)	19,166	-	19,166	8,800
Cash at bank and in hand (Note 12)	111,254	57,223	168,477	201,121
Total current assets	130,420	57,223	187,643	209,921
Creditors: amounts falling due within one year (Note 11)	23,254	-	23,254	11,904
Net current assets/(liabilities)	107,166	57,223	164,389	198,017
Total net assets or liabilities	174,749	68,538	243,287	239,083
Funds of the Charity				
Restricted income funds (Note 14)		68,538	68,538	85,399
Unrestricted funds	174,749		174,749	153,684
Total funds	174,749	68,538	243,287	239,083

Note 1 Basis of preparation

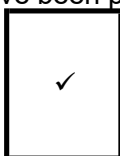
This section should be completed by all charities .

1.1 Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

- and with*



the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014

- and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.*



* -Tick as appropriate

1.2 Going concern

If there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern, please provide the following details or state "Not applicable", if appropriate:

An explanation as to those factors that support the conclusion that the charity is a going concern;

The ongoing cost of living crisis continues to negatively affect the availability of funding for charities, as demand for support services increases. Despite this, The Hugs Foundation has remained resilient through a flexible and diverse fundraising strategy. Over recent years, we have expanded our income streams—such as regular monthly donations, which have grown again this year—and we gratefully received our second legacy gift during this financial year, following the first in the previous year.

Demand for equine rescue and rehoming services remains high, with more owners unable to care for their horses, ponies, and donkeys due to financial pressures. Similarly, our well-being services continue to be fully booked, despite no marketing efforts, highlighting the vital need for the support we provide.

This sustained demand for our services, combined with the success of our diversified income approach, allows us to remain optimistic about the future. We are confident in our ongoing mission to support the community and work toward long-term financial sustainability.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Note 2

Accounting policies

2.1 INCOME

Recognition of income	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability. 	Yes	No	N/a
		✓	✓	✓
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.	Yes	No	N/a
		✓	✓	✓
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).	Yes	No	N/a
		✓	✓	✓
	In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).	Yes	No	N/a
		✓	✓	✓
Legacies	Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.	Yes	No	N/a
		✓	✓	✓
Government grants	The charity has received government grants in the reporting period	Yes	No	N/a
		✓	✓	✓
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.	Yes	No	N/a
		✓	✓	✓
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.	Yes	No	N/a
		✓	✓	✓
Donated goods	Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.	Yes	No	N/a
		✓	✓	✓
	The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.	Yes	No	N/a
		✓	✓	✓
	Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.	Yes	No	N/a
		✓	✓	✓
	Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.	Yes	No	N/a
		✓	✓	✓
	Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.	Yes	No	N/a
		✓	✓	✓
Donated services and facilities	Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.	Yes	No	N/a
		✓	✓	✓
	Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SoFA.	Yes	No	N/a
		✓	✓	✓
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		✓	✓	✓
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.	Yes	No	N/a
		✓	✓	✓
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		✓	✓	✓
Income from membership subscriptions	Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.	Yes	No	N/a
		✓	✓	✓
	Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.	Yes	No	N/a
		✓	✓	✓
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
		✓	✓	✓
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
		✓	✓	✓

Note 2

Accounting policies

2.2 EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	Yes	No	N/a
		✓	✓	✓
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	Yes	No	N/a
		✓	✓	✓
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	Yes	No	N/a
		✓	✓	✓
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	Yes	No	N/a
		✓	✓	✓
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.	Yes	No	N/a
		✓	✓	✓
Redundancy cost	The charity made no redundancy payments during the reporting period.	Yes	No	N/a
		✓	✓	✓
Deferred income	No material item of deferred income has been included in the accounts.	Yes	No	N/a
		✓	✓	✓
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	Yes	No	N/a
		✓	✓	✓
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	Yes	No	N/a
		✓	✓	✓
Basic financial instruments	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	Yes	No	N/a
		✓	✓	✓
2.3 ASSETS				
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £500 for IT equipment and £2,000 for other equipment. They are valued at cost.	Yes	No	N/a
		✓	✓	✓
	The depreciation rates and methods used are disclosed in note 9.2.			
Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Heritage assets	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4.	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.	Yes	No	N/a
		✓	✓	✓
	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	Yes	No	N/a
		✓	✓	✓
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value.	Yes	No	N/a
		✓	✓	✓
	Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.	Yes	No	N/a
		✓	✓	✓
	Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.	Yes	No	N/a
		✓	✓	✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes	No	N/a
		✓	✓	✓
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes	No	N/a
		✓	✓	✓
	They are valued at fair value except where they qualify as basic financial instruments.	Yes	No	N/a
		✓	✓	✓

Note 3

Analysis of income

	Unrestricted funds	Restricted income funds	Total funds £	Prior year £
Analysis				
Donations and legacies:				
Donations	235,714	-	235,714	182,038
Legacies	20,238	-	20,238	100,000
General grants provided by government/other charities	-	-	-	-
Membership subscriptions and sponsorships	1,128	-	1,128	1,872
Total	257,080	-	257,080	283,910
Charitable activities:				
Grants	5,802	121,830	127,632	190,814
Crowd Funding	60	-	60	16,645
Rehoming	8,290	-	8,290	8,410
Mental Health	15,097	-	15,097	8,926
Other	7,166	-	7,166	925
Total	36,415	121,830	158,245	225,720
Other trading activities:				
Hire income	337	-	337	590
Merchandise sales	1,342	-	1,342	1,574
Other income	5,607	-	5,607	1,160
Total	7,286	-	7,286	3,324
TOTAL INCOME	300,781	121,830	422,611	512,954

Note 4

Analysis of receipts of government grants

	Description	This year £	Prior year £
Government grant	HMRC Job Retention Scheme	-	-
Total		-	-

Note 5

Analysis of expenditure

This year

Last year

Restricted

income

funds

funds

Total funds

£

Analysis

Unrestricted
fundsRestricted
income funds

Total funds

Unrestricted
fundsRestricted
income
funds

Total funds

Expenditure on raising funds:

	Unrestricted funds	Restricted income funds	Total funds £
Staff Costs	23,269	-	23,269
Incurred seeking donations	-	-	-
Operating membership schemes and social lotteries	774	-	774
Advertising, marketing, direct mail and publicity	13,390	-	13,390
Total expenditure on raising funds	37,433	-	37,433

	Unrestricted funds	Restricted income funds	Total funds £
Staff Costs	23,822	-	23,822
Incurred seeking donations	-	-	-
Operating membership schemes and social lotteries	3,119	-	3,119
Advertising, marketing, direct mail and publicity	1,098	-	1,098
Total expenditure on raising funds	28,039	-	28,039

Expenditure on charitable activities:

	Unrestricted funds	Restricted income funds	Total funds £
Staff Costs	157,517	68,587	226,104
Recruitment Costs	375	-	375
Veterinary and Medical Costs	46	22,455	22,501
Feed	4,291	5,784	10,075
Yard Expenditure	2,877	-	2,877
Equine Care	4,324	2,819	7,143
Training	1,335	1,191	2,526
Repairs and Renewals	16,196	764	16,960
Insurance	3,424	3,246	6,670
Professional Fees	9,804	5,569	15,373
Bank and Payment Charges	1,244	-	1,244
Computers and Internet	9,563	1,053	10,616
Utilities and Rates	18,403	18,430	36,833
Transport and Travel	3,833	240	4,073
Office Supplies	-	2,620	2,620
Depreciation	9,024	434	9,458
Programme Costs	-	4,055	4,055
Sundries	27	1,444	1,471
Total expenditure on charitable activities	242,283	138,691	380,974
TOTAL EXPENDITURE	279,716	138,691	418,407

	Unrestricted funds	Restricted income funds	Total funds £
Staff Costs	101,188	79,432	180,620
Recruitment Costs	-	-	-
Veterinary and Medical Costs	14,559	18,446	33,005
Feed	3,683	2,532	6,215
Yard Expenditure	- 13,167	20,034	6,867
Equine Care	1,514	3,558	5,072
Training	2,561	5,403	7,964
Repairs and Renewals	- 8,005	10,329	2,324
Insurance	5,199	3,574	8,773
Professional Fees	6,477	2,560	9,038
Bank and Payment Charges	866	-	866
Computers and Internet	8,406	-	8,406
Utilities and Rates	18,261	13,277	31,538
Transport and Travel	9,792	998	10,790
Office Supplies	- 3,673	6,444	2,771
Depreciation	8,855	-	8,855
Programme Costs	- 861	6,846	5,985
Sundries	1,405	400	1,805
Total expenditure on charitable activities	157,061	173,832	330,894
TOTAL EXPENDITURE	185,100	173,832	358,933

Note 6 Details of certain items of expenditure**6.1 Fees for examination of the accounts**

Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner. If nothing was paid please enter '0' in the appropriate box(es).

Independent examiner's fees

This year £	Last year £
780	720

Note 7 Paid employees

Please complete this note if the charity has any employees.

7.1 Staff Costs

Salaries and wages

Social security costs

Pension costs (defined contribution scheme)

Total staff costs

This year £	Last year £
232,983	190,927
11,910	9,037
4,480	4,478
249,373	204,442

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity.

This year £	Last year £
45,870	98,362

7.2 Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Total

This year Number	Last year Number
2	2
10	8
12	10

Note 8

Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.

8.1 Please complete this note if a defined contribution pension scheme is operated.

Amount of contributions recognised in the SOFA as an expense

This year £	Last year £
4,480	4,478

Note 9 Tangible fixed assets*Please complete this note if the charity has any tangible fixed assets***9.1 Cost or valuation**

	Fixtures & Fittings	Office Equipment	Yard equipment	Total
	£	£	£	£
At the beginning of the year	1,104	563	78,181	79,848
Additions	19,020	1,920	26,350	47,290
Disposals	-	-		-
At end of the year	20,124	2,483	104,531	127,138

9.2 Depreciation and impairments

**Basis	RB	RB	SL
** Rate	25%RB/15 years SL	3 years SL	4/7/10/20 years SL

At beginning of the year	956	462	37,363	38,781
Disposals	-	-		-
Depreciation	566	101	8,791	9,458
At end of the year	1,522	563	46,154	48,239

9.3 Net book value

Net book value at the beginning of the year	148	101	40,818	41,066
Net book value at the end of the year	18,603	1,920	58,377	78,897

Note 10 Debtors and prepayments

Please complete this note if the charity has any debtors or prepayments.

10.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Taxation and social security

Total

This year	Last year
£	£
3,372	1,129
15,794	7,672
-	-
19,166	8,800

Note 11 Creditors and accruals

Please complete this note if the charity has any creditors or accruals.

11.1 Analysis of creditors

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
17,352	6,736	-	-
1,548	3,099	-	-
3,329	2,069	-	-
1,024	-	-	-
23,254	11,904	-	-

Note 12 Cash at bank and in hand

Cash at bank and on hand

Total

This year	Last year
£	£
168,477	201,121
168,477	201,121

Note 13

Events after the end of the reporting period

Please complete this note events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

	This year	Last year
Please provide details of the nature of the event	N/A	N/A
Provide an estimate of the financial effect of the event or a statement that such an estimate cannot be made	N/A	N/A

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.1 Details of material funds held and movements during the CURRENT reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE, R or UR *	Purpose and Restrictions	Fund balances at 1 June 2024 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2025 £
Animal Rescue Foundation	R	Intake costs of rescuing equines.	4,000		4,000	-	-
CCF Carew Pole	R	Project costs of care home well-being outreach project.	1,000		1,000	-	-
CCF Brighter Future	R	Youth well-being project funding.	9,090		9,090		-
CCF Karenza Fund	R	Youth well-being project funding.	5,000		5,000	-	-
CCF VCSE Health Improvement	R	Project costs of supported volunteering project.	14,000		10,796	-	3,204
CCF Sedel Collings	R	Youth well-being project funding.	3,647		3,647		-
Clare Milne	R	Youth well-being project funding.	14,464		14,464		-
Garfield Weston Foundation	R	Youth well-being project funding.	9,468		9,468		-
Jean Sainsbury Animal Welfare Trust	R	Vets bills and feed.	6,500		5,854		646
Headley Foundation	R	Project costs of care home well-being outreach project.	333		333		-
National Lottery	R	Youth well-being project costs.	4,726		4,726		-
Network for Animals	R	Rescue pony Barney's rehabilitation.	52		52		-
Network for Animals - 2	R	Intake costs of rescuing 3 x donkeys.	353		353		-
Petplan	R	Animal welfare/intake costs.	7,000		7,000		-
23/24 Woodroffe Benton Foundation	R	Care home well-being visits.	1,750		1,750		-
23/24 Crowdfunder	R	Foal rehabilitation.	4,016		3,824		192
24/25 Animal Friends	R	Rescue and rehabilitation costs.		5,000	5,000		-
24/25 Harebell Centenary Fund	R	Care home well-being visits.		6,400	4,419		1,981
24/25 CCF Worval	R	Youth well-being project costs.		6,000	6,000		-
24/25 Morrisons 125	R	Sensory trail for Youth Wellbeing (fixed assets)		8,000	311		7,689
24/25 Network for Animals	R	Rescue and rehabilitation costs.		1,000	1,000		-
24/25 Tesco	R	50% of the cost of a Sensory Swing (Fixed Asset) on the Wellbeing Trail		1,125	87		1,038
24/25 Pets Foundation	R	Youth well-being project costs.		50,000	20,182		29,818
24/25 The Venton Charitable Trust	R	Care home well-being visits.		9,750	-		9,750
24/25 The Pixel Fund	R	Care home well-being visits.		5,000	-		5,000
24/25 CCF - Brighter Futures 2	R	Youth well-being project costs.		4,545	4,545		-
24/25 WO Street Charitable Foundation	R	Youth well-being project costs.		3,000	3,000		-
24/25 Police Community Fund	R	Local community - children's activity day.		500	500		-
24/25 Co-op Winners Share it All	R	Well-being barn.		5,000	-		5,000
24/25 CCF Cross Country	R	Youth well-being project costs.		5,700	4,831		869
24/25 Co-op Care Homes	R	Care home well-being project costs.		500	500		-
24/25 NFA 2	R	Tipper trailer (fixed asset)		2,310	37		2,273
24/25 Jean Sainsbury Vet & Feed	R	Vet bills and feed.		8,000	6,922		1,078
<i>Unrestricted Funds</i>	UR	N/A	153,684	300,781	279,716		174,749
		Total Funds	239,083	422,611	418,407	-	243,287

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.2 Details of material funds held and movements during the PREVIOUS reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE, R or UR *	Purpose and Restrictions	Fund balances at 1 June 2023 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2024 £
Animal friends	R	Costs of care for animal rescues.		5,000	- 5,000	-	-
Animal Rescue Foundation	R	Intake costs of rescuing equines.		4,000		-	4,000
CCF Carew Pole	R	Project costs of care home well-being outreach project.		1,000		-	1,000
CCF Brighter Future	R	Youth well-being project funding.		9,090			9,090
CCF Karenza Fund	R	Youth well-being project funding.		5,000		-	5,000
CCF VCSE Health Improvement	R	Project costs of supported volunteering project.		14,000		-	14,000
CCF Sedel Collings	R	Youth well-being project funding.		14,588	- 10,941		3,647
Clare Milne	R	Youth well-being project funding.		14,464			14,464
Cornwall VSF	R	Staff training (x3) - Equine Assisted Services Level 3 Diploma.		1,950	- 1,950		-
Garfield Weston Foundation	R	Youth well-being project funding.		15,000	- 5,532		9,468
Jean Sainsbury Animal Welfare Trust	R	Vets bills and feed.		6,500			6,500
Headley Foundation	R	Project costs of care home well-being outreach project.		3,000	- 2,667		333
National Lottery	R	Youth well-being project costs.		59,844	- 55,118		4,726
Network for Animals	R	Rescue pony Barney's rehabilitation.		2,000	- 1,948		52
Network for Animals - 2	R	Intake costs of rescuing 3 x donkeys.		1,500	- 1,147		353
Petplan	R	Animal welfare/intake costs.		7,000			7,000
Pets Foundation	R	Mudcontrol Slabs for all-weather turnout area.		18,895	- 18,895		-
Ruth Smart Foundation	R	Animal welfare/intake costs.		2,000	- 2,000		-
St James Place Charitable	R	Sensory garden equipment.		4,233	- 4,233		-
Woodroffe Benton Foundation	R	Project costs of care home well-being outreach project.		1,750			1,750
Crowdfunder	R	October foal herd rescue and care costs.		16,645	- 12,629		4,016
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	5,000		- 5,000		-
Garfield Weston Foundation	R	Youth project funding	6,250		- 6,250		-
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	3,558		- 3,558		-
Coral Samuel Charitable Trust	R	Arena refurbishment.	-		-		-
Postcode Local Trust	R	Youth project funding	8,750		- 8,750		-
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-		-		-
Animal Rescue Foundation	R	Intake of 4 - 7 rescues	1,996		- 1,996		-
CCF - The Integrated Care Board Mental Health & Wellbeing Programme	R	Youth well-being project funding – starting charity year June 2023	9,809		- 9,809		-
CCF #iWill	R	To employ a new Volunteer Coordinator part time	9,124		- 9,124		-
National Lottery Awards for all	R	Youth well-being project funding	1,222		- 1,222		-
Sensory Garden	R	Sensory garden refurbishment	2,400		- 2,400		-
The Anton Jurgens Charitable Trust	R	Care home well-being project funding	3,662		- 3,662		-
Unrestricted Funds	UR	N/A	33,288	305,495	- 185,100	-	153,684
		Total Funds	85,059	512,954	- 358,931	-	239,083

Note 15 Charity funds (cont)**15.1 Transfers between funds****This year**

	Reason for transfer and where endowment is converted to income, legal power for its conversion	Amount
Between unrestricted and restricted funds	None	

Note 16 Transactions with trustees and related parties

If the charity has any transactions with related parties (other than the trustee expenses explained in guidance notes) details of such transactions should be provided in this note. If there are no transactions to report, please enter "True" in the box or "False" if there are transactions to report.

16.1 Trustee remuneration and benefits**This year**

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

16.2 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties. If there are no such transactions, please enter 'true' in the box provided.

This year

There have been no related party transactions in the reporting period

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This Year	Last Year
Carbonxgen Ltd	Company owned by Hugs' Chairman	Carbonxgen Ltd is Hugs' Landlord, the Charity pay a nominal rent and Land Maintenance fee monthly	28,800	28,800
		Carboxgen have made a number of donations to support the Charity's staffing costs and other running expenses during the year	162,279	120,840
		Carboxgen donated the following assets to Hugs in September 2024: John Deere 3038R £15,000, Flemming Tractor Trailer T2 £1,700, Polaris Ranger 570RFI £7,000	23,700	-
Andrew Bowden	Chairman	Director and majority shareholder of Carbonxgen Ltd	None	None
Tracy Lewis	Trustee	Managing Director of Carbonxgen Ltd	None	None



Section A

Independent Examiner's Report

Report to the trustees

Charity Name
The Hugs Foundation

**On accounts for the year
ended**

31 May 2025

**Charity no
(if any)**

1175633

Set out on pages

1 & 2

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/08/2022.

**Responsibilities and
basis of report**

As the charity's trustees, 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 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent
examiner's statement**

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

** Please delete the words in the brackets if they do not apply.*

Signed: *M. D. Price*

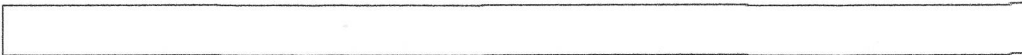
Date: 26/10/2025

Name: Mark Price BSc, FCA

**Relevant professional
qualification(s) or body
(if any):**

The Institute of Chartered Accountants in England and Wales (ICAEW)

Address: One, St Peters Road, Maidenhead, Berkshire, SL6 7QU



Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

N/A

Large empty rectangular box for providing details of items to disclose.

THE HUGS FOUNDATION

England & Wales - Charity number 1175633

Accounts



Trustees' Annual Report for the period

From 1st June 2023 **Period start date** To 31st May 2024 **Period end date**

Charity name: The Hugs Foundation

Charity registration number: 1175633

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The Hugs Foundation is an equine rescue charity, based in Bodmin, Cornwall, dedicated to improving animal welfare and the mental health and well-being of people through the therapeutic power of rescue animals and nature. Our work encompasses rehabilitating horses, ponies and donkeys that have suffered from neglect, abandonment or mistreatment, providing them with a safe, nurturing environment and aiming to find their forever home.</p> <p>We also provide therapeutic support to various groups, including children, young people and the elderly. We support a huge range of challenges, complex and additional needs including; social, emotional, physical and mental ill health, neurodiversity, trauma and abuse, bereavements, self-harm, suicide ideation, non-school attendance and social isolation, through animal-assisted services and working with the natural environment.</p> <p>We offer a unique and effective form of alternative support, alongside the rescue animals, encouraging emotional healing, resilience and personal growth. The work the rescue animals do, alongside our service users, is invaluable, it supports the animals to progress through their rehabilitation and find their forever home. Our work also includes offering educational programs, and community outreach to care homes and hospices.</p> <p>Our multiple aims and objectives include:</p> <ul style="list-style-type: none">• the rescue, rehabilitation and re-homing of unwanted, sick, mistreated and

		<p>abandoned horses, ponies and donkeys.</p> <ul style="list-style-type: none"> • to promote humane behaviours towards animals and educate the public in positive animal welfare. • to work alongside other rescues and organisations to make as big a difference as possible to animal welfare. • to improve children and young people’s social, emotional, physical and mental health and well-being through on-site interventions. • to decrease loneliness and increase social inclusion and hope amongst the elderly through visits to care homes. • to improve the social, emotional, physical and mental health and well-being of serving military personnel and veterans.
<p>Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.</p>	<p>Para 1.17 and 1.19</p>	<p>Our main charitable activities are to provide a safe, nurturing and enriching environment for our animal rescues, enabling us to rehabilitate and rehome as many as possible into a forever home and to provide well-being support to those in need. We do this by:</p> <p>Working alongside other rescues and organisations including; World Horse Welfare, the Mare & Foal Sanctuary, the RSPCA, the police and local councils, to rescue animals in need.</p> <p>Being active members of the National Equine Welfare Council (NEWC), The Federation of Horses in Education and Therapy International AISBL (HETI) and the Equine Assisted Services Partnership CiC.</p> <p>Rehabilitating rescue equines through individual programmes using ethical and empathic training techniques to create positive experiences for our rescues, enabling them to trust humans and build their confidence.</p> <p>Finding the right match for our rescues and their forever home.</p> <p>Attending events and running open days to raise awareness of the charity, educate the public about animal welfare and human</p>

	<p>well-being and promote positive animal welfare.</p> <p>Providing well-being support through on-site interventions to children, young people, serving military personnel and veterans. These interventions are set up as a course of six sessions, with the option to extend if needed, and have been shaped by people with lived experiences and experts in well-being, learning and development. We provide a unique mix of nature-based interventions together with mentoring and workshops that can include; animal assisted services, nature activities, therapeutic learning, outdoor learning, teambuilding, arts and crafts, forest based activities, learning about sustainability and practical skills, such as horticulture and growing vegetables.</p> <p>Providing well-being visits for the elderly, with our rescue animals, for those that are unable to leave their accommodation (e.g. care homes). These visits bring the residents something different to their usual routine and something to look forward to. Residents leave their rooms and congregate in the social areas, decreasing loneliness and increasing social inclusion, happiness and hope. For those that cannot leave their rooms, our animals (usually Dude, our super star rescue pony), go to them. The smiles this brings to people's faces and feedback we receive shows just how positive the impact is on their well-being and Dude is always keen to see the residents. We constantly monitor our animals' welfare to ensure they are always happy and healthy.</p> <p>In April 2022, we were the first organisation in Cornwall to be accepted onto the Human Equine Interaction Register UK (HEIR). There have been no regulations in the UK to protect both the service users that access organisations for support and the equines that work in therapeutic sessions, leaving both at risk of further harm. The register has been created to ensure all people involved in the field of human equine interactions operate credible, high quality, safe and ethical practice standards for their service provision. We are incredibly proud to be part of this.</p> <p>There have been 14 ponies returned to the facility during this period, due to changes in owner circumstances including finances (9), owner health concerns (3) and loss of</p>
--	---

		<p>grazing (2). We continue to provide care for those returned to Hugs and look to rehome them once more. Eight of these returned ponies found new homes again, 1 has been reserved and will be going to their new homes soon, 5 are ready for rehoming and will continue to undergo training whilst remaining at Hugs.</p> <p>The charity is fully insured. All staff are enhanced DBS checked, a full safeguarding policy and procedure is in place and updated regularly, as are our other policies, such as equal opportunities.</p> <p>Volunteers continue to provide vital resource to the charity through activities such as; animal care and essential yard tasks, home checks, maintenance, admin, events and fundraising support, providing benefit to both volunteer and charity. Our Operations and Volunteer Manager has set up a new volunteer recruitment, training and retention programme and volunteer numbers are now growing once more.</p> <p>In 2021 we ran a pilot veterans project which was a success. This is something that the charity would like to offer permanently but is subject to funding and staffing capacity.</p> <p>A monthly newsletter continues to be produced and sent to our supporters (who have signed up in accordance with GDPR) to keep them up to date with the activities of the charity, promote our events and to encourage donor engagement.</p>
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The trustees are aware of the guidance issued by the Charities Commission on public benefit with regard to the need for them to exercise their powers and duties for the benefit of the public. Every trustee has complied with their duty to have due regard on public benefit.

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	N/A.
Policy on social investment including program related investment	Para 1.38	N/A.
Contribution made by volunteers	Para 1.38	In May 2023 we recruited our first Volunteer Coordinator (now the Operations and Volunteer Manager, as of March 2024). We

have implemented this role to develop the volunteer programmes and the operational side of the charity. Since May 2023, we have worked on increasing volunteer numbers across a variety of roles. Having more volunteers on board to support us, ultimately means we can rescue and rehabilitate more horses, assist more vulnerable people through our well-being services and support our local community via our community outreach programmes. Throughout the year we have recruited over 20 dedicated, hard-working and enthusiastic volunteers into our small charity; increasing our numbers from 5 to 24 regular volunteers.




We are currently onboarding volunteers into multiple areas of the charity to further grow and develop our organisation. Tasks such as cleaning and labelling tack donations, writing our monthly newsletter to our supporters, running stalls and activities at events for fundraising and helping to grow fruit, veg and herbs for the animals in our care are all great ways of getting involved with the charity, having an impact on the lives of animals and people and helping to make a difference. In this charity year, volunteers have contributed an incredible 1,759 hours to The Hugs Foundation.



		
Other		N/A.

Achievements and Performance

	SORP reference	
<p>Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.</p>	<p>Para 1.20</p>	<p>Equine Rescue</p> <p>In this charity year we have rescued 27 equines (a total of 214 horses, ponies and donkeys and over 240 other animals in total since opening in 2017).</p> <div data-bbox="735 1128 1302 1973" data-label="Image">  <p style="text-align: center;">Pumpkin Before & After</p> </div> <p>We have rehomed 28 of those rehabilitated equines (a total of 167 since opening in 2017).</p>

KitKat

On arrival at Hugs and now in her forever home



Recent statistics released from NEWC have highlighted that our rehoming value was the 10th highest, and our intake value was 9th highest within the rehoming charities who report to NEWC. Our small charity is statistically higher than some of the leading charities in the UK, which is a huge achievement for such a small team.

We have maintained communication with other leading equine charities in the UK. We have regular communication with World Horse Welfare and the RSPCA inspectors who cover Cornwall and Devon. The inspectors who cover Dartmoor and Bodmin Moor have a clear concept of our abilities to rehabilitate and train the types of feral equines that exist on the moors.

The animal welfare team have a constant stream of enquiries regarding rehoming, welfare and surrender. Most of these are actioned in house, but prosecution cases and moorland concerns are transferred to the appropriate inspectorates and if we are unable to take in any surrender cases, we will signpost them to NEWC charities.

35% of our intakes are surrender cases. We have seen an increase in this type of rescue this year, due to a number of reasons including owner physical or mental ill health, finances, loss of grazing/livery and welfare needs no longer being able to be met.

Additional large intake categories are unclaimed equines, which include Bodmin and Dartmoor, plus welfare intakes which are definitive welfare cases that have been removed from the owner and not surrendered.

We have increased our tack sale and rehoming events, which in turn, have increased our income and rehoming applications. Our arena has had a revamp, and we have been able to hold a day clinic with Idyllwild Horsemanship as our guest clinician and hire the arena to add another income stream.



We have added an all-weather turnout area to our facilities, thanks to a grant from the fantastic Pets Foundation, which is being very much enjoyed by our equine rescues, saving them from the multitude of mud and rain we have seen! This is a huge asset to our facilities. In summer, we will be able to use it for those horses and ponies with conditions such as EMS and laminitis and in winter, for those who suffer from things like mud fever.



Youth Mental Health & Well-Being Project

Recent NHS data found the number of children in mental health crisis at record levels with urgent referrals now more than 3 times higher than in 2019. A child/young person is now being referred to the NHS every 30 seconds. In May 2023 there were 466,250 referrals made nationally to Child and Adolescent Mental Health Services (CAMHS). Thousands are having to wait months, even years to access support. The number of secondary school young people with emotional/behavioural disorders increased by 133% between 2012 and 2016 alone (Cornwall Council, 2017). Our schools are overwhelmed with the number of children needing additional support. There is huge demand for our project's alternative provision/support with all referrals coming through word of mouth.

In this charity year, we have reached 109 children and young people, 64 of which were new to Hugs and 43 attended an additional block of sessions. Hugs delivered 642 hours of well-being interventions this

year. This brings our total number of individual children and young people supported to 813 and over 7,162 hours of well-being sessions conducted.



A huge achievement this charity year was that the youth well-being project (named Hooves, Hearts and Minds Aligned) was fully funded through trusts and grants, for the first time, making it financially accessible to all. A massive thank you to all that made this possible including; the National Lottery's People's Projects, Cornwall Community Foundation, the Garfield Weston Foundation and the Postcode Local Trust.

We have been accepted onto the new Cornwall Council Quality Provision Register as an accredited provision. Public sector services in Cornwall will only be able to refer to providers on this register from September 2024, so this will open new doors and add to our credibility. Our staff are undertaking the new Equine Assisted Services Diploma, the only official qualification in the UK regulated by Ofqual and accredited through OCN London.

We have added equipment to our sensory garden thanks to some grant funding and donations from our amazing supporters. This has included an extension to our wildlife pond, a den area, patio and pergola to create a de-escalation and calm, reflective space for our service users.



We have created a progression route for our service users so they can progress to supported volunteering with groups of similar ages and needs, enabling peer support and developing further skills. This is thanks to grant funding and will be running from September 2024. Liskeard Secondary School will also be starting a group supported volunteering project.

We have been contacted by several women's refuge organisations in Cornwall and will be delivering one off sessions throughout Summer 2024. We also have a local forest school who are interested in working together on projects. This would be great for some collaborative team building days and also tree planting etc.

Our feedback forms are completed on a voluntary basis as for some service users compulsory completion may expose them to additional pressure and we have found that this can be a barrier and cause a service user to shut down. In addition, some service users have such complex needs that completing the form is impossible or their needs are such that the form would not provide for accurate data. Some service users just do not wish to complete the form, and we respect their wishes. We do try to encourage a verbal quote at least, to see if we have made a positive difference to them and gather feedback from the parent or carer that attends sessions with them. We are currently applying for funding to

undertake an external evaluation process of our provision, measuring tools and its impact to find a measuring/feedback tool for our service users that is more engaging, removes barriers and provides more accurate reporting.

Outcomes

- Of the 109 service users, 20 (18%) completed a feedback form.
- 12 individuals completed the 7 item Warwick Edinburgh Mental Well-Being Scale (WEMWBS) with 83% recording a statistically significant change in their overall well-being.
- Eight of our younger service users completed the traffic light feedback form. 100% reported an increase in their well-being.
- We have had 5 feedback forms completed with questions asked to the supporting adult who attended with service users (e.g. parents/school). Results are below.

Do You Feel Hugs Supported Your Child/Young Person (n = 5)	% Reporting Yes
In Their Time of Need or Crisis?	100%
To Improve Their Confidence and Self-Esteem?	100%
To Improve Their Resilience and Empowerment?	100%
To Improve Social Inclusion	100%

We have supported over 40 different needs. Many of the service users who attend Hugs sessions come with more than one need, and they are often complex ones. As part of the support offered, we aim to get to know each service user as an individual, including their likes and dislikes. This then enables us to look at their needs alongside their preferences to create bespoke sessions for them, which in turn, creates child-led support for the service user. This year we have seen an increase in the need for support for neurodiversity, anxiety, emotional dysregulation, social isolation and non-engagement with school.

We have noticed that certain activities are able to support specific needs. For example, grooming/brushing our ponies and encouraging a gentle, repetitive rocking movement with brush strokes enables us to hold the space for them and this has supported:

- help with emotional regulation
- learning grounding techniques and calming the mind
- rocking movements can help stimulate the release of oxytocin
- understanding the feeling of 'in the moment'

We have worked with a greater number of children that are NEET and often Hugs is the only activity that they are leaving their homes for. Consequently, gross motor skills have been impacted along with being able to identify risk and the ability to safely risk take. We have also noticed a greater need for some additional facilities for our young people. This includes a swing to aid emotional regulation. Combining these learnings, we are now applying for funding to install a natural climbing frame area, including a swing. This is to aid emotional regulation and to help with strength, coordination and safe risk taking.

It has been more difficult to gather feedback, due to how complex needs are becoming and parents/schools not returning forms. This may also be because we are so passionate about hearing how the child is feeling over what an adult perception is, so we get less physical data and more comments about their feelings. To improve the number of people completing feedback, we are looking at recruiting a volunteer to concentrate specifically in this area. We are also applying for funding to undertake an external evaluation to discover if there is a more suitable measuring tool that would remove more barriers and be more engaging for service users.



Feedback

“My daughter has been to settings where they have not been able to meet her needs and have given up on us. Hugs have been a lifeline of therapeutic support and solace for both of us.”

“My son is happy at Hugs but is also a lot happier at home.”

“I just wanted to let you know just what an impact Hazel and Yilly made with my son on Friday. We popped to Aldi afterwards and when we got out of the car his words were 'I feel on top of the world for what I achieved today, I'm so proud of myself' so a BIG thank you to Hazel & rescue pony Yilly, as a parent of a child

that struggles so much with his mental health it filled me with joy hearing and seeing the achievement he made."

"My daughter was anxious about starting sessions because of all of the unknown factors. She has been unable to face any group activity since being de-registered from school in September 2023. She has loved the sessions! Her confidence has grown quickly around the animals, she now never wants to leave! She is noticeably calmer and chose to take part in a Hugs group session, even though it was a group! This is a huge development."

"My daughter has accessed Hugs over the last two years, and I cannot stress enough how important their work is. My daughter is in Autistic burn out and has been through many traumas and as a result is unable to access mainstream education. Hugs has been the only provision that she has managed to attend and the difference it has made is amazing. The therapeutic effect of animals is truly incredible but not only that, the whole team at Hugs, especially Hazel the Youth Well-Being Manager, are so good at what they do and seem to really understand young people and how to help them. My daughter has tried other equine therapies, but none have come close to Hugs in their understanding and activities.

On another note, I work as a nurse specialist and refer young people to Hugs on a regular basis. Most of these young people are vulnerable and have behavioural and/or emotional difficulties. These young people almost always rely on funded sessions, and this is so important as without it, these 'hard to reach' families would almost certainly be unable to access this vital therapy. Without Hugs there would be a huge gap in this kind of therapeutic provision. We are in the midst of a mental health crisis for young people currently and Hugs provide a much needed service that must continue."

Read the full impact report here:

<https://hugsfoundation.org.uk/wp-content/uploads/2024/08/Youth-Wellbeing-Impact-Report-23-24.pdf>



Community Outreach

We have delivered a number of education talks or facilitated visits in both animal welfare and human well-being to organisations including:

- WI
- Young Farmers
- Little Harbour (Part of Children's Hospice Southwest)
- Barnardo's
- Scout groups
- Brownie packs
- Woman's Refuge Group
- Bodmin Folk Group
- School groups
- College groups
- Georgia's Voice
- Guide Dog youth group

We have supported over 70 school children in this charity year and have established partnerships where several schools are now fundraising for us.



Care Home Well-Being Project

We have been able to carry out 32 care home visits with our rescue pony, Dude. This is a 68% increase on the previous charity year, evidencing the demand for

this service. This project was kindly funded by the Anton Jurgens Charitable Trust, The Hedley Foundation and public donations. Our visits incorporate animal interactions which include talking about well-being for both animals and humans. These visits lower blood pressure, increase 'feel good' endorphins, reducing stress and anxiety. The project has continued to be a huge success with visits now booked up nearly 12 months in advance!

"Well, what an amazing afternoon! We have been very privileged to have the company of Hugs. The love and dedication of Hazel and Jane shone through, their caring approach with Dude and our residents was the best experience ever. Dude was rescued by the charity when he was 3 months old, he would not have survived without the kindness and dedication of the charity. Dude certainly showed his appreciation and gratitude. Please come back to see us soon!" Roseland Court Care Home

"The residents at Penrice House thoroughly enjoy the afternoons when Dude visits. Dude has such a calming influence and the residents love interacting with him. Whenever Dude and the team visit, I know that it will be a fun filled afternoon with lots of smiles. I cannot thank Hugs enough for everything they do for us." Penrice House



Other

We were hoping to run our military and veterans' well-being project after the success of our pilot project in 2021 but sadly we have not been able to due to the demand for youth well-being sessions, staffing capacity and funding limitations. We hope this is something we can get up and running in the future.

We have continued to build relationships and partnerships which include; Young People Cornwall, Barnardo's, Real Ideas, women's refuges, other departments in the NHS and Cornwall Council, Children and Adolescent Mental Health Services (CAMHS), additional schools, both primary and secondary, children in care units, community nurses, social workers and social prescribers.

We have continued to work within with the local community, attending 9 community events including; Bodmin Hospital Fete, a Pass Wide & Slow event ride, Bodmin Fire Station open day, Bodmin dog show, Asda and Pets at Home. Dude and the team visited Cornwall College, Newquay University Centre to deliver a guest lecture to their university students. This is the second year we have been invited and we are delighted to say that we have been invited back for the next charity year. We also attended our first Christmas fair at Pencarrow House and Gardens and took new merchandise including mugs, bags and notepads, raising £700.



We held 3 very successful open days at Hugs rescue centre this year, which raised a total of £6,500 for the charity.

We had a fantastic supporter and service user's parent create and sing an autism awareness song, which was then promoted through the NHS and raised awareness for Hugs. This got some great coverage with the media, including TV appearances.



We have continued to work collaboratively with the National Equine Welfare Council (NEWC) and the Federation of Horses in Education and Therapy International (HETI) UK. We are proud members of the Equine Assisted Services Partnership CiC and are on the Human Equine Interaction Register (HEIR) to ensure we provide the best services possible to both humans and equines. We have attended meetings throughout the year with the above organisations and the South West Equine Assisted Practitioners Regional Meetings. We have also collaborated with another charity, CHAOS Farm, to create the Cornwall Equine Assisted Practitioners Community to encourage everyone in Cornwall working in equine assisted services to come together, build relationships and a supportive network and encourage best practice.

The fundraising strategy was purposely created to be flexible alongside the current financial climate and with the current cost of living crisis.

We are incredibly grateful to the fantastic businesses that continue to support us with donations including; Carbonxgen, Proper Cornish, Pets at Home and Aspects Holidays.

Our income streams have diversified over the last few years and those streams are now growing. Our Crowdfunder this year raised just over £16,000 and we have had our first discretionary legacy – an income stream we will be working on growing in the next charity year. This legacy enabled the charity to proactively expand its rescue activities to include more donkeys and include them in the well-being provision, as well as additional horses and ponies, which lack of funding had previously made impossible. It has also helped to create the all-weather turnout area for the donkeys and other equines in need.

In our first year of raising funds through trusts and grants (August 2019 to 31st May 2020), we received £53,750. This charity year we have raised just over £190,000, which is an incredible achievement, given the financial climate for charities with many funders

success rates now being significantly lower, due to increased demand.

Funders have included; The National Lottery Community Fund (People's Projects Awards), Garfield Weston Foundation, multiple funders through the Cornwall Community Foundation, Pets at Home Foundation, Jean Sainsbury Animal Welfare Trust, Animal Rescue Foundation, Animal Friends, Network for Animals, Ruth Smart Foundation, The Anton Jurgens Charitable Trust, The Hedley Foundation and Cornwall VSF Training Fund.

Regular donors have increased from 16 monthly donors donating £2,400 every year in 2019 to over 150 donating more than £16,500 every year for Hugs. 'Sponsor a Rescue' gifts for resident animals has continued to be popular totalling over £1,100 for the year.

We have also had some fantastic fundraisers onboard with some splendid fundraising activities ideas including; a 24 hour karatethon, a sponsored bike ride, quiz and raffle nights, dog shows, horse shows, shop collections, folk club evenings and birthday fundraisers.

We have continued to work with professionals, to ensure we are doing the best we can to support and keep our charity's donors, supporters, service users and animals safe including; a Health & Safety consultant, a GDPR consultant and a Safeguarding consultant.

We have continued to provide counselling and supervision support for our staff and volunteers. Our youth well-being staff receive support on a regular basis and the offer is there for all other staff and volunteers to take up if they wish. This is to ensure that we are doing our part to care for everyone's mental health and well-being, aligned with our values.

Future Plans

A future plan has been established as follows:

- Continue to adapt, implement and develop our fundraising strategy, ensuring we can adjust where needed when the unexpected comes along and work towards becoming self-sustainable to ensure the Charity's future. This includes working on a new legacy programme. We now have a part time Fundraising & Marketing Assistant and Finance Officer to grow our income further.
- Increase capacity for on-site well-being support to meet demand through our new Supported Volunteering progression route.
- Continue to train staff and liaise with other professionals in the sector to ensure the referrals

		<p>being received are getting the best support they can, and we have the best safeguarding etc to keep services users and the charity safe.</p> <ul style="list-style-type: none"> • Continue to be active members of HETI, NEWC, the Equine Assisted Services Partnership CiC, the South West Equine Assisted Practitioners Regional meetings and the Cornwall Equine Assisted Practitioners Community. • Continue to monitor moorland welfare and work closely with other charities and organisations to improve equine welfare in the UK. • Develop our offer of well-being support to reach out to other demographics including veterans, military personnel and first responders. Include a qualified therapist as an additional staff member to support this project, subject to funding. • Continue to develop our volunteer programmes and services for corporate groups including team building activities. This will raise awareness for the charity, build corporate relationships and aim to increase fundraising opportunities. • Continue to develop our staff through training and education appropriate to their sector. • Create additional track systems for our equine rescues to keep them out of the mud in winter and support those with medical conditions who need restricted grazing. • Start to research quotes to improve our isolation facilities. • Start to research quotes to improve our well-being facilities to include a reception area and additional area for learning inside in winter weather. • Launch a legacy programme and marketing campaign using the discretionary legacy received to create content around how legacies help the charity.
--	--	---

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	

Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	<p>Due to the cost of living increases and growth of the charity, our expenditure has increased again this year, and our income has grown to reflect this.</p> <p>During the year receipts of £512,954 were received from donations, trust and grants, sponsorships, legacies, rehoming fees and service charges. Of this, £121,268 was received from a corporate sponsorship partner that provided donations to set up and establish the charity through support with staffing and running costs. A flexible and phased plan is in place for this and a steady decrease over the following years as the diversified income streams grow, enabling the charity to become self-sustainable.</p> <p>Over £190,000 was raised in trust and grant funding, an increase on the previous year. A fundraising strategy and business plan is in place to reduce the donation amount and reliance on the corporate donor and diversify income streams, working towards self-sustainability. This has been successful so far, for example, regular donors have increased from 16 monthly donors donating £2,400 every year in 2019 to over 150 donating more than £16,500 in this charity year. Our second Crowdfunder raised over £16,000, we received our first discretionary legacy of an incredible £100,000 and we are submitting monthly Gift Aid claims totalling over £7,500 this charity year.</p>
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	<p>The Hugs Foundation is a fairly young charity and significant setup and operational costs have been incurred, thus the ability to create cash reserves was not possible. In addition to this, the coronavirus pandemic and the cost of living crisis, made it financially impossible to build or retain any reserve funding. The Hugs Foundation</p>

		<p>also believes that monies received should be spent in accordance with the charity mission and not held long term in a bank account. However, the charity recognises that 3-6 months running costs in reserves is a goal that must be achieved to keep the charity and its service users safe.</p> <p>In this charity year, we received a discretionary legacy of £100,000. This has enabled our cash reserves to build up. The Hugs Foundation is ultimately aiming to increase its level of unrestricted funds and reserves over the following years, in order to ensure the underlying financial resilience of the charity and to provide designated funds for specific projects. The aim would be for a minimum level of free reserves that The Hugs Foundation will hold in unrestricted funds, excluding fixed assets, to cover three to six months of core running costs plus any potential liabilities in the event of The Hugs Foundation having to cease its activities.</p> <p>The reserves policy is reviewed annually by The Hugs Foundation Trustees.</p>
Amount of reserves held	Para 1.22	Total reserves held on 31 May 2024 were £239,083, split as unrestricted funds of £153,684 and restricted funds of £85,399. £115,722 of the unrestricted funds balance is held as cash.
Reasons for holding zero reserves	Para 1.22	N/A.
Details of fund materially in deficit	Para 1.24	N/A.
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	The cost of living crisis has had a negative impact on funding available for charities, due to the increase in demand. However, the charity has a flexible and diverse fundraising plan in place, including diversifying funding streams over the last few years e.g. monthly donations, which has increased again this year, and receiving its first legacy income. Demand for equine (horses, ponies and donkeys) rescues and rehoming is continuing to rise, with more owners unable to care for their animals due to the cost of living, and well-being service referrals continue to be fully booked with no marketing needed. This demand for the charity's services and the success in diversifying income streams, sees the outlook for The Hugs Foundation as optimistic for its future aim of being there for the community for years to come and becoming sustainable financially.

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	<p>The charity's principal sources of funds are the trust and grant fundraising and the main corporate partner. To ensure the charity's survival and sustainability long term, a phased reduction has started from the main corporate sponsor. Additional funding streams have been established and are steadily growing and include:</p> <ul style="list-style-type: none">• Individual giving, both one off donations and regular monthly donations• Memberships (Sponsor a Rescue or Stable)• Service charges• Animal rescue rehoming fees• Livery• Tack sale donations• Sandschool hire• Crowdfunding• Legacies• Merchandise• Corporate partnerships/sponsorships and donations <p>Moving forwards, the charity's fundraising plan is to continue to grow these diversified income streams and become less reliant on one main corporate sponsor. This is evidencing a positive trend in our annual accounts.</p>
Investment policy and objectives including any social investment policy adopted	Para 1.46	N/A
A description of the principal risks facing the charity	Para 1.46	The trustees have assessed the major risks to which the charity is exposed and are satisfied that the systems in place (risk register etc.) will help to mitigate the risk or enable it to be dealt with in a timely, efficient manner.
Other		

Structure, Governance and Management

Description of charity's trusts:		N/A
Type of governing document (trust deed, royal charter)	Para 1.25	Constitution of a Charitable Incorporated Organisation
How is the charity constituted?	Para 1.25	Charitable Incorporated Organisation

(e.g. unincorporated association, CIO)		
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Trustees can be selected in various ways including; approaching the charity themselves through CV or application or nomination by existing Trustees. Current Trustees will consider potential new Trustees who have skills which will help the charity e.g. animal welfare knowledge, children's mental health, safeguarding, fundraising and charity management. Applications/nominations are brought to Trustee meeting to discuss. They are appointed upon approval by majority vote, familiarised with the day to day running of the charity and briefed on the governance and their responsibilities.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	The Hugs Foundation
Other name the charity uses	N/A
Registered charity number	1175633
Charity's principal address	Higher Whitley Farm Helland Road Bodmin Cornwall PL31 2NT

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Andrew Frederick Bowden			
2	Tracy Jayne Lewis			
3	Paul Jonathan Dransfield			
4	David Peter Sell		Resigned on 20 th February 2024.	
5	Rachel Pocknell		Resigned on 11 th October 2023.	
6	Natalie Wilkerson		Appointed on 30 th November 2023.	
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Safeguarding	Safe4Schools Ltd – Mark Bowles	58-60 Wetmore Road, Burton, DE14 1SN
Health & Safety	Safety First (Cornwall) – Daniel Hunt	Advent House, Station Approach, Saint Austell PL26 8LG
GDPR	Boo Consulting Limited	Unit 1a Safir House, Stret Caradoc, Newquay, Cornwall TR7 1GE

Name of chief executive or names of senior staff members (Optional information)

Andrew Bowden - Chairman

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--


Other optional information

--

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Andrew Frederick Bowden	
Position (e.g. Secretary, Chair, etc)	Chair	
Date	14/08/2024	



Charity Name	The Hugs Foundation		1175633
Annual accounts for the period			
Period start date	1 June 2023	To	31 May 2024

Section A Statement of financial activities

Recommended categories by activity	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	285,485	-	285,485	175,625
Charitable activities	18,261	207,459	225,720	151,657
Other trading activities	1,750	-	1,750	1,970
Total	305,495	207,459	512,954	329,252
Resources expended (Note 5)				
Expenditure on:				
Raising funds	28,039	-	28,039	29,511
Charitable activities	157,061	173,832	330,893	305,194
Total	185,100	173,832	358,933	334,705
Net income/(expenditure) before transfers	120,396	33,627	154,023	- 5,453
Transfers	-	-	-	
Net income/(expenditure)	120,396	33,627	154,023	- 5,453
Reconciliation of funds:				
Total funds brought forward	33,288	51,771	85,059	90,512
Total funds carried forward	153,684	85,399	239,083	85,059

Section B

Balance sheet

	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets				
Tangible assets (Note 9)	41,066	-	41,066	30,926
<i>Total fixed assets</i>	41,066	-	41,066	30,926
Current assets				
Debtors (Note 10)	8,800	-	8,800	6,637
Cash at bank and in hand (Note 12)	115,722	85,399	201,121	59,557
<i>Total current assets</i>	124,522	85,399	209,921	66,194
Creditors: amounts falling due within one year (Note 11)	11,904	-	11,904	12,065
<i>Net current assets/(liabilities)</i>	112,618	85,399	198,017	54,129
<i>Total net assets or liabilities</i>	153,689	85,399	239,083	85,055
Funds of the Charity				
Restricted income funds (Note 14)		85,399	85,399	51,771
Unrestricted funds	153,684		153,684	33,288
<i>Total funds</i>	153,684	85,399	239,083	85,059

Note 1 Basis of preparation

This section should be completed by all charities .

1.1 Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

- and with* the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.*

* -Tick as appropriate

1.2 Going concern

If there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern, please provide the following details or state "Not applicable", if appropriate:

An explanation as to those factors that support the conclusion that the charity is a going concern;

The cost of living crisis has had a negative impact on funding available for charities, due to the increase in demand. However, the charity has a flexible and diverse fundraising plan in place, including diversifying funding streams over the last few years e.g. monthly donations, which has increased again this year, and receiving it's first legacy income. Demand for equine (horses, ponies and donkeys) rescues and rehoming is continuing to rise, with more owners unable to care for their animals due to the cost of living, and well-being service referrals continue to be fully booked with no marketing needed. This demand for the charity's services and the success in diversifying income streams, sees the outlook for The Hugs Foundation as optimistic for its future aim of being there for the community

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Note 2

Accounting policies

2.1 INCOME

Recognition of income	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability. 	Yes	No	N/a
		✓	✓	✓
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.	Yes	No	N/a
		✓	✓	✓
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).	Yes	No	N/a
		✓	✓	✓
	In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).	Yes	No	N/a
		✓	✓	✓
Legacies	Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.	Yes	No	N/a
		✓	✓	✓
Government grants	The charity has received government grants in the reporting period	Yes	No	N/a
		✓	✓	✓
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.	Yes	No	N/a
		✓	✓	✓
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.	Yes	No	N/a
		✓	✓	✓
Donated goods	Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.	Yes	No	N/a
		✓	✓	✓
	The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.	Yes	No	N/a
		✓	✓	✓
	Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.	Yes	No	N/a
		✓	✓	✓
	Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.	Yes	No	N/a
		✓	✓	✓
	Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.	Yes	No	N/a
		✓	✓	✓
Donated services and facilities	Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.	Yes	No	N/a
		✓	✓	✓
	Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SoFA.	Yes	No	N/a
		✓	✓	✓
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		✓	✓	✓
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.	Yes	No	N/a
		✓	✓	✓
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		✓	✓	✓
Income from membership subscriptions	Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.	Yes	No	N/a
		✓	✓	✓
	Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.	Yes	No	N/a
		✓	✓	✓
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
		✓	✓	✓
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
		✓	✓	✓

2.2 EXPENDITURE AND LIABILITIES

Liabilities are recognised where it is more likely than not that there is a legal or

Yes No N/a

Note 2	Accounting policies			
Liability recognition	constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	✓	✓	✓
		Yes	No	N/a
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	✓	✓	✓
		Yes	No	N/a
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	✓	✓	✓
		Yes	No	N/a
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	✓	✓	✓
		Yes	No	N/a
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.	✓	✓	✓
		Yes	No	N/a
Redundancy cost	The charity made no redundancy payments during the reporting period.	✓	✓	✓
		Yes	No	N/a
Deferred income	No material item of deferred income has been included in the accounts.	✓	✓	✓
		Yes	No	N/a
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	✓	✓	✓
		Yes	No	N/a
	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	✓	✓	✓
Provisions for liabilities		Yes	No	N/a
	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	✓	✓	✓
Basic financial instruments		Yes	No	N/a
		✓	✓	✓
2.3 ASSETS				
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £3,000.			
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
	The depreciation rates and methods used are disclosed in note 9.2.			
Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Heritage assets	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4.	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.	Yes	No	N/a
	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	✓	✓	✓
		Yes	No	N/a
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value.	✓	✓	✓
	Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.	Yes	No	N/a
		✓	✓	✓
	Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.	Yes	No	N/a
		✓	✓	✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes	No	N/a
		✓	✓	✓
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes	No	N/a
		✓	✓	✓
	They are valued at fair value except where they qualify as basic financial instruments.	Yes	No	N/a
		✓	✓	✓

Note 3

Analysis of income

	Unrestricted funds	Restricted income funds	Total funds £	Prior year £
Analysis				
Donations and legacies:				
Donations	183,612	-	183,612	174,096
Legacies	100,000	-	100,000	-
General grants provided by government/other charities	-	-	-	-
Membership subscriptions and sponsorships	1,872	-	1,872	1,529
Total	285,485	-	285,485	175,625
Charitable activities:				
Grants	-	190,814	190,814	130,389
Crowd Funding		16,645	16,645	-
Rehoming	8,410	-	8,410	8,740
Mental Health	8,926	-	8,926	12,318
Other	925	-	925	210
Total	18,261	207,459	225,720	151,657
Other trading activities:				
Hire income	1,750	-	1,750	1,970
Total	1,750	-	1,750	1,970
TOTAL INCOME	305,495	207,459	512,954	329,252

Note 4

Analysis of receipts of government grants

	Description	This year £	Prior year £
Government grant	HMRC Job Retention Scheme	-	-
Total		-	-

Note 5

Analysis of expenditure

Analysis	This year			Last year		
	Unrestricted funds	Restricted income funds	Total funds	Unrestricted funds	Restricted income funds	Total funds
Expenditure on raising funds:			£			£
Staff Costs	23,822	-	23,822	26,314	-	26,314
Incurred seeking donations	-	-	-	-	-	-
Operating membership schemes and social lotteries	3,119	-	3,119	1,986	-	1,986
Advertising, marketing, direct mail and publicity	1,098	-	1,098	1,212	-	1,212
Total expenditure on raising funds	28,039	-	28,039	29,511	-	29,511
Expenditure on charitable activities:						
Staff Costs	101,188	79,432	180,620	94,391	45,602	139,993
Recruitment Costs	-	-	-	-	-	-
Veterinary and Medical Costs	14,559	18,446	33,005	25,300	17,166	42,466
Feed	3,683	2,532	6,215	3,314	7,331	10,645
Yard Expenditure	- 13,167	20,034	6,867	4	6,893	6,897
Equine Care	1,514	3,558	5,072	2,028	3,256	5,284
Training	2,561	5,403	7,964	1,548	-	1,548
Repairs and Renewals	- 8,005	10,329	2,324	6,009	973	6,982
Insurance	5,199	3,574	8,773	4,459	2,052	6,511
Professional Fees	6,477	2,560	9,037	11,216	4,433	15,649
Bank and Payment Charges	866	-	866	663	-	663
Computers and Internet	8,406	-	8,406	10,121	-	10,121
Utilities and Rates	18,261	13,277	31,538	27,577	9,631	37,208
Transport and Travel	9,792	998	10,790	5,831	595	6,426
Office Supplies	- 3,673	6,444	2,771	1,434	927	2,361
Depreciation	8,855	-	8,855	7,933	-	7,933
Programme Costs	- 861	6,846	5,985	35	2,050	2,085
Sundries	1,405	400	1,805	1,731	694	2,425
Total expenditure on charitable activities	157,061	173,832	330,894	203,593	101,601	305,195
TOTAL EXPENDITURE	185,100	173,832	358,933	233,105	101,601	334,706

Note 6 Details of certain items of expenditure**6.1 Fees for examination of the accounts**

Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner. If nothing was paid please enter '0' in the appropriate box(es).

Independent examiner's fees

This year £	Last year £
780	720

Note 7 Paid employees

Please complete this note if the charity has any employees.

7.1 Staff Costs

Salaries and wages

Social security costs

Pension costs (defined contribution scheme)

Total staff costs

This year £	Last year £
190,927	146,152
9,037	7,927
4,478	4,353
204,442	158,432

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity. For specific amounts paid to trustees, see Note 28.

This year £	Last year £
98,362	95,227

7.2 Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Total

This year Number	Last year Number
2	1
8	6
10	7

Note 8 Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.

8.1 *Please complete this note if a defined contribution pension scheme is operated.*

Amount of contributions recognised in the SOFA as an expense

This year £	Last year £
4,478	4,353

Note 9 Tangible fixed assets*Please complete this note if the charity has any tangible fixed assets***9.1 Cost or valuation**

	Freehold land & buildings	Other land & buildings	Yard equipment	Total
	£	£	£	£
At the beginning of the year	1,104	563	59,185	60,852
Additions	-	-	18,996	18,996
Disposals	-	-		-
At end of the year	1,104	563	78,181	79,848

9.2 Depreciation and impairments

**Basis	RB	RB	SL
** Rate	25%	25%	4/7/10/20 years

At beginning of the year	907	429	28,589	29,925
Disposals	-	-		-
Depreciation	49	33	8,773	8,855
At end of the year	956	462	37,362	38,780

9.3 Net book value

Net book value at the beginning of the year	197	134	30,596	30,927
Net book value at the end of the year	148	101	40,819	41,066

Note 10 Debtors and prepayments

Please complete this note if the charity has any debtors or prepayments.

10.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Taxation and social security

Total

This year	Last year
£	£
1,129	3,336
7,672	3,301
-	-
8,800	6,637

Note 11 Creditors and accruals

Please complete this note if the charity has any creditors or accruals.

11.1 Analysis of creditors

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
6,736	4,607	-	-
3,099	5,084	-	-
2,069	2,163	-	-
-	211	-	-
11,905	12,066	-	-

Note 12 Cash at bank and in hand

Cash at bank and on hand

Total

This year	Last year
£	£
201,121	59,557
201,121	59,557

Note 13

Events after the end of the reporting period

Please complete this note events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

	This year	Last year
Please provide details of the nature of the event	N/A	N/A

Provide an estimate of the financial effect of the event or a statement that such an estimate cannot be made	N/A	N/A
---	-----	-----

Note 14 Charity funds

14.1 Details of material funds held and movements during the CURRENT reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE, R or UR *	Purpose and Restrictions	Fund balances at 1 June 2023 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2024 £
Animal friends	R	Costs of care for animal rescues.		5,000	- 5,000	-	-
Animal Rescue Foundation	R	Intake costs of rescuing equines.		4,000		-	4,000
CCF Carew Pole	R	Project costs of care home well-being outreach project.		1,000		-	1,000
CCF Brighter Future	R	Youth well-being project funding.		9,090			9,090
CCF Karenza Fund	R	Youth well-being project funding.		5,000		-	5,000
CCF VCSE Health Improvement	R	Project costs of supported volunteering project.		14,000		-	14,000
CCF Sedel Collings	R	Youth well-being project funding.		14,588	- 10,941		3,647
Clare Milne	R	Youth well-being project funding.		14,464			14,464
Cornwall VSF	R	Staff training (x3) - Equine Assisted Services Level 3 Diploma.		1,950	- 1,950		-
Garfield Weston Foundation	R	Youth well-being project funding.		15,000	- 5,532		9,468
Jean Sainsbury Animal Welfare Trust	R	Vets bills and feed.		6,500			6,500
Headley Foundation	R	Project costs of care home well-being outreach project.		3,000	- 2,667		333
National Lottery	R	Youth well-being project costs.		59,844	- 55,118		4,726
Network for Animals	R	Rescue pony Barney's rehabilitation.		2,000	- 1,948		52
Network for Animals - 2	R	Intake costs of rescuing 3 x donkeys.		1,500	- 1,147		353
Petplan	R	Animal welfare/intake costs.		7,000			7,000
Pets Foundation	R	Mudcontrol Slabs for all-weather turnout area.		18,895	- 18,895		-
Ruth Smart Foundation	R	Animal welfare/intake costs.		2,000	- 2,000		-
St James Place Charitable	R	Sensory garden equipment.		4,233	- 4,233		-
Woodroffe Benton Foundation	R	Project costs of care home well-being outreach project.		1,750			1,750
Crowdfunder	R	October foal herd rescue and care costs.		16,645	- 12,629		4,016
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	5,000		- 5,000		-
Garfield Weston Foundation	R	Youth project funding	6,250		- 6,250		-
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	3,558		- 3,558		-
Coral Samuel Charitable Trust	R	Arena refurbishment.	-		-		-
Postcode Local Trust	R	Youth project funding	8,750		- 8,750		-
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-		-		-
Animal Rescue Foundation	R	Intake of 4 - 7 rescues	1,996		- 1,996		-
CCF - The Integrated Care Board Mental Health & Wellbeing Programme	R	Youth well-being project funding – starting charity year June 2023	9,809		- 9,809		-
CCF #iWill	R	To employ a new Volunteer Coordinator part time	9,124		- 9,124		-
National Lottery Awards for all	R	Youth well-being project funding	1,222		- 1,222		-
Sensory Garden	R	Sensory garden refurbishment	2,400		- 2,400		-
The Anton Jurgens Charitable Trust	R	Care home well-being project funding	3,662		- 3,662		-
Unrestricted Funds	UR	N/A	33,288	305,495	- 185,100	-	153,684
		Total Funds	85,059	512,954	- 358,931	-	239,083

Note 14 Charity funds

14.2 Details of material funds held and movements during the PREVIOUS reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances at 1 June 2022 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2023 £
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	-	5,000	-	-	5,000
Garfield Weston Foundation	R	Youth project funding	-	15,000	8,750	-	6,250
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	-	8,000	4,442	-	3,558
Coral Samuel Charitable Trust	R		-	2,500	2,500	-	-
Postcode Local Trust	R	Youth project funding	-	15,000	6,250	-	8,750
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-	2,500	2,500	-	-
Animal Rescue Foundation	R	Intake of 4 - 7 rescues	-	4,000	2,004	-	1,996
CCF - The Integrated Care Board Mental Health & Wellbeing Programme	R	Youth well-being project funding – starting charity year Jun	-	9,809	-	-	9,809
CCF #iWill	R	To employ a new Volunteer Coordinator part time	-	9,927	803	-	9,124
National Lottery Awards for all	R	Youth well-being project funding	-	6,718	5,496	-	1,222
Sensory Garden	R	Sensory garden refurbishment	-	2,400	-	-	2,400
The Anton Jurgens Charitable Trust	R	Care home well-being project funding	-	5,000	1,338	-	3,662
ActionFunder SWW	R	Youth well-being project funding	-	1,000	1,000	-	-
Beryl Evetts & Robert Luff	R	Towards costs of equine rescues	-	5,000	5,000	-	-
CCF Sedel Collings	R	Youth well-being project funding	-	5,000	5,000	-	-
Co-op Nov	R	Youth well-being project funding	-	2,362	2,362	-	-
Edward Gosling	R	Youth well-being project funding	-	5,000	5,000	-	-
H4H	R	Towards vets bills	-	1,000	1,000	-	-
N4A	R	Towards costs of equine rescues	-	6,000	6,000	-	-
Lord Barnaby	R	Youth well-being project costs	-	3,000	3,000	-	-
N4A March	R	Towards costs of equine rescues	-	2,500	2,500	-	-
Persimmon	R	8 x care home well-being visits	-	1,000	1,000	-	-
Pixel	R	Youth well-being project funding	-	5,000	5,000	-	-
Sandra C Trust	R	Youth well-being project funding	-	5,000	5,000	-	-
SCG	R	80% of costs of marketing project and website upgrades	-	2,673	2,673	-	-
Arnold Clark Foundation	R	Towards costs incurred running youth projects	1,000	-	1,000	-	-
Cornwall Community Foundation Social Enterprise Grant	R	To fund Animal Welfare Assistant staff costs	5,652	-	5,652	-	-
Petplan	R	To fund Hugs Helping Hands Rescue Pony Team Project	7,000	-	7,000	-	-
V Delaney Charitable Trust	R	Towards cost of horse welfare	2,166	-	2,166	-	-
Claire Milne Trust	R	Towards bursaries for well-being sessions	4,220	-	4,220	-	-
Co-Op	R	Towards costs incurred running youth projects	445	-	445	-	-
Tesco Community Grant	R	Youth project funding	1,000	-	1,000	-	-
The Norman Family Charitable Trust	R	To fund urgent well-being support and reduce self-harm and suicide in children and young people in Cornwall	1,500	-	1,500	-	-
Unrestricted Funds	UR	N/A	67,529	198,863	233,104	-	33,288
		Total Funds	90,512	329,252	334,705	-	85,059

Note 15 Charity funds (cont)**15.1 Transfers between funds****This year**

	Reason for transfer and where endowment is converted to income, legal power for its conversion	Amount
Between unrestricted and restricted funds		

Note 16 Transactions with trustees and related parties

If the charity has any transactions with related parties (other than the trustee expenses explained in guidance notes) details of such transactions should be provided in this note. If there are no transactions to report, please enter "True" in the box or "False" if there are transactions to report.

16.1 Trustee remuneration and benefits**This year**

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

16.2 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties. If there are no such transactions, please enter 'true' in the box provided.

This year

There have been no related party transactions in the reporting period

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This Year	Last Year
Andrew Bowden	Chairman	Director of Carbonxgen Ltd which made donations to the charity during the year. Carbonxgen Ltd also own the land that the charity operates from. The charity pays a nominal rent back to Carbonxgen Ltd for using the land. Carbon also kindly donated fund towards the staff Christmas party and staff training during the year	£ 121,268	£ 120,000



Section A

Independent Examiner's Report

Report to the trustees

Charity Name
The Hugs Foundation

On accounts for the year ended

31 May 2024

**Charity no
(if any)**

1175633

Set out on pages

1 & 2

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/08/2022.

Responsibilities and basis of report

As the charity's trustees, 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 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

** Please delete the words in the brackets if they do not apply.*

Signed: *M. D. Price*

Date: 30/11/2024

Name: Mark Price BSc, FCA

Relevant professional qualification(s) or body (if any):

The Institute of Chartered Accountants in England and Wales (ICAEW)

Address:

One, St Peters Road, Maidenhead, Berkshire, SL6 7QU

[Empty rectangular box]

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

N/A

[Large empty rectangular box for disclosure details]

THE HUGS FOUNDATION

England & Wales - Charity number 1175633

Accounts



Section A Independent Examiner's Report

Report to the trustees Charity Name
The Hugs Foundation

On accounts for the year ended 31 May 2023 **Charity no (if any)** 1175633

Set out on pages 1 & 2
(remember to include the page numbers of additional sheets)

Responsibilities and basis of report I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/08/2022.

As the charity's trustees, 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 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

** Please delete the words in the brackets if they do not apply.*

Signed: *M. D. Price* **Date:** 27/11/2023

Name: Mark Price BSc, FCA

Relevant professional qualification(s) or body (if any): The Institute of Chartered Accountants in England and Wales (ICAEW)

Address: One, St Peters Road, Maidenhead, Berkshire, SL6 7QU

--

Section B	Disclosure		
-----------	------------	--	--

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

N/A

--



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

Charity Name	The Hugs Foundation	1175633	
Annual accounts for the period			
Period start date	1 June 2022	To	31 May 2023

Section A Statement of financial activities


Recommended categories by activity	Restricted		Total funds £	Prior year funds £
	Unrestricted funds £	income funds £		
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	175,625	-	175,625	151,820
Charitable activities	21,268	130,389	151,657	120,307
Other trading activities	1,970	-	1,970	990
Total	198,863	130,389	329,252	273,117
Resources expended (Note 5)				
Expenditure on:				
Raising funds	29,511	-	29,511	24,987
Charitable activities	203,593	101,601	305,194	229,442
Total	233,104	101,601	334,705	254,429
Net income/(expenditure) before transfers				
Transfers	-	-	-	18,688
Net income/(expenditure)	- 34,241	28,788	- 5,455	18,688
Reconciliation of funds:				
Total funds brought forward	67,529	22,983	90,512	71,824
Total funds carried forward	33,288	51,770	85,055	90,512

Section B

Balance sheet

		Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	(Note 9)	30,926	-	30,926	38,858
Total fixed assets		30,926	-	30,926	38,858
Current assets					
Debtors	(Note 10)	6,637	-	6,637	2,333
Cash at bank and in hand	(Note 12)	7,790	51,767	59,557	56,223
Total current assets		14,427	51,767	66,194	58,556
Creditors: amounts falling due within one year	(Note 11)	12,065	-	12,065	6,902
Net current assets/(liabilities)		2,362	51,767	54,129	51,654
Total net assets or liabilities		33,292	51,767	85,055	90,512
Funds of the Charity					
Restricted income funds	(Note 14)		51,767	51,767	22,983
Unrestricted funds		33,288		33,288	67,529
Total funds		33,288	51,767	85,055	90,512

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Andrew Frederick Bowden	
Position (eg Secretary, Chair, etc)	Chair	
Date	06/12/2023	

Note 1 **Basis of preparation**

This section should be completed by all charities .

1.1 Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

“ and with* the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014

“ and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.*

* -Tick as appropriate

1.2 Going concern

If there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern, please provide the following details or state "Not applicable", if appropriate:

An explanation as to those factors that support the conclusion that the charity is a going concern;

The coronavirus pandemic and cost of living has had a negative impact on the charity's income. This year, the charity has been able to start to run fundraising events, open days, care home visits and well-being interventions at a reduced capacity, due to lower staffing levels. However, the charity has been successful in applications for additional grant funding which has been received in 2022-2023. There is a flexible and diverse fundraising plan in place, including diversifying funding streams e.g., individual giving, which has increased this year. Demand for equine (horses, ponies and donkeys) rescues and rehoming is continuing to rise and well-being service referrals have increased by over 50% and so the outlook for The Hugs Foundation is looking optimistic.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Note 2

Accounting policies

2.1 INCOME

Recognition of income	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability. 	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legacies	Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Government grants	The charity has received government grants in the reporting period	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Donated goods	Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Donated services and facilities	Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees annual report.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Income from membership subscriptions	Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Note 2

Accounting policies

2.2 EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	Yes ✓	No ✓	N/a ✓
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	Yes ✓	No ✓	N/a ✓
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	Yes ✓	No ✓	N/a ✓
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	Yes ✓	No ✓	N/a ✓
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically approach the commitment, a liability for the full funding obligation must be recognised.	Yes ✓	No ✓	N/a ✓
Redundancy cost	The charity made no redundancy payments during the reporting period.	Yes ✓	No ✓	N/a ✓
Deferred income	No material item of deferred income has been included in the accounts.	Yes ✓	No ✓	N/a ✓
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	Yes ✓	No ✓	N/a ✓
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	Yes ✓	No ✓	N/a ✓
Basic financial instruments	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	Yes ✓	No ✓	N/a ✓
2.3 ASSETS				
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £3,000. They are valued at cost.	Yes ✓	No ✓	N/a ✓
	The depreciation rates and methods used are disclosed in note 9.2.			
Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5 They are valued at cost.	Yes ✓	No ✓	N/a ✓
Heritage assets	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4. They are valued at cost.	Yes ✓	No ✓	N/a ✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	Yes ✓	No ✓	N/a ✓
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value. Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock. Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract	Yes ✓	No ✓	N/a ✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes ✓	No ✓	N/a ✓
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes ✓	No ✓	N/a ✓

Note 2

Accounting policies

They are valued at fair value except where they qualify as basic financial instruments.

✓	✓	✓
---	---	---

Note 3

Analysis of income

	Unrestricted funds	Restricted income funds	Total funds £	Prior year £
Analysis				
Donations and legacies:				
Donations	174,096	-	174,096	148,990
General grants provided by government/other charities	-	-	-	1,361
Membership subscriptions and sponsorships	1,529	-	1,529	1,468
Total	175,625	-	175,625	151,820
Charitable activities:				
Grants	-	130,389	130,389	94,981
Rehoming	8,740	-	8,740	8,885
Mental Health	12,318	-	12,318	10,628
Other	210	-	210	1,263
Total	21,268	130,389	151,657	120,307
Other trading activities:				
Hire income	1,970	-	1,970	990
Total	1,970	-	1,970	990
TOTAL INCOME	198,863	130,389	329,252	273,117

Note 4

Analysis of receipts of government grants

	Description	This year £	Prior year £
Government grant	HMRC Job Retention Scheme	-	1,361
Total		-	1,361

Note 5

Analysis of expenditure

Analysis	This year			Last year		
	Unrestricted funds	Restricted income funds	Total funds	Unrestricted funds	Restricted income funds	Total funds
Expenditure on raising funds:			£			£
Staff Costs	26,314	-	26,314	21,857	-	21,857
Incurred seeking donations	-	-	-	-	-	-
Operating membership schemes and social lotteries	1,986	-	1,986	1,754	-	1,754
Advertising, marketing, direct mail and publicity	1,212	-	1,212	1,376	-	1,376
Total expenditure on raising funds	29,511	-	29,511	24,987	-	24,987
Expenditure on charitable activities:						
Staff Costs	95,316	45,602	140,918	51,767	53,355	105,122
Recruitment Costs	-	-	-	19	-	19
Veterinary and Medical Costs	25,300	17,166	42,466	7,771	11,115	18,886
Feed	3,314	7,331	10,645	3,671	3,915	7,586
Yard Expenditure	4	6,893	6,898	4,680	2,889	7,569
Equine Care	2,028	3,256	5,283	3,677	2,186	5,863
Training	1,548	-	1,548	574	-	574
Repairs and Renewals	6,009	973	6,982	1,931	1,212	3,143
Insurance	4,459	2,052	6,510	4,279	2,132	6,411
Professional Fees	11,216	4,433	15,649	11,222	1,718	12,940
Bank and Payment Charges	663	-	663	437	-	437
Computers and Internet	10,121	-	10,121	6,985	-	6,985
Utilities and Rates	27,577	9,631	37,208	24,498	8,797	33,295
Transport and Travel	5,831	595	6,427	3,289	239	3,528
Office Supplies	1,434	927	2,361	1,564	1,112	2,676
Depreciation	7,933	-	7,933	8,870	-	8,870
Programme Costs	35	2,050	2,085	45	4,334	4,379
Sundries	806	694	1,499	966	193	1,159
Total expenditure on charitable activities	203,593	101,601	305,195	136,246	93,196	229,442
TOTAL EXPENDITURE	233,105	101,601	334,706	161,233	93,196	254,428

Note 6 Details of certain items of expenditure**6.1 Fees for examination of the accounts**

Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner. If nothing was paid please enter '0' in the appropriate box(es).

Independent examiner's fees

This year £	Last year £
720	720

Note 7 Paid employees

Please complete this note if the charity has any employees.

7.1 Staff Costs

Salaries and wages

Social security costs

Pension costs (defined contribution scheme)

Total staff costs

This year £	Last year £
154,952	118,153
7,927	5,271
4,353	3,554
167,232	126,978

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity. For specific amounts paid to trustees, see Note 28.

This year £	Last year £
95,227	74,006

7.2 Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Total

This year Number	Last year Number
1	1
6	5
7	6

Note 8 Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.

8.1 *Please complete this note if a defined contribution pension scheme is operated.*

Amount of contributions recognised in the SOFA as an expense

This year £	Last year £
4,353	3,554

Note 9 Tangible fixed assets*Please complete this note if the charity has any tangible fixed assets***9.1 Cost or valuation**

	Freehold land & buildings	Other land & buildings	Yard equipment	Total
	£	£	£	£
At the beginning of the year	1,104	563	59,185	60,852
Additions	-	-	-	-
Disposals	-	-	-	-
At end of the year	1,104	563	59,185	60,852

9.2 Depreciation and impairments

**Basis	RB	RB	SL
** Rate	25%	25%	4/7/10/20 years

At beginning of the year	842	385	20,766	21,993
Disposals	-	-	-	-
Depreciation	66	45	7,823	7,933
At end of the year	907	429	28,589	29,926

9.3 Net book value

Net book value at the beginning of the year	262	178	38,419	38,859
Net book value at the end of the year	197	134	30,596	30,926

Note 10 Debtors and prepayments

Please complete this note if the charity has any debtors or

10.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Taxation and social security

Total

This year	Last year
£	£
3,336	342
3,301	1,991
-	-
6,637	2,333

Note 11 Creditors and accruals

Please complete this note if the charity has any creditors or accruals.

11.1 Analysis of creditors

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
4,607	1,506	-	-
5,084	3,131	-	-
2,163	1,774	-	-
212	491	-	-
12,066	6,903	-	-

Note 12 Cash at bank and in hand

Cash at bank and on hand

Total

This year	Last year
£	£
59,557	56,219
59,557	35,022

Note 13

Events after the end of the reporting period

Please complete this note events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

	This year	Last year
Please provide details of the nature of the event	<p>The coronavirus pandemic, cost of living crisis and strangles outbreak has had a negative impact on the charity's income. This year, the charity has been able to run fundraising events, open days, care home visits and well-being interventions. However for 3 months, all on and off-site activities involving equines had to stop due to the rescue yard being in lockdown with the strangles outbreak and the charity doing everything to minimise the spread of the disease. This</p>	<p>The coronavirus pandemic and cost of living crisis continues to impact charity income, meaning staffing levels are lower than the charity would ideally like. A business recovery plan is in place to help the charity recover from the pandemic and then grow to meet demand for both the animal welfare services The Hugs Foundation provides and its well-being support.</p>
Provide an estimate of the financial effect of the event or a statement that such an estimate cannot be made	<p>The charity has put a plan in place to keep expenditure to a minimum whilst it recovers from the effects of the pandemic and survives the cost of living crisis. The charity's principle sources of funds are the corporate sponsor and trust and grant fundraising. To ensure the charity's survival and sustainability long term, a phased reduction has started from the main corporate sponsor, with £100,800 committed for the next charity year and a steady decrease going forwards. Additional funding streams have been established (e.g., Crowdfunding and hire of facilities) and are steadily growing. Moving forwards, the charity's fundraising plan is to continue to grow these diversified income streams and become less reliant on one main corporate sponsor. This is evidencing a positive trend in our annual accounts.</p>	<p>The charity has put a plan in place to keep expenditure to a minimum whilst it recovers from the effects of the pandemic and survives the cost of living crisis. Income streams have been diversified and applications from trust and grant funding have been successful so far and so the Trustees are confident that the charity's plan will see the charity through this difficult time and steadily increase income once more.</p>

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.1 Details of material funds held and movements during the CURRENT reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE, R or UR *	Purpose and Restrictions	Fund balances at 1 June 2022 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2023 £
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	-	5,000		-	5,000
Garfield Weston Foundation	R	Youth project funding	-	15,000	8,750	-	6,250
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	-	8,000	4,442	-	3,558
Coral Samuel Charitable Trust	R			2,500	2,500		-
Postcode Local Trust	R	Youth project funding	-	15,000	6,250	-	8,750
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-	2,500	2,500	-	-
Animal Rescue Foundation	R	Intake of 4 - 7 rescues	-	4,000	2,004		1,996
CCF - The Integrated Care Board Mental Health & Wellbeing Programme	R	Youth well-being project funding . starting charity year June 2023	-	9,809			9,809
CCF #iWill	R	To employ a new Volunteer Coordinator part time	-	9,927	803		9,124
National Lottery Awards for all	R	Youth well-being project funding	-	6,718	5,496		1,222
Sensory Garden	R	Sensory garden refurbishment	-	2,400			2,400
The Anton Jurgens Charitable Trust	R	Care home well-being project funding	-	5,000	1,338		3,662
ActionFunder SWW	R	Youth well-being project funding	-	1,000	1,000		-
Beryl Evetts & Robert Luff	R	Towards costs of equine rescues	-	5,000	5,000		-
CCF Sedel Collings	R	Youth well-being project funding	-	5,000	5,000		-
Co-op Nov	R	Youth well-being project funding	-	2,362	2,362		-
Edward Gosling	R	Youth well-being project funding	-	5,000	5,000		-
H4H	R	Towards vets bills	-	1,000	1,000		-
N4A	R	Towards costs of equine rescues	-	6,000	6,000		-
Lord Barnaby	R	Youth well-being project costs		3,000	3,000		-
N4A March	R	Towards costs of equine rescues	-	2,500	2,500		-
Persimmon	R	8 x care home well-being visits	-	1,000	1,000		-
Pixel	R	Youth well-being project funding	-	5,000	5,000		-
Sandra C Trust	R	Youth well-being project funding	-	5,000	5,000		-
SCG	R	80% of costs of marketing project and website upgrades	-	2,673	2,673		-
Arnold Clark Foundation	R	Towards costs incurred running youth projects	1,000		1,000		-
Cornwall Community Foundation Social Enterprise Grant	R	To fund Animal Welfare Assistant staff costs	5,652		5,652		-
Petplan	R	To fund Hugs Helping Hands Rescue Pony Team Project	7,000		7,000		-
V Delaney Charitable Trust	R	Towards cost of horse welfare	2,166		2,166		-
Claire Milne Trust	R	Towards bursaries for well-being sessions	4,220		4,220		-
Co-Op	R	Towards costs incurred running youth projects	445		445		-
Tesco Community Grant	R	Youth project funding	1,000		1,000		-
The Norman Family Charitable Trust	R	To fund urgent well-being support and reduce self-harm and suicide in children and young people in Cornwall	1,500		1,500		-
Unrestricted Funds	UR	N/A	67,529	198,863	233,104	-	33,288
		Total Funds	90,512	329,252	334,705	-	85,055

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.2 Details of material funds held and movements during the PREVIOUS reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances at 1 June 2021 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2022 £
Network for Animals	R	Towards cost of horse welfare	-	2,000	- 2,000	-	-
Arnold Clark Foundation	R	Towards costs incurred running youth projects	-	2,000	- 1,000	-	1,000
Cornwall Community Foundation Social Enterprise Grant	R	To fund Animal Welfare Assistant staff costs	-	20,420	- 14,768	-	5,652
Petplan	R	To fund Hugs Helping Hands Rescue Pony Team Project	-	7,000	-	-	7,000
V Delaney Charitable Trust	R	Towards cost of horse welfare	-	2,166	-	-	2,166
Co-Op Local Community Fund	R	Towards play area, sensory garden and sensory room	2,348	-	- 2,348	-	-
Together for Families	R	Towards bursaries for family well-being sessions	3,164	-	- 3,164	-	-
Claire Milne Trust	R	Towards bursaries for well-being sessions	382	10,000	- 6,162	-	4,220
The Clara E Burgess Charitable Trust	R	Towards bursaries for well-being sessions	2,950	-	- 2,950	-	-
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	-	8,000	- 8,000	-	-
Co-Op	R	Towards costs incurred running youth projects	-	445	-	-	445
Animal Rescue Foundation	R	Towards animal care costs and vet bills	983	-	- 983	-	-
The Annandale Charitable Trust	R	To fund costs including fencing, agility equipment, track system for laminitic ponies, items for the sensory garden and other running costs	5,400	-	- 5,400	-	-
Tesco Community Grant	R	Youth project funding	-	1,000	-	-	1,000
National Lottery Awards for All	R	Veterans Well-Being Project	3,369	-	- 3,369	-	-
The Michael & Shirley Hunt Charitable Trust	R	12 x care home visits	1,000	-	- 1,000	-	-
Postcode Local Trust	R	Youth project funding	-	10,000	- 10,000	-	-
Pets at Home Foundation	R	To fund costs including vet bills, food bills and Mudcontrol mats and sand	-	15,000	- 7,220	- 7,780	-
Elise Pilkington Charitable Trust	R	Land Maintenance	797	-	- 797	-	-
The Norman Family Charitable Trust	R	To fund urgent well-being support and reduce self-harm and suicide in children and young people in Cornwall	-	1,500	-	-	1,500
Garfield Weston Foundation	R	Youth project funding	-	10,000	- 10,000	-	-
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	-	5,000	- 5,000	-	-
South West Water Neighbourhood Fund	R	To fund 10 children/young people to access free well-being interventions	4,594	-	- 4,594	-	-
Cornwall Community Foundation Karenza	R	To fund 8 children/young people to access free well-being interventions	4,442	-	- 4,442	-	-
Unrestricted Funds	UR	N/A	42,395	178,586	- 161,232	7,780	67,529
Total Funds			71,824	273,117	- 254,429	-	90,512

Note 15 Charity funds (cont)

15.1 Transfers between funds

This year

	Reason for transfer and where endowment is converted to income, legal power for its conversion	Amount
Between unrestricted and restricted funds		

Note 16 Transactions with trustees and related parties

If the charity has any transactions with related parties (other than the trustee expenses explained in guidance notes) details of such transactions should be provided in this note. If there are no transactions to report, please enter "True" in the box or "False" if there are transactions to report.

16.1 Trustee remuneration and benefits

This year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

16.2 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties. If there are no such transactions, please enter 'true' in the box provided.

This year

There have been no related party transactions in the reporting period

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This Year	Last Year
Andrew Bowden	Chairman	Director of Carbonxgen Ltd which made donations to the charity during the year. Carbonxgen Ltd also own the land that the charity operates from. The charity pays a nominal rent back to Carbonxgen Ltd for using the land.	£ 125,280	£ 120,000



Trustees' Annual Report for the period

From 1st June 2022 Period start date To 31st May 2023 Period end date

Charity name: The Hugs Foundation

Charity registration number: 1175633

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The Hugs Foundation is an equine rescue centre that provides well-being support to children, young people, the elderly, serving military personnel and veterans.</p> <p>We rescue, rehabilitate and rehome mistreated, sick, unwanted and abandoned horses, ponies and donkeys. Situated in a unique, nurturing, safe environment, we provide for a range of human well-being needs too, including; social, emotional, physical and mental health support, learning and developmental needs, special educational needs and disabilities (SEND), social isolation, reengaging with education, school transitions, transitions from military to civilian life, bereavements, self-harm and those at risk of suicide.</p> <p>Our rescues each have their own rehabilitation plan and many work alongside our service users, where they can both benefit and grow from spending time with each other, making a positive difference to both lives. Our multiple aims and objectives include:</p> <ul style="list-style-type: none">• the rescue, rehabilitation and re-homing of unwanted, sick, mistreated and abandoned horses, ponies and donkeys.• to promote humane behaviours towards animals and educate the public in positive animal welfare.• to work alongside other rescues and organisations to make as big a difference as possible to animal welfare.

		<ul style="list-style-type: none"> • to improve children and young people's social, emotional, physical and mental health and well-being through on-site interventions. • to decrease loneliness and increase social inclusion and hope amongst the elderly through visits to care homes. • to improve the social, emotional, physical and mental health and well-being of serving military personnel and veterans.
<p>Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.</p>	<p>Para 1.17 and 1.19</p>	<p>Our main charitable activities are to provide a safe, nurturing and enriching environment for our animal rescues, enabling us to rehabilitate and rehome as many as possible into a forever home and to provide well-being support to those in need. We do this by:</p> <p>Working alongside other rescues and organisations including; World Horse Welfare, the Mare & Foal Sanctuary, the RSPCA, the police and local councils, to rescue animals in need.</p> <p>Being active members of the National Equine Welfare Council (NEWC).</p> <p>Rehabilitating rescue equines through individual programmes using ethical and empathic training techniques to create positive experiences for our rescues, enabling them to trust humans and build their confidence.</p> <p>Finding the right match for our rescues and their forever home.</p> <p>Attending events and running open days to raise awareness of the charity, educate the public about animal welfare and human well-being and promote positive animal welfare.</p> <p>Providing well-being support through on-site interventions to children, young people, serving military personnel and veterans. These interventions are set up as a course of six sessions, with the option to extend if needed, and have been shaped by people with lived experiences and experts in well-being, learning and development. We provide a unique mix of nature-based interventions together with mentoring and workshops that can include; animal assisted services, nature activities, therapeutic learning, ecotherapy,</p>

	<p>teambuilding, arts and crafts, forest based activities, learning about sustainability and practical skills, such as horticulture and growing vegetables.</p> <p>Providing well-being visits for the elderly, with our rescue animals, for those that are unable to leave their accommodation (e.g. care homes). These visits bring the residents something different to their usual routine and something to look forward to. Residents leave their rooms and congregate in the social areas, decreasing loneliness and increasing social inclusion, happiness and hope. For those that cannot leave their rooms, our animals (usually Dude, our super star rescue pony), go to them. The smiles this brings to people and feedback we receive shows just how positive the impact is on their well-being and Dude is always keen to see the residents. We constantly monitor our animal's welfare to ensure they are always happy and healthy.</p> <p>In April 2022, we were one of the first organisations to be accepted onto the Human Equine Interaction Register UK (HEIR). There have been no regulations in the UK to protect both the service users that access organisations for support and the equines that work in therapeutic sessions, leaving both at risk of further harm. The register has been created to ensure all people involved in the field of human equine interactions operate credible, high quality, safe and ethical practice standards for their service provision. We are incredibly proud to be part of this.</p> <p>There have been 9 ponies returned to the facility during this period, due to changes in owner circumstances including finances and loss of grazing or the standard of care not being delivered to the satisfaction of The Hugs Foundation upon inspection. We continue to provide care for those returned to Hugs and look to rehome them again.</p> <p>Three of these ponies found new homes, 2 have been reserved and will be going to their new homes soon, 1 is in a long term foster home, 2 sadly crossed the rainbow bridge (one sadly due to colic and the other due to old age and worsening health conditions) and the other has stayed at Hugs and joined the youth well-being team.</p>
--	---

		<p>The charity is fully insured. All staff are enhanced DBS checked, a full safeguarding policy and procedure is in place and updated regularly, as are our other policies, such as equal opportunities.</p> <p>Volunteers provide vital resource to the charity through activities such as mucking out, grooming and other essential yard tasks, providing benefit to both volunteer and charity, although this has remained reduced in number due to staffing capacity. However, we have now recruited a part time Volunteer Coordinator to reestablish our volunteer programme in 2023/2024. See below section 'contribution made by volunteers' for future plan.</p> <p>In 2021 we ran a pilot veterans project which was a success. This is something that the charity would like to offer permanently but is subject to funding and staffing capacity.</p> <p>A monthly newsletter continues to be produced and sent to our supporters (who have signed up in accordance with GDPR) to keep them up to date with the activities of the charity, promote our events and to encourage donor engagement.</p>
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The trustees are aware of the guidance issued by the Charities Commission on public benefit with regard to the need for them to exercise their powers and duties for the benefit of the public. Every trustee has complied with their duty to have due regard on public benefit.

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	Our volunteers are an essential asset to the charity. Volunteers undertake important tasks such as mucking out, grooming and essential groundwork that helps keeps the land a safe environment for our rescue animals. All our volunteers are taken through a volunteer induction

		programme, have ongoing training and are DBS checked. We have been running on reduced numbers due to our staffing capacity. We have now recruited a part time Volunteer Coordinator to enable us to run more volunteer programmes including supported volunteering for both existing youth service users and vulnerable adults and allow us to reach more of our community. This will develop over the next charity year.
Other		

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>This year has been our most challenging one yet with the cost-of-living crisis directly following the impact of the coronavirus pandemic. In September 2022 disaster struck as the rescue yard had a strangles outbreak. The yard has strict isolation rules but sadly the outbreak came from a pony who was a carrier so had gone through isolation with no symptoms showing and had been at the charity for several months. Another of our ponies started showing symptoms and was isolated straight away. This meant that every horse on site had to be tested to discover who the carrier was (about 10% of equines that have the disease can become carriers and show no symptoms for years). This resulted in a vets bill of over £20,000 (the total of our usual annual vets bills) and all activities coming to a halt on site to minimise the spread, the knock on effect being a reduced income during that period. Luckily the poorly ponies recovered well and we got the all clear in December. We wanted to give a huge thank you to the wonderful Carbonxgen who very kindly donated to pay the vets bill that occurred from the outbreak, we cannot thank the business enough for their kindness.</p> <p>The charity has continued been innovative and flexible and despite the difficulties, managed to achieve great things including:</p> <p>Rescued 25 equines in this year from situations of illness, mistreatment and/or abandonment (a total of 187 horses, ponies and donkeys and over 200 other animals in total since opening in 2017).</p>

		<p>Rehomed 31 of those rehabilitated equines (a total of 139 since opening in 2017).</p> <p>Provided 697 hours of mental well-being support to 127 individual children and young people (a total of 6,520 hours and 704 individuals supported since opening in 2017).</p> <p>Our feedback forms are completed on a voluntary basis as for some service users compulsory completion may expose them to additional pressure and we have found that this can be a barrier and cause a service user to shut down. In addition, some service users have such complex needs that completing the form is impossible or their needs are such that the form would not provide for accurate data. Some service users just do not wish to complete the form and we respect their wishes. We do try to encourage a verbal quote at least, to see if we have made a positive difference to them and gather feedback from the parent or carer that attends sessions with them.</p> <ul style="list-style-type: none"> • Of the 127 service users, 17 (13%) completed a feedback form. Nine individuals completed the 7 item Warwick Edinburgh Mental Well-Being Scale (WEMWBS) with 89% recording a positive change in their well-being. • Eight service users completed the traffic light feedback form. 100% reported an increase in their well-being. <p>From additional analysis we found trends in:</p> <ul style="list-style-type: none"> • Mirroring and reflection in behaviours and emotions between animals and young people. • Feeling comfortable to open up, discuss problems and feeling happier through talking to animals. • Learning about the animals helped service users to feel more confident around them. • Finding it easier to talk to new people. • Reduced suicide ideation and self-harm. • Improved confidence and knowledge for parents/carers to recognise mental health ill in young people and knowing how/where to access additional support. • Improved access and work between professionals to support
--	--	--

young people e.g., Hugs support created more positive treatment developments with services such as NHS CAMHS.

- Improved ability to control, cope with and grow from life's challenges.

Examples of outcomes of our work who have attended sessions this year:

"I feel happy when I am at Hugs, the animals help me to forget about all my worry thoughts." Feedback from service user

"I feel on top of the world." Feedback from service user

"I just want to thank you for making my time at Hugs really amazing! From my first week there I instantly liked it so much! Every time I go to Hugs, I feel really happy and even when I'm leaving, I feel happy just reflecting on what I did, whether it be seeing the horses and learning about them or cuddling Frankie the guinea pig or even just being there, it has been really spectacular! Thank you so much for making it the highlight of my summer holidays!! I'll be sure to always remember Hugs and all the good times I had. It has really helped to gain confidence with the outside world again and get rid of that fear. Thank you!" Feedback from service user

"My daughter started her sessions today and she came home a different kid. Thank you." Feedback from parent

"My daughter's anxieties have reduced since she's worked with Liz. Her biting fingers still remains but we don't have blood or raw fingers as we did when she started. She is much happier in herself and she even won the KS1 trophy for Kindness award! You've really helped both my daughter and our family as a whole so much. We can't thank you enough." Feedback from parent

"My daughter has faced some challenges already in her childhood and we were signposted to you through First Light. We had been seeking external help through the 'GP', the School - 'Trauma Informed Schools' and 'Reconnect' through Barnardos. My daughter has some challenges with her relationship with her father and sadly has had a tricky time at school. We worked hard with the school but

		<p>due to additional external factors we were unable to turn the situation around for my daughter. Since coming to the Hugs Foundation the difference in my daughter was incredible. She really began to flourish both within the school system (she had started at a new school) and she was better equipped in her challenges she was facing with her relationship with her father. The positive impact of the Hugs Foundation is hard to describe. It has been truly amazing and my daughter is always so delighted to attend. The expertise of Liz and Hazel alongside their kindness and the animals combine to be very special therapy. It gave my daughter confidence and she began to be self-assured again. I would like to thank you all again and for you to know just how invaluable you are as a therapy centre!" Feedback from parent</p> <p>"My son has been attending Hugs session this year and they are definitely the highlight of his week. His is autistic and struggles with many aspects of everyday life, but Hazel is brilliant and puts him at ease, he has opened up about his difficulties whilst there. Hugs is the most amazing place with the most amazing people. I don't know what we would do if my son couldn't go. The impact it has is outstanding, my son can be calm and happy for a small part of the week, just be himself and stop worrying about everything else for a time." Feedback from parent</p> <p>The full impact report can be read here: https://hugsfoundation.org.uk/wp-content/uploads/2023/08/Youth-Services-Impact-Report-June-22-to-May-23.pdf.pagespeed.ce.Rj9Pz1ttsl.pdf</p> <p>Provided volunteering opportunities to 14 people. This was an increase on our previous charity year but still a reduced capacity due to our staffing capacity to manage volunteers.</p> <p>Provided work experience opportunities for 2 people (one over a week and one over several months). This was reduced numbers due to our staffing capacity to manage work experience/placements.</p> <p>We have been able to carry out 19 care home visits with our rescue pony, Dude. This project was kindly funded by the Persimmon Charitable Trust and the Anton Jurgens Charitable Trust.</p>
--	--	---

	<p>We were hoping to run our veterans well-being project after the success of our pilot project but sadly we have not been able to due to the demand for youth well-being sessions, staffing capacity and funding limitations. We hope this is something we can get up and running in the future.</p> <p>We have continued to build relationships and partnerships which include; Sowenna (a local NHS unit run by Cornwall NHS Foundation Trust), other departments in the NHS, Children and Adolescent Mental Health Services (CAMHS), additional schools, both primary and secondary, children in care units, social workers and social prescribers.</p> <p>We have continued to build and establish a relationship with the local community and work in collaboration with organisations such as local schools, social services and mental health provisions. We have visited schools for educational visits and have attended 8 community events including; a visit to Sowenna (NHS youth mental health unit), Knightswood show, Home Farm show, Tregony show, a Pass Wide & Slow event ride, Bodmin Fire Station open day, Treglyn garden open day and a Christmas walk.</p> <p>We have also raised awareness in the local community including; Morrisons, Tesco, Asda, Co-Op, Griggs Country Store, Mole Valley, Trago and Pencarrow House and Gardens.</p> <p>We have had 3 open days at Hugs rescue centre and trialled a 'Tea, Talk & Tour' event, that went well and will be considered in future for a different type of event on-site.</p> <p>We have had visits from school and colleges including EHCP learner groups and young farmers groups, presented at an NHS researchers group and given a guest lecture at a local university. We have been involved with our local media and appeared on ITV, BBC Radio Cornwall and Rewind Radio.</p> <p>We have continued to work collaboratively with the National Equine Welfare Council (NEWC), the Federation of Horses in Education and Therapy International (HETI) UK, the South West Equine Assisted Practitioners Regional Meeting and are on the Human Equine Interaction Register (HEIR) to ensure we provide the best</p>
--	---

	<p>services possible to both humans and equines.</p> <p>The fundraising strategy was continually monitored and adjusted to enable the charity to recover after the pandemic and with the current cost of living crisis. Strangles was an example of how quickly things can change for financial planning and we are grateful to the fantastic business, Carbonxgen for their continued support alongside other corporate funders including; Pets at Home, Proper Cornish, Aspects Holidays, SUEZ Recycling and Recovery UK Ltd, Animal Friends and Camel Creek Family Theme Park. We have also started attending networking events with Your Partnerships to connect with more potential corporate partners.</p> <p>We have diversified our income streams further from; applications to trusts and grants, increasing donations via direct debits and individual giving, memberships, legacies and corporate sponsorships to now include hiring of our facilities, activity days during school holidays and Crowdfunding. Our first Crowdfunder raised just over £9,000 so we will be planning on running another in the coming charity year.</p> <p>From August 2019 to 31st May 2020, the charity received £53,750 from trusts and grant funding. From June 2020 to 31st of May 2021 this increased to £94,981. From June 2021 to 31st May 2022 we raised £99,531. This charity year we have raised £130,389.</p> <p>Funders have included; Garfield Weston Foundation (this was our first multi-year funding) Network for Animals, The Beryl Evetts and Robert Luff Animal Welfare Trust Ltd, Persimmon Community Champions, The Edward Gostling Foundation, Animal Friends, National Lottery Awards for All, Coral Samuel Charitable Trust, The Sedel Collings Foundation(through Cornwall Community Foundation), Post Code Local Trust, South West Water Neighbourhood Fund via ActionFunder, Co-op, Sandra Charitable Trust, Horses 4 Health (via HorseWorld), The Pixel Fund, The Anton Jurgens Charitable Trust, Tesco Community Grants (Groundworks), Asda, The Lord Barnby Foundation, Duke of Cornwall Benevolent Fund, #iWill Fund (through CCF), The Integrated Care Board Mental Health & Wellbeing Programme (through CCF), Pets at Home Foundation, Jean</p>
--	--

		<p>Sainsbury Animal Welfare Trust and the Animal Rescue Foundation.</p> <p>Regular donors have increased from 16 monthly donors donating £2,400 every year in 2019 to 127 donating over £11,600 every year for Hugs. 'Sponsor an Animal' gifts for resident animals has continued to be popular totalling over £1,100 for the year.</p> <p>We have continued to work with professionals, including; a Health and Safety consultant, to ensure we are doing the best we can to support our charity and service users and keep all safe, a GDPR consultant to ensure we keep our clients and supporters data safe.</p> <p>We have added counselling and supervision support for our staff and volunteers. Our youth well-being staff receive support on a regular basis and the offer is there for all other staff and volunteers to take up if they wish. This is to ensure we are playing our part in looking after everyone's mental health and well-being.</p> <p>We have created more track systems for those rescues who are overweight or suffering from or susceptible to laminitis following the success in our previous charity years, with one pony losing an incredible 7 stone!</p> <p>A future plan has been established as follows:</p> <ul style="list-style-type: none">• Continue to adapt and implement our fundraising strategy, ensuring we are able to adjust where needed when the unexpected comes along. This includes recruiting a part time fundraising and marketing assistant to grow our income further.• Increase capacity for on-site well-being support to meet demand through recruiting an additional Youth Well-Being Facilitator through the National Lottery People's Projects funding.• Continue to train staff and liaise with other professionals in the sector to ensure the referrals being received are getting the best support they can and we have the best safeguarding etc to keep services users safe.• Continue to be active members of HEIR, NEWC and the South West Equine
--	--	--

		<p>Assisted Practitioners Regional meetings – the next one is being held at Hugs in September 2023.</p> <ul style="list-style-type: none"> • Continue to monitor moorland welfare. We have established contacts in this area and will be working closely with them to ensure welfare on the local moors is monitored and intervention made when necessary. • Develop our volunteer programme on-site to include support to young people beyond their well-being sessions and reach out to other demographics including vulnerable adults. Include a qualified therapist as an additional staff member to support this project, subject to funding. • Our new Volunteer Coordinator will also develop services for corporate groups including team building activities. This will raise awareness for the charity, build corporate relationships and aim to increase fundraising opportunities. • Continue to develop our staff through training and education appropriate to their sector. • Create an all-weather turnout area as an additional facility for equine rescues.
--	--	--

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	<p>We are now in our 4th year of fundraising and despite the huge challenges (covid pandemic, cost of living crisis and strangles outbreak), we have continued to grow our fundraising streams and become less dependent on our corporate sponsor, following the plan to become more sustainable.</p> <p>Funding streams are diverse and include; individual giving, memberships, legacies, activities within the local community, trust and grant funding and Crowdfunding.</p> <p>From August 2019 to 31st May 2020, the charity received £53,750 from trusts and</p>

		<p>grant funding. From June 2020 to 31st of May 2021 this increased to £94,981. From June 2021 to 31st May 2022 we raised £99,531. This charity year we have raised £130,389.</p> <p>Two huge milestones for trust and grant fundraising were our first multiyear grant from the Garfield Weston Foundation and winning the National Lottery's People's Projects, bringing in £59,844 for our next charity year towards our youth well-being project. We have also had repeat funding from Animal Friends, National Lottery Awards for All, Post Code Local Trust, Co-op, Pets at Home Foundation, Jean Sainsbury Animal Welfare Trust and the Animal Rescue Foundation.</p> <p>Regular donors have increased from 16 monthly donors donating £2,400 every year in 2019 to 127 donating over £11,600 every year for Hugs. 'Sponsor an Animal' gifts for resident animals has continued to be popular totalling over £1,100 for the year.</p> <p>We have joined 'Remember a Charity' to help us with our legacy fundraising and are planning a weeklong campaign for the next charity year.</p> <p>The charity is proud of the achievements made in fundraising, which have been very positive, especially considering the challenges faced.</p>
Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	<p>Due to the cost of living increases and the strangles outbreak, our expenditure has increased forcing us to source other avenues of income.</p> <p>During the year receipts of £329,252 were received from donations, trust and grants, sponsorships, rehoming fees and service charges. Of this, £125,280 was received from a corporate sponsorship partner that provided donations to set up and establish</p>
---	-----------	---

		<p>the charity through support with staffing and running costs. The agreement for the year was £100,000, however, the business very kindly donated extra funding to cover the strangles vets bill. The partnership will continue to provide support for the charity with an aim to becoming self-funding in the long term. A flexible and phased plan is in place for this with £100,800 committed for our next charity year and a steady decrease over the following years.</p> <p>£130,389 was raised in trust and grant funding, an increase on the previous year. A fundraising strategy and business plan is in place to reduce the donation amount and reliance on the corporate donor and diversify income streams, working towards self-sustainability. This has been successful so far, for example, regular donors have increased from 16 monthly donors donating £2,400 every year in 2019 to 127 donating over £11,600 every year for Hugs and this year we ran our first Crowdfunder raised over £9,000, a respectable amount for our first one. We have also trained 2 staff members in Gift Aid ready for our first claim.</p>
<p>Statement explaining the policy for holding reserves stating why they are held</p>	<p>Para 1.22</p>	<p>The Hugs Foundation is a fairly young charity and significant setup and operational costs have been incurred, thus the ability to create cash reserves has not been possible. In addition to this, the coronavirus pandemic and now the cost of living crisis and strangles outbreak, have made it financially impossible to build or retain any reserve funding. The Hugs Foundation also believes that monies received should be spent in accordance with the charity mission and not held long term in a bank account. Having very little reserves does cause a financial strain on the charity, however, the diversity and flexibility of the Trustees and fundraising strategy in place, has ensured the charity is successful in gaining income and is surviving.</p> <p>In the next charity year, The Hugs Foundation has an agreement with its corporate sponsor, to receive £100,800 unrestricted funding. Therefore, the reserves policy will be to operate with minimal reserves whilst the charity stabilises and carries out its fundraising strategy. The corporate sponsor commitment, along with the fundraising strategy in place to increase income diversity, gives the Trustees confidence</p>

		<p>that The Hugs Foundation has the certainty and resilience it requires to deliver its charitable objectives and survive long term.</p> <p>Any cash funds held, either restricted or unrestricted, will be carried over to continue to support the work of the charity into the next financial year.</p> <p>The Hugs Foundation is ultimately aiming to increase its level of unrestricted funds and reserves over the following years, in order to ensure the underlying financial resilience of the charity and to provide designated funds for specific projects. The aim would be for a minimum level of free reserves that The Hugs Foundation will hold in unrestricted funds, excluding fixed assets, to cover three to six months of core running costs plus any potential liabilities in the event of The Hugs Foundation having to cease its activities.</p> <p>The reserves policy is reviewed annually by The Hugs Foundation Trustees.</p>
Amount of reserves held	Para 1.22	Total reserves held on 31 May 2023 were £85,055, split as unrestricted funds of £33,288 and restricted funds of £51,767. £7,790 of the unrestricted funds balance is held as cash.
Reasons for holding zero reserves	Para 1.22	See above reserves policy.
Details of fund materially in deficit	Para 1.24	
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	<p>The coronavirus pandemic, cost of living crisis and strangles outbreak has had a negative impact on the charity's income. This year, the charity has been able to run fundraising events, open days, care home visits and well-being interventions.</p> <p>However, for 3 months, all on and off-site activities involving equines had to stop due to the rescue yard being in lockdown with the strangles outbreak and the charity doing everything to minimise the spread of the disease. This meant that our care home visits and youth well-being sessions had to come to a stop during this time. However, the charity is now back up and running at full capacity, has put what we have learnt from the outbreak into practice to ensure we do everything we can to stop any outbreaks in the future and we have been successful in applications for additional grant funding which has been received in 2022-2023.</p>

		There is a flexible and diverse fundraising plan in place, including diversifying funding streams e.g., Crowdfunding and individual giving, which has increased this year. Demand for equine rescues and rehoming is continuing to rise and well-being service referrals have continued to see a huge increase and so the outlook for The Hugs Foundation is looking optimistic.
--	--	--

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	<p>The charity's principle sources of funds are the corporate sponsor and trust and grant fundraising. To ensure the charity's survival and sustainability long term, a phased reduction has started from the main corporate sponsor, with £100,800 committed for the next charity year and a steady decrease going forwards.</p> <p>Additional funding streams have been established and are steadily growing and include:</p> <ul style="list-style-type: none"> • individual giving, both one off donations and regular monthly donations • memberships (Sponsor a Rescue or Stable) • service charges (well-being support) • animal rescue rehoming fees • livery • tack sale donations • hire of facilities • Crowdfunding • Legacies • Christmas calendar donations and sponsorship • corporate sponsorships and donations <p>Moving forwards, the charity's fundraising plan is to continue to grow these diversified income streams and become less reliant on one main corporate sponsor. This is evidencing a positive trend in our annual accounts.</p>
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	The trustees have assessed the major risks to which the charity is exposed and are satisfied that the systems in place (risk register etc.) will help to mitigate the risk or

		enable it to be dealt with in a timely, efficient manner.
Other		

Structure, Governance and Management

Description of charity's trusts:		N/A
Type of governing document (trust deed , royal charter)	Para 1.25	Constitution of a Charitable Incorporated Organisation
How is the charity constituted? (e.g unincorporated association , CIO)	Para 1.25	Charitable Incorporated Organisation
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Trustees can be selected in various ways including; approaching the charity themselves through CV or application or nomination by existing Trustees. Current Trustees will consider potential new Trustees who have skills which will help the charity e.g. animal welfare knowledge, children's mental health, safeguarding, fundraising and charity management. Applications/nominations are brought to Trustee meeting to discuss. They are appointed upon approval by majority vote, familiarised with the day to day running of the charity and briefed on the governance and their responsibilities.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	The Hugs Foundation
Other name the charity uses	N/A
Registered charity number	1175633
Charity's principal address	Higher Whitley Farm Helland Road Bodmin Cornwall PL31 2NT

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Andrew Frederick Bowden			
2	Tracy Jayne Lewis			
3	Paul Jonathan Dransfield			
4	David Peter Sell			
5	Rachel Pocknell			
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

Andrew Bowden - Chairman

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--


Other optional information

--

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Andrew Frederick Bowden	
Position (eg Secretary, Chair, etc)	Chair	
Date	06/12/2023	

THE HUGS FOUNDATION

England & Wales - Charity number 1175633

Accounts



Section A Independent Examiner's Report

Report to the trustees/ members of

Charity Name The Hugs Foundation

On accounts for the year ended

31 May 2022 Charity no (if any) 1175633

Set out on pages

1-2 1-2(remember to include the page numbers of additional sheets)

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/05/2022.

As the charity's trustees, 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 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
• the accounts did not accord with the accounting records; or
• the accounts did 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.

* Please delete the words in the brackets if they do not apply.

Signed: M. D. Price

Date: 23/9/22.

Name: Mark Price

Relevant professional qualification(s) or body (if any):

The Institute of Chartered Accountants in England and Wales

Address:

Park House, Headley Road, Woodley, Berkshire, RG5 4JB

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

A large, empty rectangular box with a thin black border, occupying the central portion of the page. It is intended for the user to provide details as instructed in the text to its left.



Trustees' Annual Report for the period

From 1st June 2021 **Period start date** **To** 31st May 2022 **Period end date**

Charity name: The Hugs Foundation

Charity registration number: 1175633

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The Hugs Foundation is a horse rescue centre that provides well-being support to children, young people, the elderly, serving military personnel and veterans.</p> <p>We rescue, rehabilitate and rehome mistreated, sick, unwanted and abandoned horses and ponies. Situated in a unique, nurturing, safe environment, we provide for a range of human well-being needs too, including; social, emotional, physical and mental health support, learning and developmental needs, special educational needs and disabilities (SEND), social isolation, reengaging with education, school transitions, transitions from military to civilian life, bereavements, self-harm and those at risk of suicide.</p> <p>Our rescues each have their own rehabilitation plan and many work alongside our service users, where they can both benefit and grow from spending time with each other, making a positive difference to both lives. Our multiple aims and objectives include:</p> <ul style="list-style-type: none">• the rescue, rehabilitation and re-homing of unwanted, sick, mistreated and abandoned horses and ponies.• to promote humane behaviours towards animals and educate the public in positive animal welfare.• to work alongside other rescues and organisations to make as big a difference as possible to animal welfare.• to improve children and young people's social, emotional, physical and mental

		<p>health and well-being through on-site interventions.</p> <ul style="list-style-type: none"> • to decrease loneliness and increase social inclusion and hope amongst the elderly through visits to care homes. • to improve the social, emotional, physical and mental health and well-being of serving military personnel and veterans.
<p>Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.</p>	<p>Para 1.17 and 1.19</p>	<p>Our main charitable activities are to provide a safe, nurturing and enriching environment for our animal rescues, enabling us to rehabilitate and rehome as many as possible into a forever home and to provide well-being support to those in need. We do this by:</p> <ul style="list-style-type: none"> • working alongside other rescues and organisations including; World Horse Welfare, the Mare & Foal Sanctuary, the RSPCA, the police and local councils, to rescue animals in need. • being active members of the National Equine Welfare Council (NEWC). • rehabilitating rescue horses/ponies through individual programmes using ethical and empathic training techniques to create positive experiences for our rescues, enabling them to trust humans and build their confidence. • finding the right match for our rescues and their forever home. • attending events and open days to raise awareness of the charity, educate the public in animal welfare and human well-being and promote positive animal welfare. • providing well-being support through on-site interventions to children, young people, serving military personnel and veterans. These interventions are set up as a course of six sessions, with the option to extend if needed, and have been shaped by people with lived experiences and experts in well-being, learning and development. We provide a unique mix of nature based interventions together with mentoring and workshops that can include; animal assisted services, nature activities, therapeutic learning, ecotherapy,

		<p>teambuilding, arts and crafts, forest based activities, learning about sustainability and practical skills, such as horticulture and growing vegetables.</p> <ul style="list-style-type: none">• providing well-being visits for the elderly, with our rescue animals, for those that are unable to leave their accommodation (e.g. care homes). These visits bring the residents something different to their usual routine and something to look forward to. Residents leave their rooms and congregate in the social areas, decreasing loneliness and increasing social inclusion, happiness and hope. For those that cannot leave their rooms, our animals (usually Dude our super star rescue), go to them. The smiles this brings to people and feedback we receive shows just how positive the impact is on their well-being and Dude is always keen to see the residents. We constantly monitor our animal's welfare to ensure they are always happy and healthy. <p>In April 2022, we were one of the first organisations to be accepted onto the Human Equine Interaction Register UK (HEIR). There have been no regulations in the UK to protect both the service users that access organisations for support and the equines that work in therapeutic sessions, leaving both at risk of further harm. The register has been created to ensure all people involved in the field of human equine interactions operate credible, high quality, safe and ethical practice standards for their service provision. We are incredibly proud of this achievement.</p> <p>There have been 10 ponies returned to the facility during this period, due to changes in owner circumstances or the standard of care not being delivered to the satisfaction of The Hugs Foundation upon inspection. We continue to provide care for those returned to the Foundation and look to rehome them again. Two of these ponies had behavioural issues that their homes were happy to try and work with them to improve, although sadly they decided it was too much. However, as they were such lovely homes, they rehomed 2 alternative ponies that are now fully settled.</p> <p>The charity is fully insured. All staff and volunteers are enhanced DBS checked, a</p>
--	--	---

		<p>full safeguarding policy and procedures are in place and updated regularly, as are our other policies, such as equal opportunities.</p> <p>Volunteers provide vital resource to the charity through activities such as mucking out, grooming and other essential yard tasks, providing benefit to both visitor and charity, although this has reduced due to staffing capacity to manage a full team of volunteers. See below section 'contribution made by volunteers' for future plan.</p> <p>A monthly newsletter continues to be produced and sent to our supporters (who have signed up in accordance with GDPR) to keep them up to date with the activities of the charity, promote our events and to encourage donor engagement.</p>
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The trustees are aware of the guidance issued by the Charities Commission on public benefit with regard to the need for them to exercise their powers and duties for the benefit of the public. Every trustee has complied with their duty to have due regard on public benefit.

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	Our volunteers are an essential asset to the charity. Volunteers undertake important tasks such as mucking out, grooming and essential groundwork that helps keeps the land a safe environment for our rescue animals. All our volunteers are taken through a volunteer induction programme, have ongoing training and are DBS checked. We are running on reduced numbers due to our staffing capacity. We are in the process of applying for funding for a Volunteer Coordinator to enable us to run more volunteer programmes including supported volunteering for both existing youth service users and vulnerable adults and allow us to reach more of our community.
Other		

--	--	--

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>This year has continued to be very challenging with the cost of living crisis directly following the impact of the coronavirus pandemic. However the charity has continued been innovative and flexible and despite the difficulties, managed to achieve great things including:</p> <ul style="list-style-type: none"> • Rescued 41 equines in this year from situations of illness, mistreatment and/or abandonment (a total of 162 horses and ponies and over 200 animals in total since opening in 2017). • Rehomed 33 of those rehabilitated horses/ponies (a total of 108 since opening in 2017). • Provided 595 hours of mental well-being support to 89 individual children and young people (a total of 5823 hours and 577 individuals supported since opening in 2017). • Our feedback forms are completed on a voluntary basis as for some service users compulsory completion may expose them to additional pressure and we have found that this can be a barrier and cause a service user to shut down. In addition, some service users have such complex needs that completing the form is impossible or their needs are such that the form would not provide for accurate data. Some service users just do not wish to complete the form and we respect their wishes. We do try to encourage a verbal quote at least, to see if we have made a positive difference to them and gather feedback from the parent or carer that attends sessions with them. • Of the 89 service users, 37 (42%) completed a feedback form. Twenty six individuals completed the 7 item Warwick Edinburgh Mental Well-Being Scale (WEMWBS) with 85% recording a positive change in their well-being. Of the three individuals that showed a slight decrease, there were known external variables that the service users/carer/parent stated contributed to these scores. • Eleven service users completed the traffic light feedback form. 91% reported an increase in their well-being with one service user scoring the same before and after their Hugs sessions.

- From additional analysis we found trends in:
 - Reduced suicide ideation and self-harm
 - Improved physical, emotional, social and mental well-being
 - Improved confidence and knowledge for parents/carers to recognise mental health issues in young people and knowing how/where to access additional support
 - Improved access and work between professionals to support young people e.g., Hugs support created more positive treatment developments with services such as NHS CAHMS
 - Improved ability to control, cope with and grow from life's challenges
- Examples of outcomes of our work from previous young people who have attended:
 - “My daughter, Penny is non-verbal, visually impaired and unable to stand independently, but at her adapted sessions, she was laughing, dancing and even making animal sounds to express her enjoyment.” Feedback from parent
 - “My son attended Hugs and it was amazing. I saw my son grow and become more confident with each session. Hazel the Youth Services Manager is such a wonderful person she was so good with my son and knew exactly how to communicate with him and encourage him. I thoroughly recommend The Hugs Foundation, they are doing a fantastic job for well-being for children.” Feedback from parent
 - “It was obvious to myself and mum that after my young person's first sessions at Hugs he gained significant benefit, presenting calmer and more regulated.” Feedback from NHS CAMHS Professional
- The full impact report can be read here: <https://hugsfoundation.org.uk/wp-content/uploads/2022/07/Youth-Well-Being-Project-Impact-Report-June-2021-to-May2022.pdf.pagespeed.ce.XpKEFVPWol.pdf>
- Provided volunteering opportunities to 10 people. This was more than our previous charity year but still a reduced capacity due to our staffing capacity to manage volunteers.
- Provided work experience opportunities for 5 people. Again, this was more than our previous charity year but still a reduced capacity due to our staffing capacity to manage work experience/placements.
- We have been able to carry out 12 care home visits with our rescue pony, Dude. This project

was kindly funded by The Michael & Shirley Hunt Charitable Trust.

- Our veterans well-being pilot project launched in May 2021 after successfully gaining funding from The National Lottery, Awards for All. This was run in partnership with a veterans charity, Veterans outdoors.
- Veterans project outcomes included:
 - Improved confidence and self-esteem
 - Reduced symptoms of depression, anxiety and PTSD
 - Built friendships/relationships
 - Built leadership skills and learnt to set boundaries
 - Reduced social isolation
 - Provided a safe space to think and then gave confidence to tackle other issues. Hugs provided a regular space, date and time to do this.
- The full impact report can be read here: <https://hugsfoundation.org.uk/wp-content/uploads/2022/07/Herds-Ahead-Veterans-Well-Being-Pilot-Project-Impact-Report2021.pdf.pagespeed.ce.VGvUJCOSM6.pdf>
- We have continued to build relationships and partnerships for our well-being provisions including partnering with the Veterans Outdoors charity for our veteran's well-being pilot project and for our youth well-being provision; Sowenna, a local NHS unit run by Cornwall NHS Foundation Trust, other departments in the NHS, Children and Adolescent Mental Health Services (CAMHS), additional schools, both primary and secondary, children in care units, social workers and social prescribers.
- We have continued to build and establish a relationship with the local community and work in collaboration with organisations such as local schools, social services and mental health provisions. We have started to visit schools again for educational visits and have attended 6 community events including; Community Health & Well-Being Awareness Day, Raf St Mawgan Family Event, Camel Creek, Cornwall Business Show, Griggs Country Store and Pencarrow House & Gardens. We have had 3 open days at Hugs rescue centre.
- We have continued to monitor and adjust our fundraising strategy and business plan to enable the charity to recover and grow after the pandemic, the cost of living increase and reduced funding available through trusts and grants. Income streams have been diversified and

include; applications to trusts and grants, increasing donations via direct debits and individual giving, memberships, legacies and corporate sponsorships.

- From August 2019 to 31st May 2020, the charity received £53,750 from trusts and grant funding. From June 2020 to 31st of May 2021 this increased to £94,981. For this charity year, we have raised £99,531. Funders have included; Garfield Weston Foundation, Arnold Clark Foundation, Animal Friends, CCF's Social Enterprise Grant, Postcode Local Trust, Pets at Home Foundation, Tesco Community Grants, Co-Op Community Fund, Jean Sainsbury Animal Welfare Trust, Clare Milne Trust, Duchy Health Charity, V Delaney Charitable Trust, Superfast Cornwall 3 – Inclusive Growth, Business Digital Support, Network for Animals, Petplan Charitable Trust and The Norman Family Charitable Trust.
- Regular donors have increased from 16 monthly donors donating £2,400 every year to 61 donating £7,800 every year for Hugs. 'Sponsor an Animal' gifts for resident animals has proved popular.
- We have continued to work with professionals, including a Health and Safety consultant, to ensure we are doing the best we can to support our charity and beneficiaries and keep all safe.
- We have created more track systems for those rescues who are overweight or suffering from or susceptible to laminitis. These proved very successful in our previous charity year, with one pony losing an incredible 7 stone.
- Alongside normal maintenance, the charity continued to provide extra care to help the land recover from the harsh and wet winter and have re-seeded the other half of the grazing.
- Mudcontrol mats have been laid to create paths away from mud in winter and providing mud free feeding stations and shelters.
- Monthly tack sales have re-started and have been successful for fundraising.

A future plan has been established for as follows:

- Continue to adapt and implement our fundraising strategy, ensuring we are able to adjust where needed when the unexpected comes along e.g. cost of living causing more horses and ponies to be surrendered.

	<ul style="list-style-type: none">• Stabilise and then grow the charity to meet demand for both our animal rescue and human well-being support.• Increase capacity for on-site well-being support to meet demand. Continue to train staff and liaise with other professionals in the sector to ensure the referrals being received (which are more complex with a multitude of needs) are getting the best support than can.• Continue to research different methods of Equine Assisted Services and Ecotherapy to help shape the services The Hugs Foundation provides. Be active members of HEIR and NEWC.• Continue to monitor moorland welfare. We have established contacts in this area and will be working closely with them to ensure welfare on the local moors is monitored and intervention made when necessary.• Work on land including creating a large chicken run for when bird flu restrictions are put in place, create and maintain more track systems, revamp the outdoor school to include fencing and new surface and create more permanent area for a round pen.• Develop services to corporate groups for team building activities. This will raise awareness for the charity, build corporate relationships and aim to increase fundraising opportunities.• Continue to develop our staff through training and education appropriate to their sector.• Increase our newsletter list to help grow our supporters and convert to monthly donors.• Apply for funding to employ a Volunteer Coordinator enable 5 volunteer programmes to run in our area of deprivation including; 1) supported volunteering for children/young people who have attended our well-being sessions, allowing them to take the next step in their recovery and learn new skills for future opportunities. 2) Career volunteer programme to offer structured work placements/experience programmes to allow development of career skills for young people. 3) General volunteer programme to support young people and adults including those who are vulnerable. Many have complex needs and these kinds of opportunities are not available. We will increase confidence, give new skills and help demonstrate they can do a role within an organisation, helping build their CV, evidence of reliability and supporting them to progress, find other roles and possibly even
--	---

		<p>employment. 4) Educational school visits, attending at least 12 annually. 5) Fundraising volunteer programme, to help raise funds through community and corporate fundraising and provide support to the Fundraising and Admin Manager.</p>
--	--	--

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	<p>Since recruiting our fundraiser in 2019, our fundraising has gone from strength to strength. One main corporate sponsor has provided the largest percentage of our funding since our inception. To become truly sustainable, our charity needs to become less reliant on one sponsor. Therefore, there is a plan in place for a phased reduction which has started with £120,000 donated in the last charity year, £100,000 committed for our next charity year and a steady decrease over the following years.</p> <p>Funding streams have been diversified and now include; individual giving, memberships, legacies, activities within the local community and trust and grant funding. In our charity year August 2019 to 31st May 2020, the charity received £53,750 from trust and grant funding. From June 2020 to 31st of May 2021 this increased to £94,981. Legacies and corporate sponsorship income streams are being explored and the hope is to build this income as the charity becomes better known in the community.</p> <p>This year the targets set for the fundraising have been very positive, especially considering the challenges of the pandemic. The charity has managed to</p>

		<p>raise £99,531 through trust and grant fundraising. Funders have included; Garfield Weston Foundation, Arnold Clark Foundation, Animal Friends, CCF's Social Enterprise Grant, Postcode Local Trust, Pets at Home Foundation, Tesco Community Grants, Co-Op Community Fund, Jean Sainsbury Animal Welfare Trust, Clare Milne Trust, Duchy Health Charity, V Delaney Charitable Trust, Superfast Cornwall 3 – Inclusive Growth, Business Digital Support, Network for Animals, Petplan Charitable Trust and the Norman Family Charitable Trust.</p> <p>Regular donors have increased from 16 monthly donors donating £2,400 every year to 61 donating £7,800 every year for Hugs. Moving forwards, there is a flexible and diverse fundraising plan in place to help the charity recover from the pandemic and start to grow once more.</p>
Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	<p>Income has increased slightly this year and expenditure has stayed very similar to our previous charity year.</p> <p>During the year receipts of £273,117 were received from donations, trust and grants, sponsorships, rehoming fees and service charges. Of this, £120,000 was received from a corporate sponsorship partner that provided donations to set up and establish the charity through support with staffing and running costs. The partnership will continue to provide support for the charity with an aim to becoming self-funding in the long term. A flexible and phased plan is in place for this with £100,000 committed for our next charity year and a steady decrease over the following years.</p> <p>£99,531 was raised in trust and grant funding, an increase on the previous year. A fundraising strategy and business plan is in place to reduce the donation amount and reliance on the corporate donor and</p>
---	-----------	---

		<p>diversify income streams, working towards self-sustainability. This has been successful so far, for example, regular donors increasing from 16 monthly donors donating £2,400 every year to 61 donating £7,800 every year for Hugs.</p>
<p>Statement explaining the policy for holding reserves stating why they are held</p>	<p>Para 1.22</p>	<p>The Hugs Foundation is a fairly young charity and significant setup and operational costs have been incurred, thus the ability to create cash reserves has not been possible. In addition to this, the coronavirus pandemic and now the cost of living crisis, have made it financially impossible to build or retain any reserve funding. The Hugs Foundation also believes that monies received should be spent in accordance with the charity mission and not held long term in a bank account. There were very little reserves during the pandemic, which caused financial strain on the charity, however, the diversity and flexibility of the Trustees and fundraising strategy in place, ensured the charity was successful with emergency funding and survived.</p> <p>In the next charity year, The Hugs Foundation has an agreement with its corporate sponsor, to receive £100,000 unrestricted funding. Therefore, the reserves policy will be to operate with minimal reserves whilst the charity stabilises and carries out its fundraising strategy. The corporate sponsor commitment, along with the fundraising strategy in place to increase income diversity, gives the Trustees confidence that The Hugs Foundation has the certainty and resilience it requires to deliver its charitable objectives and survive long term.</p> <p>Any cash funds held, either restricted or unrestricted, will be carried over to continue to support the work of the charity into the next financial year. Restricted funding carried over, (e.g., the charity could not run interventions at full capacity during the pandemic so the funding could not be spent fully), will be spent in accordance with the individual application. For any that are taking longer to spend than anticipated, the relevant grant or trust organisation(s) have been notified, and a plan agreed to spend the reserves moving forward.</p> <p>From 2022 and depending on the outcome of the financial strategy and financial climate, The Hugs Foundation aim to increase its level of unrestricted funds over</p>

		<p>the following years, in order to ensure the underlying financial resilience of the charity and to provide designated funds for specific projects. The aim would be for a minimum level of free reserves that The Hugs Foundation will hold in unrestricted funds, excluding fixed assets, to cover three to six months of core running costs plus any potential liabilities in the event of the Hugs Foundation having to cease its activities.</p> <p>The reserves policy is reviewed annually by The Hugs Foundation Trustees.</p>
Amount of reserves held	Para 1.22	Total reserves held on 31 May 2022 were £90,512, split as unrestricted funds of £67,529 and restricted funds of £22,983. £33,240 of the unrestricted funds balance is held as cash.
Reasons for holding zero reserves	Para 1.22	See above reserves policy.
Details of fund materially in deficit	Para 1.24	
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	<p>The coronavirus pandemic and cost of living crisis has had a negative impact on the charity's income. This year, the charity has been able to start to run fundraising events, open days, care home visits and well-being interventions at a reduced capacity, due to lower staffing levels. However, the charity has been successful in applications for additional grant funding which has been received in 2021-2022. There is a flexible and diverse fundraising plan in place, including diversifying funding streams e.g., individual giving, which has increased this year. Demand for horse rescues and rehoming is continuing to rise and well-being service referrals have increased by over 50% and so the outlook for The Hugs Foundation is looking optimistic.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	<p>The charity's principle sources of funds are the corporate sponsor and trust and grant fundraising. To ensure the charity's survival and sustainability long term, a phased reduction has started from the main corporate sponsor, with £100,000 committed for the next charity year and a steady decrease going forwards.</p> <p>Additional funding streams have been established and are steadily growing and include:</p> <ul style="list-style-type: none"> individual giving, both one off donations and regular monthly donations
--	-----------	---

		<ul style="list-style-type: none"> • memberships (Sponsor a Rescue or Stable) • service charges (well-being support) • animal rescue rehoming fees • livery • tack sale donations • Christmas calendar donations and sponsorship • corporate sponsorships and donations <p>Moving forwards, the charity's fundraising plan is to continue to grow these diversified income streams and become less reliant on one main corporate sponsor. This is evidencing a positive trend in our annual accounts.</p>
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	The trustees have assessed the major risks to which the charity is exposed and are satisfied that the systems in place (risk register etc.) will help to mitigate the risk or enable it to be dealt with in a timely, efficient manner.
Other		

Structure, Governance and Management

Description of charity's trusts:		N/A
Type of governing document (trust deed , royal charter)	Para 1.25	Constitution of a Charitable Incorporated Organisation
How is the charity constituted? (e.g unincorporated association , CIO)	Para 1.25	Charitable Incorporated Organisation
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Trustees can be selected in various ways including; approaching the charity themselves through CV or application or nomination by existing Trustees. Current Trustees will consider potential new Trustees who have skills which will help the charity e.g. animal welfare knowledge, children's mental health, safeguarding, fundraising and charity management. Applications/nominations are brought to Trustee meeting to discuss. They are appointed upon approval by majority vote, familiarised with the day to day running of the charity and briefed on the governance and their responsibilities.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	The Hugs Foundation
Other name the charity uses	N/A
Registered charity number	1175633
Charity's principal address	Higher Whitley Farm Helland Road Bodmin Cornwall PL31 2NT

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Solicitor	Stephens Scown	1 High Cross Street, St Austell, Cornwall, PL25 4AB
Accountant	AAS Accountants Ltd	Tithe House, 15 Dukes Ride, Crowthorne, RG45 6LZ

Name of chief executive or names of senior staff members (Optional information)

Andrew Bowden - Chairman

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--


Other optional information

--

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)	
Full name(s)	Andrew Frederick Bowden
Position (eg Secretary, Chair, etc)	Chair
Date	04/10/2022



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity Name	The Hugs Foundation		1175633
Annual accounts for the period			
Period start date	1 June 2021	To	31 May 2022


Section A Statement of financial activities

Recommended categories by activity	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	151,820	-	151,820	161,874
Charitable activities	25,776	94,531	120,307	103,136
Other trading activities	990	-	990	1,369
Total	178,586	94,531	273,117	266,379
Resources expended (Note 5)				
Expenditure on:				
Raising funds	24,987	-	24,987	22,509
Charitable activities	136,245	93,197	229,442	232,615
Total	161,232	93,197	254,429	255,124
Net income/(expenditure) before transfers	17,354	1,334	18,688	11,255
Transfers	7,780	- 7,780	-	-
Net income/(expenditure)	25,134	- 6,446	18,688	11,255
Reconciliation of funds:				
Total funds brought forward	42,395	29,429	71,824	60,569
Total funds carried forward	67,529	22,983	90,512	71,824

Section B Balance sheet

		Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets (Note 9)		38,858	-	38,858	40,648
Total fixed assets		38,858	-	38,858	40,648
Current assets					
Debtors (Note 10)		2,333	-	2,333	2,182
Cash at bank and in hand (Note 12)		33,240	22,983	56,223	35,022
Total current assets		35,573	22,983	58,556	37,204
Creditors: amounts falling due within one year (Note 11)		6,902	-	6,902	6,028
Net current assets/(liabilities)		28,671	22,983	51,654	31,176
Total net assets or liabilities		67,529	22,983	90,512	71,824
Funds of the Charity					
Restricted income funds (Note 14)			22,983	22,983	29,429
Unrestricted funds		67,529		67,529	42,395
Total funds		67,529	22,983	90,512	71,824

Signed on behalf of the charity's trustees

Signature(s)	
Full name(s)	Andrew Frederick Bowden
Position (eg Secretary, Chair, etc)	Chair
Date	04/10/2022

Note 1 Basis of preparation

This section should be completed by all charities.

1.1 Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

- and with* the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.*

* -Tick as appropriate

1.2 Going concern

If there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern, please provide the following details or state "Not applicable", if appropriate:

An explanation as to those factors that support the conclusion that the charity is a going concern;

The coronavirus pandemic and cost of living crisis has had a negative impact on the charity's income. This year, the charity has been able to start to run fundraising events, open days, care home visits and well-being interventions at a reduced capacity, due to lower staffing levels. However, the charity has been successful in applications for additional grant funding which has been received in 2021-2022. There is a flexible and diverse fundraising plan in place, including diversifying funding streams e.g., individual giving, which has increased this year. Demand for horse rescues and rehoming is continuing to rise and well-being service referrals have increased by over 50% and so the outlook for The Hugs Foundation is looking optimistic.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Note 2

Accounting policies

2.1 INCOME

Recognition of income	<p>These are included in the Statement of Financial Activities (SoFA) when:</p> <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability. 	Yes	No	N/a
		✓	✓	✓
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.	Yes	No	N/a
		✓	✓	✓
Grants and donations	<p>Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).</p> <p>In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).</p> <p>Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.</p>	Yes	No	N/a
		✓	✓	✓
Legacies		Yes	No	N/a
		✓	✓	✓
Government grants	The charity has received government grants in the reporting period	Yes	No	N/a
		✓	✓	✓
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.	Yes	No	N/a
		✓	✓	✓
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.	Yes	No	N/a
		✓	✓	✓
Donated goods	<p>Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.</p> <p>The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.</p> <p>Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.</p> <p>Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.</p> <p>Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.</p>	Yes	No	N/a
		✓	✓	✓
		Yes	No	N/a
		✓	✓	✓
Donated services and facilities	<p>Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.</p> <p>Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.</p>	Yes	No	N/a
		✓	✓	✓
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		✓	✓	✓
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.	Yes	No	N/a
		✓	✓	✓
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		✓	✓	✓
Income from membership subscriptions	<p>Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.</p> <p>Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.</p>	Yes	No	N/a
		✓	✓	✓
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
		✓	✓	✓
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
		✓	✓	✓

Note 2

Accounting policies

2.2 EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	Yes	No	N/a
		✓	✓	✓
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	Yes	No	N/a
		✓	✓	✓
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	Yes	No	N/a
		✓	✓	✓
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	Yes	No	N/a
		✓	✓	✓
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.	Yes	No	N/a
		✓	✓	✓
Redundancy cost	The charity made no redundancy payments during the reporting period.	Yes	No	N/a
		✓	✓	✓
Deferred income	No material item of deferred income has been included in the accounts.	Yes	No	N/a
		✓	✓	✓
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	Yes	No	N/a
		✓	✓	✓
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	Yes	No	N/a
		✓	✓	✓
Basic financial instruments	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	Yes	No	N/a
		✓	✓	✓
2.3 ASSETS				
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £3,000.	Yes	No	N/a
	They are valued at cost.	✓	✓	✓
	The depreciation rates and methods used are disclosed in note 9.2.	Yes	No	N/a
Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5	✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Heritage assets	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4.	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.	Yes	No	N/a
	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	✓	✓	✓
		Yes	No	N/a
		✓	✓	✓
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value.	Yes	No	N/a
	Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.	✓	✓	✓
	Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.	Yes	No	N/a
		✓	✓	✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes	No	N/a
		✓	✓	✓
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes	No	N/a
		✓	✓	✓
	They are valued at fair value except where they qualify as basic financial instruments.	Yes	No	N/a
		✓	✓	✓

Note 3

Analysis of income

	Unrestricted funds	Restricted income funds	Total funds £	Prior year £
Analysis				
Donations and legacies:				
Donations	148,990	-	148,990	153,467
General grants provided by government/other charities	1,361	-	1,361	7,320
Membership subscriptions and sponsorships	1,468	-	1,468	1,087
Total	151,820	-	151,820	161,874
Charitable activities:				
Grants	5,000	94,531	99,531	94,981
Rehoming	8,885	-	8,885	7,405
Mental Health	10,628	-	10,628	750
Other	1,263	-	1,263	-
Total	25,776	94,531	120,307	103,136
Other trading activities:				
Hire income	990	-	990	1,369
Total	990	-	990	1,369
TOTAL INCOME	178,586	94,531	273,117	266,379

Note 4

Analysis of receipts of government grants

	Description	This year £	Prior year £
Government grant	HMRC Job Retention Scheme	1,361	7,321
Total		1,361	7,321

Note 5

Analysis of expenditure

Analysis	This year			Last year		
	Unrestricted funds	Restricted income funds	Total funds	Unrestricted funds	Restricted income funds	Total funds
	£			£		
Expenditure on raising funds:						
Staff Costs	21,857	-	21,857	21,354	-	21,354
Incurred seeking donations	-	-	-	116	-	116
Operating membership schemes and social lotteries	1,754	-	1,754	468	-	468
Advertising, marketing, direct mail and publicity	1,376	-	1,376	652	-	652
Total expenditure on raising funds	24,987	-	24,987	22,590	-	22,590
Expenditure on charitable activities:						
Staff Costs	51,767	53,355	105,122	59,030	59,649	118,679
Recruitment Costs	19	-	19	557	-	557
Veterinary and Medical Costs	7,771	11,115	18,886	15,276	3,660	18,936
Feed	3,671	3,915	7,586	5,852	301	6,153
Yard Expenditure	4,680	2,889	7,569	1,670	4,811	6,481
Equine Care	3,677	2,186	5,863	4,671	1,488	6,159
Training	574	-	574	2,001	-	2,001
Repairs and Renewals	1,931	1,212	3,143	1,518	4,123	5,641
Insurance	4,279	2,132	6,411	6,741	-	6,741
Professional Fees	11,222	1,718	12,940	9,476	-	9,476
Bank and Payment Charges	437	-	437	224	-	224
Computers and Internet	6,985	-	6,985	3,477	30	3,507
Utilities and Rates	24,498	8,797	33,295	31,743	131	31,874
Transport and Travel	3,289	239	3,528	4,990	65	5,055
Office Supplies	1,564	1,112	2,676	764	-	764
Depreciation	8,870	-	8,870	8,520	-	8,520
Programme Costs	45	4,334	4,379	665	294	959
Sundries	966	193	1,159	282	524	807
Total expenditure on charitable activities	136,245	93,197	229,442	157,457	75,077	232,534
TOTAL EXPENDITURE	161,232	93,197	254,428	180,047	75,077	255,124

Note 6 Details of certain items of expenditure

6.1 Fees for examination of the accounts

Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner. If nothing was paid please enter '0' in the appropriate box(es).

Independent examiner's fees

This year £	Last year £
720	720

Note 7 Paid employees

Please complete this note if the charity has any employees.

7.1 Staff Costs

Salaries and wages

Social security costs

Pension costs (defined contribution scheme)

Total staff costs

This year £	Last year £
118,153	129,821
5,271	6,528
3,554	3,684
126,978	140,033

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity. For specific amounts paid to trustees, see Note 28.

This year £	Last year £
74,006	67,070

7.2 Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Total

This year Number	Last year Number
1	1
5	6
6	7

Note 8 Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.

8.1 Please complete this note if a defined contribution pension scheme is operated.

Amount of contributions recognised in the SOFA as an expense

This year £	Last year £
3,554	3,684

Note 9 Tangible fixed assets*Please complete this note if the charity has any tangible fixed assets***9.1 Cost or valuation**

	Freehold land & buildings	Other land & buildings	Yard equipment	Total
	£	£	£	£
At the beginning of the year	1,104	563	54,805	56,472
Additions	-	-	7,980	7,980
Disposals	-	-	- 3,600	- 3,600
At end of the year	1,104	563	59,185	60,852

9.2 Depreciation and impairments

**Basis	RB	RB	SL
** Rate	25%	25%	4/7/10/20 years

At beginning of the year	755	326	14,743	15,824
Disposals	-	-	- 2,700	- 2,700
Depreciation	87	59	8,723	8,870
At end of the year	842	385	20,766	21,994

9.3 Net book value

Net book value at the beginning of the year	349	237	40,062	40,648
Net book value at the end of the year	262	178	38,419	38,858

Note 10 Debtors and prepayments

Please complete this note if the charity has any debtors or

10.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Taxation and social security

Total

This year	Last year
£	£
342	97
1,991	1,723
-	362
2,333	2,182

Note 11 Creditors and accruals

Please complete this note if the charity has any creditors or accruals.

11.1 Analysis of creditors

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
1,506	1,115	-	-
3,131	1,884	-	-
1,774	-	-	-
491	3,029	-	-
6,903	6,028	-	-

Note 12 Cash at bank and in hand

Cash at bank and on hand

Total

This year	Last year
£	£
56,219	35,022
56,219	35,022

Note 13

Events after the end of the reporting period

Please complete this note events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

	This year	Last year
Please provide details of the nature of the event	<p>The coronavirus pandemic and cost of living crisis continues to impact charity income, meaning staffing levels are lower than the charity would ideally like. A business recovery plan is in place to help the charity recover from the pandemic and then grow to meet demand for both the animal welfare services The Hugs Foundation provides and its well-being support.</p>	<p>We currently have just one member of staff on the furlough scheme. We are hoping to bring the staff member back to work in August 2021. We also have our yard manager on maternity leave meaning we have a very small yard team. A business recovery plan is in place to help the charity recover from the pandemic and then grow to meet demand for both the animal welfare services The Hugs Foundation provides and its well-being support.</p>
Provide an estimate of the financial effect of the event or a statement that such an estimate cannot be made	<p>The charity has put a plan in place to keep expenditure to a minimum whilst it recovers from the effects of the pandemic and survives the cost of living crisis. Income streams have been diversified and applications from trust and grant funding have been successful so far and so the Trustees are confident that the charity's plan will see the charity through this difficult time and steadily increase income once more.</p>	<p>The charity has put a plan in place to keep expenditure to a minimum whilst it recovers from the effects of the pandemic. Income stream have been diversified and applications from trust and grant funding have been successful so far and so the Trustees are confident that the charity's plan will see the charity through this difficult time and steadily increase income once more.</p>

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.1 Details of material funds held and movements during the CURRENT reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE, R or UR *	Purpose and Restrictions	Fund balances at 1 June 2021 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2022 £
Network for Animals	R	Towards cost of horse welfare	-	2,000	-	-	-
Arnold Clark Foundation	R	Towards costs incurred running youth projects	-	2,000	-	-	1,000
Cornwall Community Foundation Social Enterprise Grant	R	To fund Animal Welfare Assistant staff costs	-	20,420	-	-	5,652
Petplan	R	To fund Hugs Helping Hands Rescue Pony Team Project	-	7,000	-	-	7,000
V Delaney Charitable Trust	R	Towards cost of horse welfare	-	2,166	-	-	2,166
Co-Op Local Community Fund	R	Towards play area, sensory garden and sensory room	2,348	-	-	-	-
Together for Families	R	Towards bursaries for family well-being sessions	3,164	-	-	-	-
Claire Milne Trust	R	Towards bursaries for well-being sessions	382	10,000	-	-	4,220
The Clara E Burgess Charitable Trust	R	Towards bursaries for well-being sessions	2,950	-	-	-	-
Jean Sainsbury Animal Welfare Trust	R	Towards animal care costs including salaries	-	8,000	-	-	-
Co-Op	R	Towards costs incurred running youth projects	-	445	-	-	445
Animal Rescue Foundation	R	Towards animal care costs and vet bills	983	-	-	-	-
The Annandale Charitable Trust	R	To fund costs including fencing, agility equipment, track system for laminitic ponies, items for the sensory garden and other running costs	5,400	-	-	-	-
Tesco Community Grant	R	Youth project funding	-	1,000	-	-	1,000
National Lottery Awards for All	R	Veterans Well-Being Project	3,369	-	-	-	-
The Michael & Shirley Hunt Charitable Trust	R	12 x care home visits	1,000	-	-	-	-
Postcode Local Trust	R	Youth project funding	-	10,000	-	-	-
Pets at Home Foundation	R	To fund costs including vet bills, food bills and Mudcontrol mats and sand	-	15,000	-	7,780	-
Elise Pilkington Charitable Trust	R	Land Maintenance	797	-	-	-	-
The Norman Family Charitable Trust	R	To fund urgent well-being support and reduce self-harm and suicide in children and young people in Cornwall	-	1,500	-	-	1,500
Garfield Weston Foundation	R	Youth project funding	-	10,000	-	-	-
Duchy Health Charity	R	To fund 10 children/young people to access free well-being interventions	-	5,000	-	-	-
South West Water Neighbourhood Fund	R	To fund 10 children/young people to access free well-being interventions	4,594	-	-	-	-
Cornwall Community Foundation Karenza	R	To fund 8 children/young people to access free well-being interventions	4,442	-	-	-	-
Unrestricted Funds	UR	N/A	42,395	178,586	-	7,780	67,529
Total Funds			71,824	273,117	-	254,429	90,512

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.2 Details of material funds held and movements during the PREVIOUS reporting period

* Key: PE - permanent endowment funds; EE - expendable endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances at 1 June 2020 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2021 £
Network for Animals	R	Towards cost of care for 4 rescue ponies	1,586	-	1,586	-	-
Network for Animals	R	Towards purchase of field shelters	-	6,000	-	6,000	-
Support Adoption for Pets Covid-19 Emergency Grant	R	Towards cost of vets bills, feed and bedding	2,822	-	2,822	-	-
Support Adoption for Pets Covid-19 Emergency Grant	R	Towards yard staffing costs	-	5,000	5,000	-	-
The Edward Gostling Foundation	R	Towards Youth Well-Being team salaries	-	3,400	3,400	-	-
Co-Op Local Community Fund	R	Towards play area, sensory garden and sensory room	721	1,869	242	-	2,348
Together for Families	R	Towards bursaries for family well-being sessions	5,714	-	2,550	-	3,164
Claire Milne Trust	R	Towards bursaries for well-being sessions	1,882	-	1,500	-	382
The Clara E Burgess Charitable Trust	R	Towards bursaries for well-being sessions	3,300	-	350	-	2,950
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-	17,500	17,500	-	-
Cornwall Community Foundation Covid-19 Emergency Grant	R	To run 'A Daily Hug' Facebook Live project	-	9,907	9,907	-	-
Animal Rescue Foundation	R	Towards animal care costs and vet bills	-	6,500	5,517	-	983
The Annandale Charitable Trust	R	To fund costs including fencing, agility equipment, track system for laminitic ponies, items for the sensory garden and other running costs.	-	10,000	4,600	-	5,400
Marjorie Coota Animal Charity Trust	R	Towards vet bills	-	250	250	-	-
National Lottery Awards for All	R	Veterans Well-Being Project	-	4,043	674	-	3,369
The Michael & Shirley Hunt Charitable Trust	R	12 x care home visits	-	1,000	-	-	1,000
PetPlan Emergency Funding	R	Towards staff costs for 4 months	-	6,239	6,239	-	-
Elise Pilkington Charitable Trust	R	Land Maintenance	-	4,940	4,143	-	797
Mind Coronavirus Mental Health Response Fund	R	A Daily Hug 12 week Project	-	5,297	5,297	-	-
Tesco Bags of Help COVID-19 Communities Fund	R	Facebook Live Equipment	-	500	500	-	-
W O Street Charitable Foundation	R	Youth Services core costs	-	3,000	3,000	-	-
South West Water Neighbourhood Fund	R	To fund 10 children/young people to access free well-being interventions	-	4,594	-	-	4,594
Cornwall Community Foundation Karenza	R	To fund 8 children/young people to access free well-being interventions	-	4,442	-	-	4,442
Unrestricted Funds	UR	N/A	44,544	178,586	161,232	6,000	67,897
		Total Funds	60,569	273,067	236,309	-	97,327

Note 15 Charity funds (cont)

15.1 Transfers between funds

This year

	Reason for transfer and where endowment is converted to income, legal power for its conversion	Amount
Between unrestricted and restricted funds	Funding received from Pets at Home Foundation to contribute towards the cost of Mudcontrol mats. These were purchased in September 21 and February 2022 for £7,980.	£ 7,780

Note 16 Transactions with trustees and related parties

If the charity has any transactions with related parties (other than the trustee expenses explained in guidance notes) details of such transactions should be provided in this note. If there are no transactions to report, please enter "True" in the box or "False" if there are transactions to report.

16.1 Trustee remuneration and benefits

This year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

16.2 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties. If there are no such transactions, please enter 'true' in the box provided.

This year

There have been no related party transactions in the reporting period

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This Year	Last Year
Andrew Bowden	Chairman	Director of Carbonxgen Ltd which made donations to the charity during the year. Carbonxgen Ltd also own the land that the charity operates from. The charity pays a nominal rent back to Carbonxgen Ltd for using the land.	£ 120,000	£ 130,605

THE HUGS FOUNDATION

England & Wales - Charity number 1175633

Accounts



Trustees' Annual Report for the period

From 1st June 2020 **Period start date** To 31st May 2021 **Period end date**

Charity name: The Hugs Foundation

Charity registration number: 1175633

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The Hugs Foundation is a horse rescue centre that also provides well-being support to children, young people, the elderly, serving military personnel and veterans.</p> <p>We rescue, rehabilitate and rehome mistreated, sick, unwanted and abandoned horses and ponies. Situated in a unique, nurturing, safe environment, we provide for a range of human well-being needs too, including; social, emotional, physical and mental health support, learning and developmental needs, special educational needs and disabilities (SEND), social isolation, reengaging with education, school transitions, transitions from military to civilian life, self-harm and those at risk of suicide.</p> <p>Our rescues each have their own rehabilitation plan and many work alongside our service users, where they can both benefit and grow from spending time with each other, making a positive difference to both lives.</p> <p>Our multiple aims and objectives include:</p> <ul style="list-style-type: none">• the rescue, rehabilitation and re-homing of unwanted, sick, mistreated and abandoned horses and ponies.• to promote humane behaviours towards animals and educate the public in positive animal welfare.• to work alongside other rescues and organisations to make as big a difference as possible to animal welfare.

		<ul style="list-style-type: none"> • to improve children and young people's social, emotional, physical and mental health and well-being through on-site interventions. • to decrease loneliness and increase social inclusion and hope amongst the elderly through visits to care homes. • to improve the social, emotional, physical and mental health and well-being of serving military personnel and veterans.
<p>Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.</p>	<p>Para 1.17 and 1.19</p>	<p>Our main charitable activities are; to provide a safe, nurturing and enriching environment for our animal rescues, enabling us to rehabilitate and rehome as many as possible and to provide well-being support to those in need. We do this by:</p> <ul style="list-style-type: none"> • working alongside other rescues and organisations, such as the National Equine Welfare Council (NEWC), World Horse Welfare, the Mare & Foal Sanctuary, the RSPCA, the police and local councils, to rescue animals in need. • rehabilitating rescue horses/ponies through individual programmes using ethical and empathic training techniques to create positive experiences for our rescues, enabling them to trust humans and build their confidence. • finding the right match for our rescues and their forever home. • attending events and open days to raise awareness of the charity, educate the public in animal welfare and human well-being and promote positive animal welfare. • providing well-being support through on-site interventions to children, young people, serving military personnel and veterans. These interventions are set up as a course of six sessions, with the option to extend if needed, and have been shaped by people with lived experiences and experts in well-being, learning and development. We provide a unique mix of nature based interventions together with mentoring and workshops that can include; animal assisted interventions, nature activities, therapeutic learning, ecotherapy,

		<p>teambuilding, arts and crafts, forest based activities and practical skills, such as horticulture.</p> <ul style="list-style-type: none"> providing well-being visits for the elderly, with our rescue animals, for those that are unable to leave their accommodation (e.g. care homes). These visits bring the residents something different to their usual routine and something to look forward to. Residents leave their rooms and congregate in the social areas, decreasing loneliness and increasing social inclusion, happiness and hope. For those that cannot leave their rooms, our animals (usually Dude our super star rescue), go to them. The smiles this brings to people shows just how positive the impact is on their well-being and Dude is always keen to see the residents. We constantly monitor our animal's welfare to ensure they are always happy and healthy. <p>There have been 7 ponies returned to the facility during this period, due to changes in owner circumstances or the standard of care not being delivered to the satisfaction of The Hugs Foundation upon inspection. We continue to provide care for those returned to the Foundation and look to rehome them again.</p> <p>The charity is fully insured. All staff and volunteers are DBS checked, a full safeguarding policy and procedures are in place and updated regularly, as are our other policies, such as equal opportunities.</p> <p>Volunteers provide vital resource to the charity through activities such as mucking out, grooming and other essential yard tasks, providing benefit to both visitor and charity, although this has greatly reduced due to the coronavirus pandemic and lockdown restrictions.</p> <p>A monthly newsletter continues to be produced and sent to our supporters (who have signed up in accordance with GDPR) to keep them up to date with the activities of the charity, promote our events and to encourage donor engagement.</p>
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The trustees are aware of the guidance issued by the Charities Commission on public benefit with regard to the need for them to exercise their powers and duties for the benefit of the public. Every trustee

		has complied with their duty to have due regard on public benefit.
--	--	--

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	Our volunteers are an essential asset to the charity. Volunteers perform important tasks such as mucking out, grooming and essential groundwork that keeps the land a safe environment for the animals to enjoy. All our volunteers are taken through a volunteer induction programme and DBS checked. However, we have had reduced volunteers this charity year, due to the pandemic and lockdown restrictions.
Other		

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>This year has been incredibly challenging, due to the coronavirus pandemic. However the charity has been innovative and flexible and despite the difficulties, managed to achieve great things including:</p> <ul style="list-style-type: none"> • Rescued 25 equines in this year from situations of sickness, mistreatment and/or abandonment (a total of 121 horses and ponies and over 160 animals in total since opening in 2017). • Rehomed 36 of those rehabilitated horses/ponies (a total of 75 since opening in 2017). • Provided 228 hours of mental well-being support to 38 individual children and young people (a total of 5228 hours and 488 individuals supported since opening in 2017).

		<ul style="list-style-type: none"> • Eight individuals completed the 7 item Warwick Edinburgh Mental Well-Being Scale (WEMWBS) with 88% recording a meaningful positive change on their well-being. We have also gathered more case studies evidencing the positive impact our support has on individuals. • Launched a veterans well-being programme after successfully gaining funding from The National Lottery, Awards for All. This started in May 2021. • Provided volunteering opportunities to 2 people. This was a hugely reduced capacity due to decreased staffing and the pandemic. • Provided work experience opportunities for 2 people. Again, this was a hugely reduced capacity due to decreased staffing and the pandemic. • The charity was unable to undergo any care home visits due to the pandemic but have kept in contact with service users virtually and are hoping to offer this service again in Autumn 2021. However, over the Christmas period, the charity ran a community day where care homes were visited from the outside and the ponies were dressed for Christmas celebrations and walked through Bodmin town centre to bring a smile to the local community during difficult times. • Launched 'A Daily Hug' project via Facebook. This involved going live or posting a pre-recorded video on Facebook to help our service users and supporter's well-being during the pandemic. This was so popular that it received four rounds of funding including grants from the mental health charity, Mind and Cornwall Community Foundation. In just one month, the project reached over 84,900 people with over 11,900 engagements. • Outcomes from a survey for 'A Daily Hug', conducted by the charity Mind, reported that 100% would recommend our service to a friend or family member experiencing problems with their mental health and well-being. 72% of those agreed their well-being had improved
--	--	--

		<p>whilst the remaining 28% strongly agreed.</p> <ul style="list-style-type: none"> • Launched a YouTube channel and become more active on social media platforms so our service users and supporters could stay in touch with what the charity was up to. • Became a member of the National Equine Welfare Council (NEWC) and continued to build relationships with similar equine charities including World Horse Welfare, the Mare & Foal Sanctuary and the RSPCA. • Built relationships and partnerships for our well-being provisions including partnering with The Veterans Farm-Able Foundation charity for our veteran's well-being programme and for our youth well-being provision; Sowenna, a local NHS unit run by Cornwall NHS Foundation Trust, other departments in the NHS, Children and Adolescent Mental Health Services (CAMHS), additional schools, both primary and secondary, children in care units, social workers and social prescribers. • Continued to build and establish a relationship with the local community and work in collaboration with organisations such as local schools, social services and mental health provisions. • Rescued a variety of animals to add to Hugs provision, including 3 feral cats, a piglet and more rescue chickens. • Established a fundraising strategy and business plan to enable the charity to recover and grow after the pandemic. Income streams have been diversified and include: applications to trusts and grants, increasing donations via direct debits and individual giving, legacies and corporate sponsorships. From August 2019 to 31st May 2020, the charity received £53,750 from trusts and grant funding. From June 2020 to 31st of May 2021 this increased to £94,981. Regular donors have increased and 'Sponsor an Animal' gifts for resident animals has proved popular. • Continued to work with professionals, including a Health and Safety
--	--	---

		<p>consultant, to ensure we are doing the best we can to support our charity and beneficiaries and keep all safe.</p> <ul style="list-style-type: none"> • Started to create a track system for those rescues who are overweight or suffering from or susceptible to laminitis. • Alongside normal maintenance, the charity has provided extra care to help the land recover from the harsh and wet winter and have re-seeded half the grazing, with the other half planned for the next charity year. • Three large field shelters have been added this year, kindly funded by Network for Animals. This has made a huge difference to our rescues, enabling them to shelter from the elements. <p>A future plan has been established for as follows:</p> <ul style="list-style-type: none"> • Continue to adapt and implement our fundraising strategy, ensuring we are able to adjust where needed when the unexpected comes along e.g. coronavirus pandemic. • Stabilise and then grow the charity to meet demand for both our animal rescue and human well-being support. • Increase capacity for on-site well-being support to meet demand. Continue to train staff and liaise with other professionals in the sector to ensure the referrals being received (which are more complex with a multitude of needs) are getting the best support than can. • Continue to research different methods of Equine Assisted Interventions and Ecotherapy to help shape the services The Hugs Foundation provides. • Develop services to corporate groups for team building activities. This will raise awareness for the charity, build corporate relationships and aim to increase fundraising opportunities. • Evaluate veterans project, adjust accordingly then apply for funding to run the next programme. • Increase volunteer and work experience numbers post pandemic.
--	--	---

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	<p>At the end of 2019, the charity recruited its first fundraiser to devise a business development strategy to include service development, funding strategy and sustainability milestones and help with administration and operation of the charity.</p> <p>One main corporate sponsor has provided the largest percentage of our funding since our inception. The pandemic has hugely highlighted the need to be less reliant on one sponsor, due to them being unable to sustain their pre pandemic levels of support. Post pandemic, the charity needs to stabilise and become sustainable before it can expand further to ensure the charity's long term survival. Hence, a change in the way the charity is funded is much needed and so a phased reduction has started from the main corporate sponsor, with £120,000 committed for the next charity year and a steady decrease over the following 3 years.</p> <p>This year the targets set for the fundraising have been very positive, especially considering the challenges of the pandemic. The charity has managed to raise nearly £100,000 in trust and grant funding and individual giving has increased.</p> <p>Funding streams have been diversified to include: individual giving, memberships, legacies, activities within the local community and trust and grant funding. Legacies and corporate sponsorship income streams are being explored and the hope is to build this income as the charity becomes better known in the community. Moving forwards, there is a flexible and diverse fundraising plan in place to help the charity recover and start to grow once more.</p>
Investment performance against objectives	Para 1.41	
Other		

Financial Review

<p>Review of the charity's financial position at the end of the period</p>	<p>Para 1.21</p>	<p>Income and expenditure have decreased this year due to the impact of the coronavirus pandemic.</p> <p>During the year receipts of £266,379 were received from donations, trust and grants, sponsorships, rehoming fees and service charges. Of this, £130,605 was received from a corporate sponsorship partner that provided donations to set up and establish the charity through support with staffing and running costs. The partnership will continue to provide support for the charity with an aim to becoming self-funding in the long term. £94,981 was raised in trust and grant funding, a large increase on the previous year. A fundraising strategy has been put in place for the next few years, to reduce the donation amount and reliance on the corporate donor and diversify income streams, working towards self-sustainability.</p>
<p>Statement explaining the policy for holding reserves stating why they are held</p>	<p>Para 1.22</p>	<p>The Hugs Foundation is a young, registered charity and therefore significant setup and operational costs have been incurred, thus the ability to create cash reserves has not been possible. In addition to this, the coronavirus pandemic, made it financially impossible to build or retain any reserve funding. The Hugs Foundation also believes that monies received should be spent in accordance with the charity mission and not held long term in a bank account. There were very little reserves during the pandemic, which caused financial strain on the charity, however, the diversity and flexibility of the Trustees and fundraising strategy in place, ensured the charity was successful with emergency funding and survived.</p> <p>The next charity year, The Hugs Foundation has an agreement with its corporate sponsor, to receive £10,000 per month unrestricted funding. Therefore, the reserves policy will be to operate with minimal reserves whilst the charity stabilises and carries out its fundraising strategy. The corporate sponsor commitment, along with the fundraising strategy in place to increase income diversity, gives the Trustees confidence that The Hugs Foundation has the certainty and resilience it requires to deliver its charitable objectives and survive long term.</p>

		<p>Any cash funds held, either restricted or unrestricted, will be carried over to continue to support the work of the charity into the next financial year. Restricted funding carried over, (e.g., the charity could not run interventions during the pandemic so the funding could not be spent as intended), will be spent in accordance with the individual application. For any that are taking longer to spend than anticipated, the relevant grant or trust organisation(s) will be notified, and a plan agreed to spend the reserves moving forward.</p> <p>From 2022 and depending on the outcome of the financial strategy and financial climate, The Hugs Foundation aim to increase its level of unrestricted funds over the following years, in order to ensure the underlying financial resilience of the charity and to provide designated funds for specific projects. The aim would be for a minimum level of free reserves that The Hugs Foundation will hold in unrestricted funds, excluding fixed assets, to cover three to six months of core running costs plus any potential liabilities in the event of the Hugs Foundation having to cease its activities.</p> <p>The reserves policy will be reviewed annually by The Hugs Foundation Trustees.</p>
Amount of reserves held	Para 1.22	Total reserves held on 31 May 2021 were £72,244, split as unrestricted funds of £42,815 and restricted funds of £29,429. £5,539 of the unrestricted funds balance is held as cash.
Reasons for holding zero reserves	Para 1.22	See above reserves policy.
Details of fund materially in deficit	Para 1.24	
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	<p>The coronavirus pandemic has had a negative impact on the charity's income since March 2020. The charity has been unable to run fundraising events, school holiday activities, care home visits and well-being interventions. In November 2020, the charity was able to re-open for its on-site well-being support, but a few weeks later, the country went back into lockdown and so interventions were once again unable to run. On-site interventions re-opened again from April 2021, although these are being run at lower capacity due to staffing levels and Government restrictions. However the charity has been successful in applications for additional grant funding which has been received in 2020-2021. Demand for horse rescues and rehoming is continuing to rise and well-being service referrals have</p>

		increased by 50% and so the outlook for The Hugs Foundation is looking optimistic.
--	--	--

Additional information (optional)

You may choose to include further statements where relevant about:

<p>The charity's principal sources of funds (including any fundraising)</p>	<p>Para 1.47</p>	<p>One main corporate sponsor has provided the largest percentage of our funding since our inception. The pandemic has hugely highlighted the need to be less reliant on one sponsor, due to them being unable to sustain their pre pandemic levels of support. Post pandemic, the charity needs to stabilise and become sustainable before it can expand further to ensure the charity's long term survival. Hence, a change in the way the charity is funded is much needed and so a phased reduction has started from the main corporate sponsor, with £120,000 committed for the next charity year and a steady decrease over the next 3 years.</p> <p>2020 to 2021 charity year's income was split between our main corporate sponsor (reduced to 49% from 65% in the previous charity year), with the additional income being achieved from a diverse range of income streams including:</p> <ul style="list-style-type: none"> • trust and grant funding • individual giving, both one off donations and regular monthly donations • memberships (Sponsor a Rescue) • service charges (well-being support) • animal rescue rehoming fees • livery • tack sale donations • Christmas calendar donations and sponsorship • corporate sponsorships and donations <p>Moving forwards, the charity's fundraising plan is to continue to grow these diversified income streams and become less reliant on one main corporate sponsor.</p>
<p>Investment policy and objectives including any social investment policy adopted</p>	<p>Para 1.46</p>	
<p>A description of the principal risks facing the charity</p>	<p>Para 1.46</p>	<p>The trustees have assessed the major risks to which the charity is exposed, including the recruitment and retention of staff and major incidents which may affect the running of the charity e.g. coronavirus pandemic, and are satisfied that the systems in place (risk register etc.) will help</p>

		to mitigate the risk or enable it to be dealt with in a timely, efficient manner.
Other		

Structure, Governance and Management

Description of charity's trusts:		N/A
Type of governing document (trust deed , royal charter)	Para 1.25	Constitution of a Charitable Incorporated Organisation
How is the charity constituted? (e.g. unincorporated association , CIO)	Para 1.25	Charitable Incorporated Organisation
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Trustees can be selected in various ways including; approaching the charity themselves through CV or application or nomination by existing Trustees. Current Trustees will consider potential new Trustees who have skills which will help the charity e.g. animal welfare knowledge, children's mental health, safeguarding, fundraising and charity management. Applications/nominations are brought to Trustee meeting to discuss. They are appointed upon approval by majority vote, familiarised with the day to day running of the charity and briefed on the governance and their responsibilities.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	The Hugs Foundation
Other name the charity uses	N/A
Registered charity number	1175633
Charity's principal address	Higher Whitley Farm Helland Road Bodmin Cornwall PL31 2NT

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Andrew Frederick Bowden			
2	Tracy Jayne Lewis			
3	Claire Briggs			
4	David Peter Sell			
5	Paul Jonathan Dransfield		Appointed on 18 th January 2021	
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Solicitor	Stephens Scown	1 High Cross Street, St Austell, Cornwall, PL25 4AB
Accountant	AAS Accountants Ltd	Tithe House, 15 Dukes Ride, Crowthorne, RG45 6LZ

Name of chief executive or names of senior staff members (Optional information)

Andrew Bowden - Chairman

Exemptions from disclosure

Reason for non-disclosure of key personnel details

--


Other optional information

--

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Andrew Frederick Bowden	
Position (eg Secretary, Chair, etc)	Chair	
Date	20/09/2021	



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity Name	The Hugs Foundation		1175633
Annual accounts for the period			
Period start date	1 June 2020	To	31 May 2021

Section A Statement of financial activities


Recommended categories by activity	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Incoming resources (Note 3)				
Income and endowments from:				
Donations and legacies	161,874	-	161,874	288,108
Charitable activities	8,655	94,481	103,136	97,942
Other trading activities	1,369	-	1,369	395
Total	171,898	94,481	266,379	386,445
Resources expended (Note 5)				
Expenditure on:				
Raising funds	22,590	-	22,590	28,230
Charitable activities	157,037	75,077	232,114	310,733
Total	179,627	75,077	254,704	338,964
Net income/(expenditure) before transfers				
	- 7,729	19,404	11,675	47,481
Transfers	6,000	-	-	-
Net income/(expenditure)	- 1,729	13,404	11,675	47,481
Reconciliation of funds:				
Total funds brought forward	44,544	16,025	60,569	13,088
Total funds carried forward	42,815	29,429	72,244	60,569

Section B

Balance sheet

		Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	(Note 9)	40,648	-	40,648	36,595
Total fixed assets		40,648	-	40,648	36,595
Current assets					
Debtors	(Note 10)	2,182	-	2,182	1,514
Cash at bank and in hand	(Note 12)	5,593	29,429	35,022	31,561
Total current assets		7,775	29,429	37,204	33,075
Creditors: amounts falling due within one year	(Note 11)	5,608	-	5,608	9,101
Net current assets/(liabilities)		2,167	29,429	31,596	23,974
Total net assets or liabilities		42,815	29,429	72,244	60,569
Funds of the Charity					
Restricted income funds	(Note 14)		29,429	29,429	16,025
Unrestricted funds		42,815		42,815	44,544
Total funds		42,815	29,429	72,244	60,569

Signed on behalf of the charity's trustees

Signature(s)	
Full name(s)	Andrew Frederick Bowden
Position (eg Secretary, Chair, etc)	Chair
Date	20/09/2021

Note 1 Basis of preparation

This section should be completed by all charities .

1.1 Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

- and with* the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.*

* -Tick as appropriate

1.2 Going concern

If there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern, please provide the following details or state "Not applicable", if appropriate:

An explanation as to those factors that support the conclusion that the charity is a going concern;

The coronavirus pandemic has had a negative impact on the charity's income since March 2020. The charity has been unable to run fundraising events, school holiday activities, care home visits and well-being interventions. In November 2020, the charity was able to re-open for its on-site well-being support, but a few weeks later, the country went back into lockdown and so interventions were once again unable to run. On-site interventions re-opened again from April 2021, although these are being run at lower capacity due to staffing levels and Government restrictions. However the charity has been successful in applications for additional grant funding which has been received in 2020-21. Demand for horse rescues and rehoming is continuing to rise and well-being service referrals have increased by 50% and so the outlook for The Hugs Foundation is looking optimistic.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Note 2

Accounting policies

2.1 INCOME

Recognition of income	<p>These are included in the Statement of Financial Activities (SoFA) when:</p> <ul style="list-style-type: none"> the charity becomes entitled to the resources; it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability. 	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legacies	Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Government grants	The charity has received government grants in the reporting period	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Donated goods	Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Donated services and facilities	Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Income from membership subscriptions	Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Note 2

Accounting policies

2.2 EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	Yes	No	N/a
		✓	✓	✓
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	Yes	No	N/a
		✓	✓	✓
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	Yes	No	N/a
		✓	✓	✓
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	Yes	No	N/a
		✓	✓	✓
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.	Yes	No	N/a
		✓	✓	✓
Redundancy cost	The charity made no redundancy payments during the reporting period.	Yes	No	N/a
		✓	✓	✓
Deferred income	No material item of deferred income has been included in the accounts.	Yes	No	N/a
		✓	✓	✓
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	Yes	No	N/a
		✓	✓	✓
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	Yes	No	N/a
		✓	✓	✓
Basic financial instruments	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	Yes	No	N/a
		✓	✓	✓
2.3 ASSETS				
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £3,000.	Yes	No	N/a
	They are valued at cost.	✓	✓	✓
	The depreciation rates and methods used are disclosed in note 9.2.	Yes	No	N/a
Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5	✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Heritage assets	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4.	Yes	No	N/a
		✓	✓	✓
	They are valued at cost.	Yes	No	N/a
		✓	✓	✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.	Yes	No	N/a
		✓	✓	✓
	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	Yes	No	N/a
		✓	✓	✓
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value.	Yes	No	N/a
		✓	✓	✓
	Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.	Yes	No	N/a
		✓	✓	✓
	Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.	Yes	No	N/a
		✓	✓	✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes	No	N/a
		✓	✓	✓
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes	No	N/a
		✓	✓	✓
	They are valued at fair value except where they qualify as basic financial instruments.	Yes	No	N/a
		✓	✓	✓

Note 3

Analysis of income

	Unrestricted funds	Restricted income funds	Total funds £	Prior year £
Analysis				
Donations and legacies:				
Donations	153,467	-	153,467	274,405
Legacies	-	-	-	176
General grants provided by government/other charities	7,320	-	7,320	13,165
Membership subscriptions and sponsorships	1,087	-	1,087	362
Total	161,874	-	161,874	288,108
Charitable activities:				
Grants	500	94,481	94,981	53,750
Rehoming	7,405	-	7,405	6,950
Mental Health	750	-	750	26,601
Therapy/Wellbeing	-	-	-	8,218
Children's Holiday Activities	-	-	-	2,420
Other	-	-	-	3
Total	8,655	94,481	103,136	97,942
Other trading activities:				
Hire income	1,369	-	1,369	395
Total	1,369	-	1,369	395
TOTAL INCOME	171,898	94,481	266,379	386,445

Note 4

Analysis of receipts of government grants

	Description	This year £	Prior year £
Government grant	HMRC Job Retention Scheme	7,321	13,165
Total		7,321	13,165

Note 5

Analysis of expenditure

Analysis	This year			Last year		
	Unrestricted funds	Restricted income funds	Total funds	Unrestricted funds	Restricted income funds	Total funds
Expenditure on raising funds:						
Staff Costs	21,354	-	21,354	18,642	-	18,642
Incurred seeking donations	116	-	116	112	-	112
Operating membership schemes and social lotteries	468	-	468	840	-	840
Advertising, marketing, direct mail and publicity	652	-	652	8,636	-	8,636
Total expenditure on raising funds	22,590	-	22,590	28,230	-	28,230
Expenditure on charitable activities:						
Staff Costs	59,030	59,649	118,679	179,808	3,370	183,178
Recruitment Costs	557	-	557	202	-	202
Veterinary and Medical Costs	15,276	3,660	18,936	19,016	3,968	22,984
Feed	5,852	301	6,153	15,562	986	16,548
Yard Expenditure	1,670	4,811	6,481	9,106	730	9,836
Equine Care	4,671	1,488	6,159	5,235	649	5,884
Training	2,001	-	2,001	2,364	-	2,364
Repairs and Renewals	1,518	4,123	5,641	2,669	-	2,669
Insurance	6,741	-	6,741	6,214	-	6,214
Professional Fees	9,056	-	9,056	13,353	-	13,353
Bank and Payment Charges	224	-	224	172	-	172
Computers and Internet	3,477	30	3,507	5,634	-	5,634
Utilities and Rates	31,743	131	31,874	26,995	-	26,995
Transport and Travel	4,990	65	5,055	2,862	20	2,882
Office Supplies	764	-	764	1,724	-	1,724
Depreciation	8,520	-	8,520	6,680	-	6,680
Sundries	947	819	1,766	3,413	2	3,415
Total expenditure on charitable activities	157,037	75,077	232,114	301,009	9,725	310,734
TOTAL EXPENDITURE	179,627	75,077	254,704	329,239	9,725	338,964

Note 6 Details of certain items of expenditure**6.1 Fees for examination of the accounts**

Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner. If nothing was paid please enter '0' in the appropriate box(es).

Independent examiner's fees

This year £	Last year £
300	300

Note 7 Paid employees

Please complete this note if the charity has any employees.

7.1 Staff Costs

Salaries and wages

Social security costs

Pension costs (defined contribution scheme)

Total staff costs

This year £	Last year £
129,821	185,325
6,528	11,628
3,684	4,868
140,033	201,821

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity. For specific amounts paid to trustees, see Note 28.

This year £	Last year £
67,070	102,834

7.2 Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Total

This year Number	Last year Number
1	1
6	9
7	10

Note 8 Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.

8.1 *Please complete this note if a defined contribution pension scheme is operated.*

Amount of contributions recognised in the SOFA as an expense

This year £	Last year £
3,684	4,868

Note 9 Tangible fixed assets*Please complete this note if the charity has any tangible fixed assets***9.1 Cost or valuation**

	Freehold land & buildings	Other land & buildings	Yard equipment	Total
	£	£	£	£
At the beginning of the year	1,104	563	42,231	43,898
Additions	-	-	12,574	12,574
Disposals	-	-	-	-
At end of the year	1,104	563	54,805	56,472

9.2 Depreciation and impairments

**Basis	RB	RB	SL
** Rate	25%	25%	4/7/10 years

At beginning of the year	638	247	6,419	7,304
Disposals	-	-	-	-
Depreciation	117	79	8,324	8,520
At end of the year	755	326	14,743	15,824

9.3 Net book value

Net book value at the beginning of the year	466	316	35,812	36,594
Net book value at the end of the year	349	237	40,062	40,648

Note 10 Debtors and prepayments

Please complete this note if the charity has any debtors or

10.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Taxation and social security

Total

This year	Last year
£	£
97	638
1,723	1,621
362	-
2,182	2,259

Note 11 Creditors and accruals

Please complete this note if the charity has any creditors or accruals.

11.1 Analysis of creditors

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
1,115	5,077	-	-
1,464	1,690	-	-
-	1,446	-	-
3,029	1,633	-	-
5,608	9,846	-	-

Note 12 Cash at bank and in hand

Cash at bank and on hand

Total

This year	Last year
£	£
35,022	31,561
35,022	31,561

Note 13

Events after the end of the reporting period

Please complete this note events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

	This year	Last year
Please provide details of the nature of the event	<p>We currently have just one member of staff on the furlough scheme. We are hoping to bring the staff member back to work in August 2021. We also have our yard manager on maternity leave meaning we have a very small yard team. A business recovery plan is in place to help the charity recover from the pandemic and then grow to meet demand for both the animal welfare services The Hugs Foundation provides and its well-being support.</p>	<p>Due to COVID-19 impacting charity funding, we had to furlough 4 members of staff and in June 2020 they were very sadly made redundant as the financial climate does not seem to be improving anytime in the near future. This enables our focus to be primarily on the welfare and care of the animals and humans that Hugs Foundation supports.</p>
Provide an estimate of the financial effect of the event or a statement that such an estimate cannot be made	<p>The charity has put a plan in place to keep expenditure to a minimum whilst it recovers from the effects of the pandemic. Income stream have been diversified and applications from trust and grant funding have been successful so far and so the Trustees are confident that the charity's plan will see the charity through this difficult time and steadily increase income once more.</p>	<p>This has saved the charity just under £8,000 monthly - equating to over £95,000 annually.</p>

Note 14 Charity funds

14.1 Details of material funds held and movements during the CURRENT reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances at 1 June 2020 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2021 £
Network for Animals	R	Towards cost of care for 4 rescue ponies	1,586	-	1,586	-	-
Network for Animals	R	Towards purchase of field shelters	-	6,000	-	6,000	-
Support Adoption for Pets Covid-19 Emergency Grant	R	Towards cost of vets bills, feed and bedding	2,822	-	2,822	-	-
Support Adoption for Pets Covid-19 Emergency Grant	R	Towards yard staffing costs	-	5,000	5,000	-	-
The Edward Gostling Foundation	R	Towards Youth Well-Being team salaries	-	3,400	3,400	-	-
Co-Op Local Community Fund	R	Towards play area, sensory garden and sensory room	721	1,869	242	-	2,348
Together for Families	R	Towards bursaries for family well-being sessions	5,714	-	2,550	-	3,164
Claire Milne Trust	R	Towards bursaries for well-being sessions	1,882	-	1,500	-	382
The Clara E Burgess Charitable Trust	R	Towards bursaries for well-being sessions	3,300	-	350	-	2,950
Animal Friends / Jean Sainsbury Animal Welfare Trust / Sylvia Waddilove Emergency Funding	R	Towards animal care costs including salaries	-	17,500	17,500	-	-
Cornwall Community Foundation Covid-19 Emergency Grant	R	To run 'A Daily Hug' Facebook Live project	-	9,907	9,907	-	-
Animal Rescue Foundation	R	Towards animal care costs and vet bills	-	6,500	5,517	-	983
The Annandale Charitable Trust	R	To fund costs including fencing, agility equipment, track system for laminitic ponies, items for the sensory garden and other running costs.	-	10,000	4,600	-	5,400
Marjorie Coota Animal Charity Trust	R	Towards vet bills	-	250	250	-	-
National Lottery Awards for All	R	Veterans Well-Being Project	-	4,043	674	-	3,369
The Michael & Shirley Hunt Charitable Trust	R	12 x care home visits	-	1,000	-	-	1,000
PetPlan Emergency Funding	R	Towards staff costs for 4 months	-	6,239	6,239	-	-
Elise Pilkington Charitable Trust	R	Land Maintenance	-	4,940	4,143	-	797
Mind Coronavirus Mental Health Response Fund	R	A Daily Hug 12 week Project	-	5,297	5,297	-	-
Tesco Bags of Help COVID-19 Communities Fund	R	Facebook Live Equipment	-	500	500	-	-
W O Street Charitable Foundation	R	Youth Services core costs	-	3,000	3,000	-	-
South West Water Neighbourhood Fund	R	To fund 10 children/young people to access free well-being interventions	-	4,594	-	-	4,594
Cornwall Community Foundation Karenza	R	To fund 8 children/young people to access free well-being interventions	-	4,442	-	-	4,442
Unrestricted Funds	UR	N/A	44,544	171,898	179,627	6,000	42,815
Total Funds			60,569	266,379	254,704	-	72,244

Section C

Notes to the accounts

(cont)

Note 14 Charity funds

14.2 Details of material funds held and movements during the PREVIOUS reporting period

* Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances at 1 June 2019 £	Income £	Expenditure £	Transfers £	Fund balances at 31 May 2020 £
Network for Animals	R	Towards cost of care for 4 rescue ponies	-	5,000	- 3,414	-	1,586
Support Adoption for Pets Covid-19 Emergency Grant	R	Towards cost of vets bills, feed and bedding	-	5,000	- 2,178	-	2,822
Co-Op Local Community Fund	R	Towards play area, sensory garden and sensory room.	-	721	-	-	721
Together for Families	R	12 families to have a fully funded course of 8 sessions	-	6,378	- 664	-	5,714
Claire Milne Trust	R	6 children to have 6 x fully funded sessions	-	1,882	-	-	1,882
The Clara E Burgess Charitable Trust	R	Shortfall x 29 children under 10 to have 8 x 1 hour sessions	-	5,000	- 1,700	-	3,300
Jean Sainsbury Animal Welfare Trust	R	Towards purchase of a horsebox	-	5,000	-	- 5,000	-
Support Adoption for Pets	R	Towards purchase of a horsebox	-	20,000	-	- 20,000	-
Cornwall Community Foundation Covid-19 Emergency Grant	R	To fund staffing costs for 4 weeks of Facebook Live posts	-	1,769	- 1,769	-	-
Unrestricted Funds	UR	N/A	13,088	335,695	- 329,239	25,000	44,544
		Total Funds	13,088	386,445	- 338,964	-	60,569

Note 15 Charity funds (cont)

15.1 Transfers between funds

This year

	Reason for transfer and where endowment is converted to income, legal power for its conversion	Amount
Between unrestricted and restricted funds	Funding received from Network for Animals to contribute towards the cost of 3 mobile field shelters. These were purchased in January for 2021 for £8,254.	£ 6,000

Note 16 Transactions with trustees and related parties

If the charity has any transactions with related parties (other than the trustee expenses explained in guidance notes) details of such transactions should be provided in this note. If there are no transactions to report, please enter "True" in the box or "False" if there are transactions to report.

16.1 Trustee remuneration and benefits

This year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity

TRUE

16.2 Transaction(s) with related parties

Please give details of any transaction undertaken by (or on behalf of) the charity in which a related party has a material interest, including where funds have been held as agent for related parties. If there are no such transactions, please enter 'true' in the box provided.

This year

There have been no related party transactions in the reporting period

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This Year	Last Year
Andrew Bowden	Chairman	Director of Carbonxgen Ltd which made donations to the charity during the year. Carbonxgen Ltd also own the land that the charity operates from. The charity pays a nominal rent back to Carbonxgen Ltd for using the land.	£ 130,605	£ 251,165



Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name
The Hugs Foundation

On accounts for the year
ended

31 May 2021

Charity no
(if any)

1175633

Set out on pages

1-2

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 / 05 / 2021.

Responsibilities and
basis of report

As the charity's trustees, 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 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent
examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Chartered Institute of Management Accountants.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Signed: 

Date: 08 / 09 / 2021

Name: Graham Kemp

Relevant professional
qualification(s) or body
(if any):

The Chartered Institute of Management Accountants

Address: Park House, Headley Road, Woodley, Berkshire, RG5 4JB

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.