

A company limited by guarantee

Registered in England No. 03524502

Registered charity No. 1068911

SC No. 045070



Annual Report and Group Accounts

of

Redwings Horse Sanctuary

for the year ended

31st December 2021

REDWINGS HORSE SANCTUARY

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REDWINGS HORSE SANCTUARY

LEGAL & ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2021

Full name of charity	Redwings Horse Sanctuary Norwich Road, Hapton, Norfolk, NR15 1SP
Constitution	A charitable company limited by guarantee.
Governing document	Memorandum and Articles of Association as last amended on 20 th September 2021 (past amendment 15 th June 2014).
Objects of the Charity	The Charity is established for the benefit of the public to relieve the suffering of horses, ponies, donkeys, and mules which have suffered from maltreatment, neglect, or poor circumstances. To advance the education of the public in matters pertaining to the welfare of horses, ponies, donkeys, and mules in general and the prevention of cruelty and suffering among such animals.
Company registration number	03524502
Charity registration number	1068911 (England & Wales) SC045070 (Scotland)
Trustee	Mark Little FRICS FAAV, Chair Andrew Fryer, Treasurer Paul Fileman, Vice Chair David Buckton Ann Polley (retired 8 th December 2021) Ian Scott (appointed 30 th November 2021) Tom Sharpe Joanne Wilkes Emma Williams (appointed 1 st February 2022) The Trustees constitute Directors of the charitable company and Trustees of the charity for the purposes of the Charities Act 2011. In accordance with the company's Articles of Association from 20 th September 2021, Trustees have terms of office, with any expiries, re-appointments or retirements considered at an annual meeting.
Chief Executive & Secretary	Lynn Cutress
Bankers	NatWest Bank plc, 45 London Street, Norwich, NR2 1HX
Auditors	RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk, IP33 3SB
Investment managers	Quilter Cheviot, One Kingsway, London, WC2B 6AN

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Mission Statement

We aim 'to provide and promote the welfare, care and protection of horses, ponies, donkeys and mules'.

Who we are and what we do

Redwings Horse Sanctuary ('Redwings') was established in 1984 and today has grown to be the largest horse sanctuary in the UK. We are a national charity working across the UK to save horses, ponies, donkeys, and mules whose future would otherwise be bleak.

Welfare is at the heart of everything we do. Our work is based on the principle that once we admit a horse or donkey or mule ('horse') to our care, we retain ownership for the rest of their days.

We operate from 12 sites of owned grazing land in Norfolk, Essex, Warwickshire, Monmouthshire, and Angus (Scotland). Five of these sites are Visitor Centres - open to the public and free to visit.

The main themes of our work are – rescue and rehabilitation, specialist sanctuary care, and prevention of abuse and neglect through education. We run a rehoming scheme (guardianship) for those horses and donkeys with a potential for life outside the Sanctuary environment.

Governance and Management

Governance

Redwings operates as a charitable company limited by guarantee, under the terms of its Memorandum and Articles of Association. The overall direction and management of the Charity rests with a Management Board of a minimum of five Trustees. The Management Board sets an annual programme of quarterly meetings to approve new initiatives as well as to review and monitor the progress of the Charity in meeting its strategic objectives and its governance controls. The Management Board is supported by a Finance Sub Committee, which is chaired by a Treasurer Trustee; this Committee has specific responsibility for scrutinising and approving an annual capital and revenue budget and reviewing the Annual Accounts and Audit. Trustees make provision and time, if necessary, to hold Extraordinary Meetings for significant projects and timely developments if they fall outside the quarterly cycle.

Management

Day-to-day operational control of Redwings has been delegated by the Management Board to a Chief Executive & Secretary who in turn is supported by a Senior Management Team of professionals including compliance, finance, equine care, communications & campaigning, fundraising and veterinary.

Governance Policies

The Management Board has adopted policies addressing the role of the Trustees, the Chair, and the Chief Executive, and adopted Codes of Conduct for the Board and the Chief Executive. All aspects of governance are kept under review in line with best practice and include the Chief Executive being a full member of the Association of Chief Executives of Voluntary Organisations (ACEVO). The Chief Executive keeps the Board apprised of new charitable policies and concepts relevant to the work of the Charity with regular items on the Board's agenda at meetings, and through bulletins and subscriptions for Board members of a governance publication. There is a governance section on the Redwings' website which includes the Code of Conduct for Trustees. The Management Board keeps the Charity Governance Code under review as well as key policies on their Redwings Management Board's portal.

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Following a review, Trustees led on changes to be made to update the Charity's Articles of Association, these changes sought to (i) clarify terms of membership, (ii) put in place a retirement schedule relating to time-bound periods of office and (iii) create additional trusteeships to widen diversity to include student trusteeships. These changes were concluded with revised Articles effective from 20th September 2021 and will support further governance projects to take place starting in 2022.

Recruitment, induction, and training of Trustees

Trustees have been chosen for the experience and skills thought necessary and relevant to ensure effective management of the Charity. New Trustees receive an induction during their initial months, including seeing our work, explaining our policies, and taking part in Safeguarding training. Trustees are subject to a regular skills audit to ensure the knowledge is there to lead the Charity, including having one Trustee who acts as Treasurer.

Should a Trustee vacancy arise, a review and skills audit (adapted from Reach Volunteering's model) is carried out before advertising. In 2021 we conducted a skills and experience-based recruitment campaign to find trustees, through advertising on our website and via Reach Volunteering, professional membership bodies and a media campaign. Following interviews, we were delighted to be able to make appointments of individuals who will further strengthen the existing skills of our Management Board.

Our past Vice-Chair, Ann Polley, retired in December 2021 after more than 25 years voluntary service. We are indebted to Ann's leadership and knowledge, including our governance changes.

We maintain a high level of attendance at Management Board meetings, some of which have been held in person in 2021. Trustees have been able to hold full and additional single topic meetings online, as permitted under our governing document, in order to support the Charity during the pandemic.

Fundraising

Trustees are fully aware of their responsibility and commitment to the strategic leadership of Redwings as a charity which values its supporters; without our supporters our work would not be able to continue.

Redwings pledges to adhere to best practice when raising and receiving funds from individuals, organisations, trusts and foundations. Redwings holds memberships of the Chartered Institute of Fundraising, is registered with the Fundraising Regulator and The Gambling Commission. We follow the guidelines and codes of practice set out by these bodies and regularly review our fundraising to ensure that we operate in line with best practice, and the law. Redwings has a set of organisational values, standard operating procedures, and comprehensive policies, and provides training and guidance to its staff and volunteers. Redwings understands that some donors may be vulnerable or not have the capacity to decide to donate; in which case Redwings will not accept or encourage a donation and will follow the guidance of the Chartered Institute of Fundraising and Fundraising Regulator. Trustees are aware of their responsibilities with regard to fundraising, including viewing the guidelines from the Regulator and keeping updated guidelines and documentation on the Redwings Management Board portal.

Redwings has a robust complaints process with reviews to learn from any complaints received and to continually improve our supporter experience. The operational management team meet to review complaints and the Management Board monitors complaints received and how they were addressed. A significant amount of our fundraising is through appeals and newsletters and most complaints received during 2021 were minor and could be swiftly resolved. During 2021 there was one complaint related to a non-actioned request to be removed from a mailing list, which was investigated and rectified.

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FOR THE YEAR ENDED 31ST DECEMBER 2021

We do not share our supporter data and our supporter recruitment methods are largely based around our free-to-visit centres. We do not have third party fundraisers acting on our behalf.

Covid-19's resulting national lockdowns continued into the initial months of 2021. Although we had adapted our offering and activities, the pandemic continued to have an impact on our centres. We continue to be grateful for the generosity of our supporters, many of whom had been adversely affected financially by Covid-19. We were also appreciative of the respectful and supportive approach taken by several grant-making trusts, enabling us to prioritise our spend within the constraints of Covid-19 and cope with continued delays in sourcing appropriate contractors and materials for works.

Strategic Report

Rescue and admissions

Where possible we try to help horses remain in the care of their owners through providing advice. During 2021 our Welfare & Horse Care Helpline gave advice 543 times (a 42% decrease from 2020), responded to 289 (2020:290) comprehensive email and written enquiries, and investigated 146 concerns (a 30% decrease, largely due to increased partnership working with other equine welfare charities). Our rehoming checks increased by 28%, returning to in-person checks whilst continuing some virtual checks (an innovation resulting from the pandemic) on long-established guardianships. The welfare team's workload continued to be particularly demanding at times when we found that the complexity of calls and time spent per call remained high due to increased costs of keeping horses and extremes of weather.

Our welfare team is led by an experienced senior veterinary surgeon and is supported by dedicated welfare veterinary surgeons who attend rescues and cases in order to ensure proper assessment at the earliest opportunity. We have a team of field officers who, working alone or in partnership with other charities or agencies, act as our eyes and ears across the UK.

Our veterinary teams have developed expertise in the management of the infectious disease Strangles, through cases admitted to us. Before we admit a horse each one undergoes assessment at either our main Quarantine Centre or in set-aside quarantine facilities at our centres outside Norfolk. Due to our farms being full we continue to have to fund keeping horses in external boarding awaiting admissions; this puts additional demands on our welfare and veterinary teams but enables the rescue to take place.

In 2021, despite being at capacity, we were able to admit 137 horses (many with high dependency needs), returning to 2018 admission numbers. We had fewer formal admission requests (448, 2020:548) but supported welfare needs beyond admissions through external veterinary work. We are conscious of the continued pressure working beyond-capacity puts on our facilities and funds and that we need to find more sustainable models for horse owners to deliver good welfare. We meet monthly online with peer charities to ensure we have a common understanding of the challenges facing rescue centres as we come out of the pandemic. We know that the last recession impacted late on equine care and that costs continue to rise in most matters associated with horse-keeping.

Rehabilitation and equine behaviour

Redwings has a specialist team who focus on leading on our rehabilitation and equine behaviour. The team trains staff on equine behaviour to ensure consistency of handling and a positive experience for our rescued herds. New staff have an equine behaviour induction, instilling our approach from day one and ensuring staff are safe in their day-to-day care of our rescued herds. We take in behaviour case referrals from other organisations. We have expertise in rounding up feral herds or horses with behavioural

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challenges; when needed, we send a dozen or more staff (vets, drivers, and horse handlers). By spending time and applying our knowledge, rescued feral horses are transformed to a point when they no longer need to be sedated for routine care, such as farriery. Our specialist behaviour team is keen to further share their knowledge and have advised other charities and enabled peer welfare workers in other charities and students to spend time observing our work. Despite Covid-19, this work and support was adapted and continued through admissions.

Sanctuary – a home for life

Redwings provides everyday sanctuary care to around 1,500 horses, ponies, donkeys, and mules who have often suffered neglect or come from difficult circumstances. Many of our permanent residents cannot be rehomed, often because they require lifelong specialist care including significant veterinary costs beyond the reach of the typical owner, but when the horse can still enjoy a good quality of life at Redwings. The number of 'places' available depends on the needs of our existing residents and the needs of the potential candidate for admission. In 2021, 22% of our resident horses were veterans (aged 15 to 19) and 16% were geriatrics (aged 20 and over). Even included in the younger population are special care case horses with severe ongoing veterinary needs, and horses in need of specialist handling. Life is a constant challenge as it is often not until we admit a horse that we are able to establish their true needs. Our veterinary time remains in demand, despite having increased the number of veterinary surgeons, and we are aware that veterinary students need support and encouragement during their early years of practice, so we support a programme of in-practice experience through the Royal Veterinary College, currently suspended due to Covid-19 and set to return in early 2022.

Redwings strives to maintain the highest possible care standards. We have an Internal Welfare Group dedicated to monitoring our internal care standards and looking at trends in equine care. We encourage suggestions from staff on how we can best deliver our day-to-day care. We run seminars sharing our horse welfare and care knowledge. Due to the pandemic and needing to keep our horse care teams in bubbles we adapted; our staff focussed on our virtual campaigning and communications activities, including engaging in the innovative work on Strangles Action Week and our digital work with the gypsy and traveller community through 'Best in Show' to promote good horse care.

Rehoming of ridden or companion horses (Guardianship scheme)

Those horses that have been retired or require life-long specialist care (veterinary or behavioural or both) will always remain in the direct care of Redwings. Depending on their needs, some may be rehomed as companion horses. By rehoming some horses, we create space for other horses requiring our help.

Healthy horses that have the potential to enjoy a working life can learn to be ridden or assessed as companion animals, and then be found a suitable foster home. Prior to the pandemic we had completed an ambitious programme to create rehoming facilities and increase our reach – at our existing visitor centres at Caldecott (Norfolk) and Oxhill (Warwickshire). What followed was a mixed 2020 for these and our established rehoming centre, with periods of lockdown meaning horses could not be rehomed whilst we saw increased interest in rehoming. At the close of 2021 we had 673 horses in Guardian homes - a 6% increase from 2020. Our virtual checking process, developed during the pandemic was reviewed as a support tool for Guardians to keep good communication to our mutual advantage.

If during their time at one of our Rehoming Centres a horse shows that they are not suited to a working life, they will not be pushed, but will return to the permanent care of the Sanctuary. Redwings retains ownership of every horse for the rest of its life so that should a Guardian no longer be able to provide for

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the horse, or if our regular home checks show that a high standard of care is not being maintained, Redwings will step in and return the horse to the Sanctuary. Our welfare officers carried out 664 checks on rehomed horses in 2021, an achievement which returned to pre-pandemic numbers, including supporting checks on some horses rehomed by other charities. This reciprocal arrangement provides good value for charity partners as well as keeping contact with our horses on loan at remote locations.

Education and campaigning

Rather than having to rescue horses and donkeys from abuse, abandonment or neglect, Redwings would prefer people to have the knowledge and commitment to prevent their animals from suffering in the first place or from taking on an unsuitable horse for their situation.

We work with a wide range of people to help disseminate information and promote equine welfare:

- In addition to education groups visiting us, we work directly with them, including schools, universities and colleges, and local community groups by giving talks and visitor experiences to educate on equine welfare issues and provide examples of good horse care.
- We hold free seminars for horse owners on veterinary care; attendees meet our experienced veterinary and care teams.
- The education section of our website (www.redwings.org.uk) provides free educational resources to teachers and children to encourage an understanding of the importance of equine welfare. In addition, the welfare section provides a range of publications for owners on issues such as equine Cushing's disease, Strangles, hoof care and farriery, and donkey care. We also run educational campaigns, including laminitis awareness, use of grazing muzzles, and good biosecurity.
- We host training days for farriers and equine dentists, enabling them to further develop their welfare and equine behaviour knowledge in their professional work.
- We run training days on horse behaviour for the RSPCA and for the fire brigade, as well as welfare training for local authorities.
- We work alongside the gypsy and traveller community including running a campaign at the Appleby travellers' fair, called 'Best in Show', encouraging good horse care, and spreading the word to this extensive number of horse-owners.

During 2021 many of these activities were reinstated, some remained in a digital format.

The people behind Redwings

Our supporters

We are indebted to many thousands of generous supporters without whom we would not be able to deliver our horse welfare work across the UK. From letters, telephone calls and emails of support through to donations, adopting a Redwings resident, purchasing products from our catalogues, donating items for sale, or visiting us and buying tea and cake - we appreciate all forms of support.

Our Guardians

We value our relationships with Guardians; families and yards that take a Redwings horse out on loan. By enabling a horse to have a life outside our Sanctuary, we can find space for another in need.

Our volunteers

Our volunteers give their time to the Charity without charge. We are supported by a team of volunteers, many of whom have been with us pre-pandemic.

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We have a volunteer programme, including help with administration and assisting at our visitor centres. Due to the pandemic, most of our volunteering ceased until it was safe for both parties to recommence.

Our staff including engagement

Over 250 of our paid staff care for our horses and donkeys: either by providing direct care or by working in one of our support teams (day and night horse care teams, veterinary, maintenance and land management, horse transport, equine behaviour, rehoming, and dedicated quarantine).

At Hapton in Norfolk, our administration includes essential functions such as finance, supporter engagement, IT, human resources, health & safety, fundraising, trading, and communications. We have front line staff leading our field and welfare work supported by dedicated welfare veterinary surgeons. Our visitor centre teams meet supporters and the public and inform them about our work.

We invest in training our staff and developing them to take part in our work; we have increased the number and diversity of mentors across the Charity. Our training and development investment in wellbeing, including the creation of Wellbeing Champions supporting our mental health programme, was put to full use in 2021 and supplemented by a focussed internal communications programme. Our Staff Forum is at the heart of our employee engagement, and we have worked with the Forum and management to establish what priorities we focus on to support wellbeing and staff development.

The Covid-19 pandemic impacted on our staff in many ways including an initial suspension of recruiting to vacancies, leading to more work for those remaining in post, having to adapt to new ways of working, and the impacts resulting from the Charity needing to use the Coronavirus Job Retention Scheme for our visitor teams and those roles lost or diverted by the pandemic. In 2021, we were able to start to recruit again, but, like most organisations, we have unfilled vacancies – which puts pressure on the existing staff teams. However, we were delighted to return to a full complement of veterinary surgeons.

Redwings is committed to equality of opportunity for all, whether that be our employees, applicants for employment, volunteers, supporters, or users of our services. We work to ensure that no person is discriminated against, for example by having fair systems in place for recruitment and selection and pay and recognition. We believe that everyone has the right to be treated fairly. We understand our responsibilities under the Equality Act 2010, with a no tolerance approach to discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, gender, and sexual orientation.

With staff delivering such a variety of work for the Charity, Redwings has a bespoke job evaluation scheme to assess each role. Pay is set annually using benchmarking where applicable with national and local comparisons. Remuneration of senior management adopts the same policies as for all staff, but with the Management Board's prior authorisation, led by the Treasurer. We are mindful of our funding model and when using published pay ranges for comparison, we review pay based on the lower quartiles. However, we seek to provide above statutory pension contributions, looking after our many staff doing tough physical work. In 2021, as in 2020, we did not award an organisation-wide cost of living increase due to the economics from the pandemic.

Redwings' gender pay gap continues to be influenced by the make-up of its employees rather than an equal pay issue. As at 5th April 2021 Redwings employed 341 people of which 82% were women. Redwings' 2021 mean pay gap is strongly influenced by the number of women in supervisory, managerial, and senior management roles (81% compared to 19% of men in similar roles).

Redwings acknowledges that whilst there is a gender pay gap (in favour of women) this can partly be attributed to the nature of the roles that account for the majority of its workforce. Whilst Redwings will

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continue to be committed to equality of pay based on job and not gender, it faces a wider challenge to attract a more diverse workforce and will aim to appeal to both men and women equally through its recruitment advertising processes.

Public Benefit

The 2011 Charities Act requires that we demonstrate the public benefit of our work. In considering our objectives and activities, Trustees complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission and the Scottish Charity Regulator. Our nationwide work benefits the public through the following ongoing activities:

Offering advice through our dedicated Horse Care & Welfare Helpline to horse or donkey carers including experienced owners facing a new challenge; and giving initial advice on the level of care, financial cost and commitment needed before taking on a horse. Our Helpline also advises people who report a welfare concern before we then act on the information to investigate the reported case. Our field officers offer advice directly to owners. We attend equestrian events to offer advice on a range of issues including rehoming and horse care (such as laminitis and Strangles). Our in-house veterinary surgeons speak at our webinars and those of veterinary practices/other charities on specific topics to help horse owners.

Partnership working with local authorities and agencies to help resolve the socio-economic, health & safety and other challenges of stray horses, be it from one escapee on a major road, through to over-populated herds being illegally grazed. We provide training and support to the police and fire service on horse behaviour and handling, particularly in emergency situations, as well as training for RSPCA Welfare Officers, and hosting training days for fellow professionals - farriers, veterinary nurses, and equine dentists.

Working with the gypsy and traveller community to offer equine passporting and microchipping initiatives. Whilst engaging we demonstrate what good equine welfare standards mean in practice.

Participating in the **British Horse Council** in partnership with local government and being a full member and on the Board of the **National Equine Welfare Council**.

Providing an **informed education programme**, through attendance at schools and colleges to give welfare advice or more specific care talks. We welcome groups and we also provide educational material on our website, using leaflets and displays at our centres and events.

Providing employment and running a popular work experience programme. Staff have can benefit from a range of bespoke in-house equine care training programmes or professional external training to develop staff in their relevant professional fields. Our in-house veterinary surgeons comply with continuing professional development to enable them to carry out their veterinary medicine, including some of them serving as mentors for new professionals.

Providing free-to-visit visitor centres with cafés and shops to support tourism and the local economies. At Aylsham we host a community wellbeing hub to support mental health.

Running a rehoming scheme for our suitable rescued horses to have a life outside Redwings with Guardians who are able to meet our horses' needs (ridden and companion).

Running a volunteer programme, including a variety of rewarding roles for people.

Managing our land holdings as a **responsible landowner respecting the environment**.

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Streamlined Energy and Carbon Reporting (SECR)

Redwings is the largest horse sanctuary in the UK. The assessment period coincides with the 2021 financial calendar year and is our second year of Greenhouse Gases (GHG) reporting.

The scope of our energy assessment covers all charitable operations including administrative buildings and our 12 operational farms caring for around 1,500 horses predominantly living out naturally in paddocks, our in-house veterinary activities, visitor centres, welfare operations outside the sanctuary, and our trading subsidiary Redwings Enterprises Limited.

Methodology used is GHG protocol.

Our emission calculations are broken down into three areas: Scope 1 – Direct GHG emissions, Scope 2 – Energy indirect GHG emissions and Scope 3 – Other indirect emissions.

<u>EMISSIONS BREAKDOWN BY SCOPE</u>	2021 UK Emissions	Base Year UK Emissions	
	tCO2e	tCO2e	% change
Scope 1	443.01	367.56	21%
Scope 2	80.21	100.14	-20%
Scope 3	7.10	8.61	-18%
Total Gross Scope 1 & 2 (tCO2e)	523.22	467.70	12%
Total Scope 1, 2 & 3 (tCO2e) (Scope 3 = Greyfleet & Electricity Transmission & Distribution)	530.32	476.31	11%
Total kgCO2e	530,321.65	476,310.42	11%
kgCO2e/Direct care equine	0.36285	0.31481	15%
kgCO2e/Full time equivalent employee	1.72113	1.82634	-6%
Scope 1 & 2 UK Energy Consumption (kWh)	2,047,446.59	1,883,492.83	9%
Scope 3 (Greyfleet, T&D) Energy Consumption (kWh)	0.00	0.00	0%
Total UK Energy Consumption (kWh)	2,047,446.59	1,883,492.83	9%

Principal measures taken to improve Redwings' energy efficiency during the year included embracing office-related employees either working from home or a hybrid when they made the most of their journeys to and from the office. As a national organisation by switching meetings and most training to virtual rather than in person, we have significantly reduced inter-site travel. Our staff newsletter has a regular feature on environmental matters, including reducing energy consumption tips. We have an online travel calendar to plan and reduce vehicle movements and share vehicles (when Covid-19 allows) and continue to invest in measures for meeting online and reducing office printing.

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Our Strategy now and our Plans for the Future

Our Strategy has four themes:

Horses: To help more horses in need of care and sanctuary

People: To enable the people behind Redwings to deliver our work and apply our values

Resources: To value the resources needed to deliver our work

Communications: To share our knowledge and make a positive impact on horse welfare.

With ongoing challenges from and during the Covid-19 pandemic, we are mindful of how we need to continue to focus our work to make good use of resources to continue to help horses in need.

The strategy includes significant investment, most recently in more rehoming facilities including rehoming from more of our visitor centres. The more horses we rehome, the more we can free up space to help other horses. With those facilities in place, we are working hard to progress horses through to being potential rehoming candidates and are seeing success in rehoming unbacked horses and those that need one on one care, with systems in place to support the Guardian and horse match.

We want to continue to invest in facilities, some of which required planning permission at our newest farm in Chepstow. We continued our work of the past 18 months into 2021 committing significant time and resources; and revisions are in discussion well into 2022. These protracted works have been a significant frustration during Covid-19, but we have progressed the works a little and more will be phased in once revised permissions are approved. Continuing with major works at our Oxhill site remains a priority, despite delays in contractors and utilities. The centre is also used to support our Chepstow site to take off pressure from their limited facilities whilst they await completion.

With our Caldecott visitor facilities completed just before the pandemic, our strategy is now to make the most of this venue and new visitor building with a separate café and gift shop at Caldecott Hall. This popular venue is home to many of our long-standing adoption herds and is accessible for new supporters of our work. Our People Strategy puts our supporters seeing our work at the heart of our communications.

Our *Stamp Out Strangles* campaign remains a dominant aspect of our work with adaptations because of the pandemic resulting in a positive impact by switching to a digital campaign and making it more accessible to horse owners and partner organisations. One of our communications successes of 2021 were our podcasts; our Strangles podcast featuring horse owners was our most popular podcast of the series. The commitment to our campaign to Stamp Out Strangles was reviewed after five years of dedicating our campaigning efforts; it will continue to be invested in whilst we work towards our goal to make good biosecurity at the heart of everyday horse care. We have also started the development of a second campaign, one that would lead to a positive and practical impact on horse care and welfare.

In 2021 we achieved planning consent for paddock works that will increase our grazing acreage on our largest farm. Work started in late 2021 with the major works to establish these paddocks set for 2022. We also have works needed on our Aylsham centre which will need Planning consent and phasing.

Our veterinary expertise is in demand, both internally in caring for our sanctuary horses and externally with other professionals, services, horse owners and charities. We will continue to collaborate and share our knowledge in the interests of expanding good welfare and horse care. In particular, we acknowledge the demands on qualified vets and the challenge in undergraduate and newly qualified vets gaining experience. Once a new-normal returns post-Covid-19, we will establish formal support in these areas, making the most of our significant experience and passion from our in-house surgeons.

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Financial Review

As a charity in receipt of donations from supporters, income is unpredictable. Our Balance Sheet at Year End continued to remain strong, including an increase in investment performance and income. As a substantial provider of long-term care, we rely on and appreciate income from legacies to fund a large percentage of our work. Legacy income in 2021 returned close to 2019 levels and accounted for 68% of our income for the year. After setting very prudent revised budgets due to Covid-19, by reducing expenditure (in part due to delays on major works) and with good fundraising efforts resulting in fundraising income the highest for six years, we ended the year with a surplus which offset the prior year deficit. With 68% of our income this year from legacies, and 92.2% from legacies and donations, income is very hard to predict so we remain prudent.

We care for over 1,500 horses and with the demands on the welfare and veterinary teams, our biggest spend is on staffing despite welcomed support from volunteers. In 2021 staff costs accounted for over £7.25m (2020: £7.12m) of our annual spend; this included statutory increases in the National Living Wage, but the increased cost was less than prior years due to a number of vacant positions. Included in income were the final months of funds received from the Government's Coronavirus Job Retention Scheme (CJRS) which we applied using flexible furlough. As an employer of more than 250 staff, even from the initial CJRS we had to meet the costs of National Insurance and pension, but the grants were a lifeline and enabled us to retain staff.

Forage costs continue to be significant, including planning for extended foraging during continued challenging weather patterns and a need to ensure the equines in our care have the right forage mix, including increasing numbers fed straw or a straw/hay mix. Many costs associated with essential horse care and welfare rose above inflation due to the core cost of materials and availability driving up prices.

The impact of the pandemic included cost increases for products in our retail, online and catalogues sold through our trading subsidiary. Despite these challenges, our trading subsidiary returned to profit.

Reserves Policy

The balance sheet shows the Charity's reserves as at 31st December 2021. To quantify the funds which are freely available for general purposes, it is necessary to consider how the reserves are applied.

Total charity unrestricted reserves at the balance sheet date	£37,357,607
Less: tangible & intangible fixed assets	(£ 18,690,049)
Less: designated capex funds	(£2,750,000)
	<u>£15,917,558</u>

When considering our reserves, it is essential to put those in the context of our work as follows:

- As a major provider of sanctuary for horses and donkeys, Redwings must ensure that we can look after those horses in our care until the end of their days. We have helped other sanctuaries when they faced closure, but due to our size, we would be unable to be helped.
- Even if we ceased to take in horses, we would still be wholly responsible for those horses already in our everyday care and for those horses that might have to return from Guardian homes.
- We are responsible for not only Redwings horses and donkeys that can live out in herds, but also those that need veterinary treatment or intensive veterinary care. We would need to maintain our Horse Hospital facility and core veterinary team for a sustained period.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

- Our cost of keeping horses includes ensuring that a maintenance programme for facilities and land is in place and sufficiently resourced with enough grazing to meet the needs of our horses.
- All horse care and maintenance costs would need to be met from 'free reserves' (i.e., not those tied up in assets such as land and buildings as those would need to remain for the life of the horses).

The Trustees believe that in view of this level of expenditure it is prudent to hold an appropriate reserve for sanctuary costs on a large scale of over 1,500 horses and donkeys.

We held an annual review of our reserve levels in the light of several key factors including the increase in high dependency and case animals as well as recessionary trends in income and expenditure demands. As stated in the financial review on the previous page, some of our biggest costs are feed, forage, and veterinary; all of which have increased considerably above inflation over successive years. We have stepped in to assist other charities with funding problems or even where they face closure, but as we are the UK's largest charitable provider of permanent residence to horses in need, we need to be realistic about who would be able to rescue us. Our reserves review concluded that, for Redwings to be managed efficiently, we should work towards establishing a 'buffer' in the form of a general reserve equivalent to 18 months of unrestricted fund expenditure. Based on expenditure during the year under review this reserve would amount to approximately £17.36m. Free reserves shown are therefore close to target (92% of target).

In addition to these running costs, Trustees continue to review spending on improved or replacement facilities and capital works, in particular the next phases in Warwickshire and our commitments for current and proposed works included in the Planning process for our centre in Chepstow. During the pandemic a number of significant works were put on hold, including some maintenance and core horse-care facilities. The works are set to be phased in the light of available funds and sourcing appropriate contractors or materials to complete in-house. Trustees have set aside £2.75m to account for these works.

The Trustees review actual and projected spend on a quarterly basis, reporting on cash flow, particularly in the light of fluctuating income from legacies which can have a significant impact on annual income.

Investment - Policy and Performance

The Trustees have the power to administer and manage the assets of the Charity in accordance with its Memorandum & Articles of Association. The Trustees have appointed professional fund managers to manage our investment portfolio. The fund managers are issued with investment guidelines which are determined by the Trustees with due care for the social, ethical, and environmental considerations of the Charity. The fund managers have been instructed to manage the funds on a medium-to-higher risk basis due to the need for our reserves to grow above inflation. Despite an initial plummet in the markets in 2021, the main investment portfolio achieved an increase of £535,288 year end.

The Charity also continues to hold some funds in interest-earning bank accounts ensuring monies are readily available, but we recognise that those accounts are unable to achieve interest above inflation. With our forecast needs, this policy is expected to be maintained, but with a reduced sum and more movement to increase (even by a little) return by switching accounts.

Financial Strategy

The Management Board takes its responsibility as custodians of Redwings supporter donations very seriously. There is an accountant on the Board and all Trustees have financial experience as managers

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

and officers in their paid employment. The Board makes use of our Auditor and our in-house finance team, led by a qualified accountant at Fellowship level. We have policies for Financial Procedures, Reserves, and Investments. There are usually separate meetings of a Finance Sub Committee but due to Covid-19's significant impact on resources, in 2021 these meetings continue to be merged with the Board of Management meetings and held as the first agenda item, so that all Trustees could support the Treasurer in prioritising financial review and strategy.

The Trustees review financial trends on income and expenditure quarterly, this includes those trends associated with the trading arm of Redwings, Redwings Enterprises Limited (REL). This entity markets and sells Redwings branded products and associated merchandise and plays an important role in our trading at our visitor centres, at events and with our mail order operation. In 2021 REL generated a profit of £20,812 (2020 loss of £54,078).

Principal Risks, Uncertainties and Decision-making

Directors (Trustees) are aware of its duty under s172 of the Companies Act 2006 to act in the way in which they consider, in good faith, would be the most likely to promote the success of the Charity (i.e. the Company), and in doing so, to have regard (amongst other matters) to the s172 matters:

- the likely consequences of any decision in the long-term;
- the interests of the Charity's employees;
- the need to foster the Charity's business relationships with suppliers, customers and others;
- the impact of the Charity's operations on the community and the environment;
- the desirability of the Charity maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Charity.

The Directors have sought to balance the needs of its members with the s172 matters throughout the year, for example in ensuring the policies and standard operating practices which run across the Charity and reputation for high standards of conduct, are maintained and in engagement with employees.

The Directors of the Charity have a duty to promote the success of the Charity, and it relies on smooth operations and the support of stakeholders, specifically our supporters and collaborative organisations. Through communication we seek to build relationships based on mutual trust and have processes in place to support engagement and feedback.

With suppliers and others in a business relationship with the Charity (including its trading subsidiary), we work closely with suppliers to ensure the product or service is of a type, quality and price suitable for our operations and customers. We strive to establish and maintain long-term relationships for these purposes. We have robust processes which include feedback and should the contract need to cease. We always seek to meet payment terms agreed with our suppliers to respect their needs and support long-term relationships that deliver a good product or service.

Our customers include supporters, visitors, and retail. We have robust processes in place to ensure clear communication with our customers, feedback and follow-up should customers not be satisfied.

Principal Risks

The Trustees have a formal risk management process to assess the risks faced by the Charity and to implement strategies to manage those risks. Strategic and Operational Risk Management Registers are maintained which identify the types of risks the organisation faces (prioritising them in terms of likelihood of occurrence and potential impact), set out the control procedures in place and the established framework of reporting and monitoring adopted to manage those risks.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Registers are reviewed annually (risk management is an agenda item at Management Board meetings) dealing with particular risks, responsibilities, controls and monitoring processes and the need for new risks to be added. With controls and monitoring in place, the biggest 'primary' operational retained risk was 'infectious disease throughout the centres' despite our significant investment in vaccinations, training, time, testing and prompt response systems with regard to equine influenza.

The next biggest risk score was shared by four risks across three categories – equine (resistance to dewormers or other treatments), financial (loss of income from a number of socio/economic factors) and operational (inadequate/failure of IT systems and loss of data/funds from cyber breach). A number of projects are in place with regard to these risks, in particular our worming programme. Due to Covid-19 our 2021 operational income and expenditure budgets were very prudent and by Year End we exceeded expectations and ended with a surplus.

Some risks we can only manage but not eliminate as our 2015 Strangles outbreak reminded us; our first outbreak for over 20 years. We have very strict equine disease controls as any disease spread would have a dramatic effect on our herds and our work. Our veterinary team train other veterinary practices, students, and organisations in disease control; we continue to share our knowledge with the wider public through the Strangles campaign aimed at livery yards and private horse owners. Disease control, be it influenza or Strangles, will remain at the forefront of our work as a responsible keeper of horses.

Covid-19's continued impact

Trustees and the operational team continue to review and respond when considering the impact as we come out of the Covid-19 pandemic on our operational delivery and funding. Trustee meetings have subsequently been re-ordered and additional meetings held to consider the material impact of this human pandemic in order to maintain a robust financial and realistic operational plan for our work and the horses in our direct care.

Trustees' Responsibilities

The Trustees (who are also directors of Redwings Horse Sanctuary for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

(a) So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware.

(b) The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report, including the Strategic Report, was approved by the Trustees on 11th May 2022.

Mark Little

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M Little

Chair

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Opinion

We have audited the financial statements of Redwings Horse Sanctuary (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Parent Company Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cash Flows, the Parent Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected, or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments, and estimates.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

30/05/22

LARAGH JEANROY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Blenheim House
Newmarket Road
Bury St Edmunds
Suffolk
IP33 3SB

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REDWINGS HORSE SANCTUARY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted Funds £	Endowment £	Restricted Funds £	Total Year Ended 31 December 2021 £	Total Year Ended 31 December 2020 £
Income and endowment from:						
Donations and legacies	2	11,467,276	-	1,084,086	12,551,362	8,730,678
Other trading activities:						
Merchandising income	3	482,453	-	-	482,453	339,928
Lottery income		433,143	-	-	433,143	390,942
Estate grants & other income		360,354	-	-	360,354	649,877
Investments	4	217,984	-	-	217,984	209,122
Total income		12,961,210	-	1,084,086	14,045,296	10,320,547
Expenditure on:						
Raising funds:						
Fundraising and publicity		1,983,989	-	-	1,983,989	1,989,752
Merchandising		409,402	-	-	409,402	374,821
Charitable activities:						
Sanctuary operations		9,394,322	-	803,783	10,198,105	9,766,249
Education		197,880	-	-	197,880	160,621
Total expenditure	5	11,985,593	-	803,783	12,789,376	12,291,443
Net income/(expenditure) and net movement in funds before gains and losses on investments		975,617	-	280,303	1,255,920	(1,970,896)
Net gains/(losses) on investments		535,288	-	-	535,288	223,086
Net transfers between funds		737,694	-	(737,694)	-	-
Net movement in funds		2,248,599	-	(457,391)	1,791,208	(1,747,810)
Reconciliation of funds:						
Funds brought forward		35,060,677	20,372	819,353	35,900,402	37,648,212
Total funds carried forward		37,309,276	20,372	361,962	37,691,610	35,900,402

The Statement of Financial Activities incorporates the income and expenditure account.

All of the 2020 income was unrestricted with the exception of £579,037 of donations and gifts classed as restricted funds. All of 2020 expenditure was unrestricted with the exception of £1,021,296 Sanctuary Operations Expenditure classed as restricted funds.

REDWINGS HORSE SANCTUARY

PARENT COMPANY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted Funds £	Endowment £	Restricted Funds £	Total Year Ended 31 December 2021 £	Total Year Ended 31 December 2020 £
Income and endowment from:						
Donations and legacies	2	11,467,276	-	1,084,086	12,551,362	8,730,678
Other trading activities:						
Merchandising income	3	49,080	-	-	49,080	15,846
Lottery income		433,143	-	-	433,143	390,942
Estate Grants & other income		360,354	-	-	360,354	649,877
Investments	4	221,143	-	-	221,143	212,460
Total income		12,553,996	-	1,084,086	13,615,082	9,999,803
Expenditure on:						
Raising funds:						
Fundraising and publicity		1,983,989	-	-	1,983,989	1,989,752
Charitable activities:						
Sanctuary operations		9,394,322	-	803,783	10,198,105	9,766,249
Education		197,880	-	-	197,880	160,621
Total expenditure	5	11,576,191	-	803,783	12,379,974	11,916,622
Net income/(expenditure) and net movement in funds before gains and losses on investments		954,805	-	280,303	1,235,108	(1,916,819)
Net gains/(losses) on investments		535,288	-	-	535,288	223,086
Net transfers between funds		737,694	-	(737,694)	-	-
Net movement in funds		2,227,787	-	(457,391)	1,770,396	(1,693,733)
Reconciliation of funds:						
Funds brought forward		35,129,821	20,372	819,353	35,969,546	37,663,279
Total funds carried forward		37,357,608	20,372	361,962	37,739,942	35,969,546

The statement of Financial Activities incorporates the income and expenditure account.

All of the 2020 income was unrestricted with the exception of £579,037 of donations and gifts classed as restricted funds. All of 2020 expenditure was unrestricted with the exception of £1,021,296 Sanctuary Operations Expenditure classed as restricted funds.

REDWINGS HORSE SANCTUARY
BALANCE SHEET
AS AT 31ST DECEMBER 2021

	Notes	CONSOLIDATED BALANCE SHEET		PARENT COMPANY BALANCE SHEET	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
		£	£	£	£
Fixed assets					
Tangible assets	10	18,690,049	19,175,664	18,690,049	19,175,664
Intangible assets	11	-	-	-	-
Investments	12	7,097,793	6,546,650	7,097,795	6,546,652
Total Fixed Assets		25,787,842	25,722,314	25,787,844	25,722,316
Current assets					
Investments	13	-	-	150,000	150,000
Stocks	14	285,565	291,634	216,793	222,611
Debtors	15	5,982,269	5,008,038	5,987,223	5,018,223
Cash at bank and in hand		6,277,933	5,317,916	6,216,697	5,272,806
Total Current Assets		12,545,767	10,617,588	12,570,713	10,663,640
Liabilities					
Creditors falling due within one year	16	641,999	439,500	618,615	416,410
Net Current Assets		11,903,768	10,178,088	11,952,098	10,247,230
Net Assets		37,691,610	35,900,402	37,739,942	35,969,546
Funds	18				
Endowment fund		20,372	20,372	20,372	20,372
Restricted funds		361,962	819,353	361,962	819,353
Designated funds		2,750,000	2,111,879	2,750,000	2,111,879
Revaluation reserve		1,814,779	863,944	1,814,779	863,944
General reserve		32,744,497	32,084,854	32,792,829	32,153,998
Total Unrestricted Funds		37,309,275	35,060,676	37,357,607	35,129,820
Total Funds		37,691,610	35,900,402	37,739,942	35,969,546

The financial statements of pages 21-36 were approved by the Trustees on 11th May 2022.

Mark Little

M Little

Chair

aFryer

A Fryer

Treasurer

Company Registration Number 03524502

REDWINGS HORSE SANCTUARY

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities	a	1,036,746	(433,627)
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest, and rents from investments		219,017	180,478
Proceeds from the sale of property, plant, and equipment		55,882	1,550
Purchase of property, plant, and equipment		(335,774)	(161,676)
Proceeds from sale of investments		654,984	2,140,886
Purchase of investments		(670,838)	(2,050,950)
Net cash used in investing activities		(76,729)	110,288
Change in cash and cash equivalents in the reporting period		960,017	(323,339)
Cash and cash equivalents at the beginning of the reporting period	b	5,317,916	5,641,255
Cash and cash equivalents at the end of the reporting period	b	6,277,933	5,317,916
a) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net Income/(expenditure) for the reporting period before gains and losses on investments		1,255,920	(1,970,896)
Adjustments for:			
Depreciation/amortisation charges		816,492	837,479
		-	-
Dividends, interest, and rents from investments		(217,984)	(209,122)
Profit on the sale of fixed assets		(50,984)	(1,550)
Decrease in stocks		6,069	(22,145)
Increase in debtors		(975,266)	1,047,105
Increase in creditors		202,499	(114,498)
Net cash provided by operating activities		1,036,748	(433,627)
b) Analysis of cash and cash equivalents			
		2021 £	2020 £
Cash in hand		5,777,933	4,317,916
Notice deposits (less than 3 months)		500,000	1,000,000
Total cash and cash equivalents		6,277,933	5,317,916

A reconciliation of net debt is required per the Charities SORP (FRS102)

There was no debt within the group during 2021 and 2020, and there were no non-cash flows to reflect.

REDWINGS HORSE SANCTUARY

PARENT STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities	a	1,014,854	(438,953)
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest, and rents from investments		224,783	183,816
Proceeds from the sale of property, plant, and equipment		55,882	1,550
Purchase of property, plant, and equipment		(335,774)	(161,676)
Proceeds from sale of investments		654,984	2,140,886
Purchase of investments		(670,838)	(2,050,950)
Net cash used in investing activities		(70,963)	113,626
Change in cash and cash equivalents in the reporting period		943,891	(325,327)
Cash and cash equivalents at the beginning of the reporting period	b	5,272,806	5,598,133
Cash and cash equivalents at the end of the reporting period	b	6,216,697	5,272,806
c) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net Income/ (expenditure) for the reporting period before gains and losses on investments		1,237,713	(1,916,820)
Adjustments for:			
Depreciation/amortisation charges		816,491	837,479
Transfer of investment portfolio form SWHP		-	-
Dividends, interest, and rents from investments		(223,750)	(212,460)
Loss/(Profit) on the sale of fixed assets		(50,984)	(1,550)
Decrease in stocks		5,818	(24,856)
Increase in debtors		(970,132)	1,046,307
Increase in creditors		199,698	(167,053)
Net cash provided by operating activities		1,014,854	(438,953)
d) Analysis of cash and cash equivalents			
		2021	2020
		£	£
Cash in hand		5,716,697	4,272,806
Notice deposits (less than 3 months)		500,000	1,000,000
Total cash and cash equivalents		6,216,697	5,272,806

A reconciliation of net debt is required per the Charities SORP (FRS102)

There was no debt within the group during 2021 and 2020, and there were no non-cash flows to reflect.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

1 - Accounting policies

Redwings Horse Sanctuary ("the Charity") is an incorporated Charity limited by guarantee, domiciled, and registered in England which constitutes a Public Benefit entity as defined by FRS102. The address of the Charity is stated on page 3. The principal activity of the Charity is to provide and promote the welfare, care and protection of horses, ponies, donkeys, and mules.

a. Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recognised Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared under historical cost convention modified to include investment property and fixed asset investments at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

b. Assessment of Going Concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue, as a going concern, and therefore these accounts have been prepared on a going concern basis. The budgeted income and expenditure are sufficient with the levels of reserves for the charity to be able to continue as a going concern. Covid 19 was considered by the Trustees when making this assessment. Budgets and cashflows have been prepared (twelve months from the date of signing these financial statements) considering the reduction in legacy income during 2020 and 2021 and the increase in 2022, combined with a general increase in donations during 2021, we anticipate being able to continue our day-to-day operations without the need to sell any of our investments. With our current level of liquid reserves, we will be able to provide adequate resources to cover our commitments.

c. Basis of consolidation

The financial statements comprise the assets, liabilities and funds, and the statement of financial activities of Redwings Horse Sanctuary and its 100% owned subsidiary, Redwings Enterprises Limited (company number 02841087).

d. Income

All income is accounted for in the SOFA when the Charity is legally entitled to the income, it is capable of measurement, and it is probable that the income will be received.

Income includes donations and legacies. For legacies, entitlement is recognised from the earlier of the date of receipt or when sufficient notification is received by the Charity to enable it to quantify its entitlement with probability. Income is not recognised for legacies, which remain subject to a life interest. Donations are recognised when the Charity has received the income. If the donation is subject to a restriction the Charity will recognise when the restriction is met or wholly within the control of the Charity.

Other income comprises merchandising income, lottery income, investment income, property rentals, and estate grants & other income. The merchandising income is generated by Redwings Enterprises Limited and is recognised as unrestricted income on a receivable basis. The lottery income is recognised as at the closing date of the draw when the charity is entitled to the income. Rental income from assets leased under operating leases is recognised on a straight-line basis over the term of the lease. All other income is accounted for on a receivable basis.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

e. Expenditure

All expenditure is included in the SOFA on an accruals basis and is recognised when there is a legal or constructive obligation to pay, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

f. Support costs

Support costs include human resources, finance IT, health and safety and premises costs. Support costs have been apportioned between fundraising costs and charitable activities on the basis of activity and income.

g. Pension costs

The Charity operated a defined contribution scheme, which is a Group Personal Plan. The cost of providing pension benefits is charged in the year for which they are payable.

h. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less depreciation. No depreciation is provided on freehold land, or assets under construction. Depreciation is provided on all other tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	over 50 years
Wasting structures	over 3 or 10 years
Plant and equipment	over 5 years

Assets under construction are not depreciated until the work is complete.

i. Intangible assets and amortisation

Intangible assets are stated at cost, less amortisation, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Software	over 5 years
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j. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted bid price. The SOFA includes the net gains and losses arising on revaluation and disposals through the year. Gains and loss on investment disposals is based on the previous months market value and the consideration received on disposal.

Investment property is initially measured at cost and subsequently measured at fair value determined annually by the trustees. No depreciation is charged. Changes in fair value are recognised in the SOFA.

Investments in subsidiaries are measured at cost less accumulated impairment.

k. Operating leases

Rentals are charges to the SOFA on a straight-line basis over the lease term.

l. Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is determined using the first in first out method.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

m. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable are included at the best estimate of the amount receivable at the balance sheet date.

n. Creditors

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

o. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the Charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income.

Investment income and gains are allocated to the appropriate fund.

p. Critical accounting estimates and areas of judgement

The Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The judgements estimates and assumptions which have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Legacy debtor

The Charity has entitlement to legacy income at 31st December, but which will be received after the year end. An estimate of the amount of be received has to be made at the year end. See note 15 for the legacy receivable debtor at the year end. "Pecuniary legacies are recognised once the charity has been formally notified that a gift is payable. Residuary legacies are recognised once confirmation has been received that the charity will benefit, and sufficient information has been made available by the Personal Representatives to estimate the charity's entitlement with reasonable certainty. Estimates are calculated based on experience with previous Estates and knowledge of the likely deductions to be incurred."

2. Income from donations and legacies

	2021	2020
	£	£
Donations	3,298,689	2,683,862
Legacies	9,252,673	6,046,816
	<u>12,551,362</u>	<u>8,730,678</u>

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

3. Merchandising income

	Sale of Donated Goods	Redwings Enterprises Ltd Sales	Total Year Ended 31 December 2021	Total Year Ended 31 December 2020
	£	£	£	£
Parent company	49,080	-	49,080	15,846
Subsidiary company	-	433,373	433,373	324,081
Total income	49,080	433,373	482,453	339,927
Merchandising costs				
Subsidiary company costs of sales	-	238,232	238,232	188,425
Administration expenses	-	171,170	171,170	186,396
Total costs	-	409,402	409,402	374,821
Merchandising surplus	49,080	23,971	73,051	(34,894)

4. Income from investments

	2021 £	2020 £
Interest	36,750	62,370
Dividends	166,393	132,090
Rent	18,000	18,000
Investment income – charity	221,143	212,460
Interest	33,501	59,032
Dividends	166,393	132,090
Rent	18,000	18,000
Investment income – group	217,894	209,122

5. Analysis of expenditure

	Staff Costs	Direct Charitable Costs	Other Costs	Total Year Ended 31 Dec 2021	Total Year Ended 31 Dec 2020
	£	£	£	£	£
Fundraising and publicity	535,510	-	1,448,480	1,983,990	1,989,752
Sanctuary operations	6,867,266	3,330,839	-	10,198,105	9,766,249
Education	42,914	154,965	-	197,879	160,622
Expenses – charity	7,445,690	3,485,804	1,448,480	12,379,974	11,916,623
Merchandising costs	53,901	-	355,500	409,401	374,821
Expenditure – group	7,499,591	3,485,804	1,803,980	12,789,375	12,291,444

Both staff costs and other costs contain costs that are directly allocated to activities as well as support costs that have been apportioned in accordance with the methods outlined in note 1f.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

6. Support costs

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2021 £	Total 2020 £
Human resources	21,370	59,692	257	6,488	87,807	102,719
Health & Safety	12,306	56,800	-	420	69,526	74,821
Finance/IT	190,796	219,862	-	9,608	420,266	352,556
Premises/Office costs	108,827	13,487	4,905	3,378	130,597	128,836
Central Services	69,715	611,120	1,760	153,452	836,047	805,210
Depreciation/amortisation	171,528	643,873	-	1,091	816,492	837,479
Support costs - group	574,542	1,604,834	6,922	174,437	2,360,735	2,301,621

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2021 £	Total 2020 £
Human resources	22,855	64,673	280	-	87,808	102,719
Health & Safety	12,306	56,800	-	-	69,106	74,368
Finance/IT	190,796	219,862	-	-	410,658	343,360
Premises/Office costs	108,827	13,487	4,905	-	127,219	125,278
Central Services	60,166	604,268	1,760	-	666,195	615,626
Depreciation/amortisation	171,528	643,873	-	-	815,401	836,352
Support costs - charity	566,478	1,602,963	6,945	-	2,176,387	2,097,703

7. Staff costs

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Wages and salaries	6,455,264	6,345,309
Social security costs	458,606	439,490
Pension costs	337,846	332,099
	7,251,716	7,116,898

Number of employees by function

Sanctuary and welfare	282	284
Fundraising and administration	74	83
	356	367

The number of employees whose emoluments exceeded £60,000 in the year was as follows

£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£100,001 -£110,000	1	1

Remuneration for the nine (2020: nine) Senior Management Team members totalled £565,756 (2020: £538,837). The Senior Management Team and Trustees are considered to be the key management personnel of the Charity and Group.

8. Pension costs

The Charity operates defined contribution pension schemes on behalf of certain employees. The contributions to the schemes are paid into external independently administered funds. The pension cost charge represents contributions payable by the Charity to the schemes, which amounted to £337,846 (2020: £332,099). No contributions (2020: Nil) were payable to the fund at the year end.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

9. Net income for the year

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Net income for the year is stated after charging/(crediting)		
Remuneration of the Charity auditors		
- Audit of these accounts	15,550	16,070
- Audit of subsidiary undertakings	3,775	3,700
- Taxation compliance services	4,775	4,405
Depreciation of tangible owned assets	816,492	827,654
Amortisation	-	9,825
Operating leases		
- Land and buildings	26,500	26,500
Profit on sale of assets	(52,702)	(1,550)

10. Tangible fixed assets

	Freehold Property £	Assets under Construction £	Group and Charity Wasting Structure £	Plant & Equipment £	Total £
Costs					
01 January 2021	16,915,741	105,302	6,807,864	4,120,713	27,949,620
Additions	-	13,328	68,929	253,517	335,774
Disposals	-	-	-	(118,928)	(118,928)
31 December 2021	16,915,741	118,630	6,876,793	4,255,302	28,166,466
Depreciation					
01 January 2021	1,917,742	-	3,161,323	3,694,891	8,773,956
Charge in year	138,730	-	425,190	252,571	816,491
Eliminated on disposal	-	-	-	(114,030)	(114,030)
31 December 2021	2,056,472	-	3,586,513	3,833,432	9,476,417
Net book value					
31 December 2021	14,859,269	118,630	3,290,280	421,870	18,690,049
31 December 2020	14,997,999	105,302	3,646,541	425,822	19,175,664

All assets are owned by the Charity and are free from charge. The cost of freehold land not being depreciated included in land and buildings is £9,812,307 (2020: £9,812,307).

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

11. Intangible assets

	2021 £
Cost	
At 1 January	225,169
At 31 December	<u>225,169</u>
Amortisation	
At 1 January	225,169
Charge for the year	-
At 31 December	<u>225,169</u>
Net book value at 31 December 2021	<u>-</u>
Net book value at 31 December 2020	<u>-</u>

12. Fixed asset investments

	Group		Charity	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Quoted Investments				
Additions at cost	670,838	2,050,950	670,838	2,050,950
Disposal proceeds	(654,984)	(2,140,886)	(654,984)	(2,140,886)
Net investment gains	535,289	223,087	535,289	223,087
Market value at end of period	<u>6,547,793</u>	<u>5,996,650</u>	<u>6,547,793</u>	<u>5,996,650</u>
Investment property				
Investment property at start of period	550,000	550,000	550,000	550,000
Revaluation	-	-	-	-
Market value at end of period	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Un-quoted investments				
Shares in Redwings Enterprises Limited	-	-	2	2
Total fixed asset investments	<u>7,097,793</u>	<u>6,546,650</u>	<u>7,097,795</u>	<u>6,546,652</u>
Historical Cost at 31 December	<u>5,283,013</u>	<u>5,682,705</u>	<u>5,283,013</u>	<u>5,682,705</u>
Analysis of Quoted Investments at 31 December 2021 between funds:				
Fixed Interest UK	655,681	698,319	655,681	698,319
Fixed Interest Overseas	330,127	341,702	330,127	341,702
Equities UK	1,666,213	1,511,151	1,666,213	1,511,151
Equities Europe	463,992	315,731	463,992	315,731
Equities Other	2,505,898	2,202,015	2,505,898	2,202,015
Property Funds	319,391	8,627	319,391	8,627
Hedge/Absolute Return Funds	606,491	919,105	606,491	919,105
	<u>6,547,793</u>	<u>5,996,650</u>	<u>6,547,793</u>	<u>5,996,650</u>

All investments are carried at fair value. Quoted investments fair values are normally mid-market closing or mid-prices. If the valuation date falls on a non-business day, the prices will be those on the last business day.

Savills plc completed the initial valuation of Spa Farm investment property. The fair value at the balance sheet date is determined annually by the trustees. The main risk from the charity's investment portfolio is uncertainty in the investment markets.

This is managed by appointing professional fund managers who manage the funds on a low-risk basis. Liquidity risk is considered low because investments are in traded securities.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

13. Current asset investments

	Group		Charity	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Loan to Redwings enterprises Limited (see note below)	-	-	150,000	150,000
	-	-	150,000	150,000

The only financial instrument measured at amortised cost comprises the loan made to Redwings Enterprises Limited. This is unsecured and is due for repayment on demand. Interest is charged on the loan at 2% above the Bank of England base rate.

14. Stock

	Group		Charity	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Feed and consumables	133,192	150,164	133,192	150,164
Veterinary supplies	83,601	72,447	83,601	72,447
Merchandising goods for resale	68,772	69,023	-	-
	285,565	291,634	216,793	222,611

15. Debtors

	Group		Charity	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Gift Aid & recoverable tax	33,623	44,919	33,623	44,919
Legacies receivable	5,630,583	4,736,605	5,630,583	4,736,605
Accrued income	10,071	21,732	10,071	21,732
Amount owed to subsidiary	-	-	8,431	16,229
Prepayments and other debtors	263,752	119,935	261,275	114,360
Trade debtors	44,240	84,847	43,240	84,378
	5,982,269	5,008,038	5,987,223	5,018,223

16. Creditors amounts falling due within one year

	Group		Charity	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Trade creditors	554,700	323,639	539,472	309,120
Amount re merged Charity	-	-	100	100
Other creditors	19,548	16,413	19,550	16,415
VAT and social security	9,529	13,537	9,529	13,537
Accruals	58,222	85,911	49,964	77,238
	641,999	439,500	618,615	416,410

17. Subsidiary company

The Charity owns 100% of the share capital of its trading subsidiary Redwings Enterprises Limited, a company registered in England. The Company operates all the commercial trading activities of the Charity. The Company gift aids its taxable profits to the Charity. A summary of its trading results and capital and reserves is shown below. Audited accounts are filed with the Registrar of Companies. The Company's results are consolidated into the group accounts. The registered office is Norwich Road, Hapton, Norfolk NR15 1SP.

	2021	2020
	£	£
Income	433,373	324,081
Expenditure	(409,402)	(374,821)
Interest payable	(3,159)	(3,338)
Profit/(loss) for the period retained by the subsidiary	20,812	(54,078)

The aggregate of assets, liabilities and funds was:

Current assets	133,588	120,278
Creditors: amounts falling due within one year	(181,918)	(189,421)
Total net liabilities	(48,332)	(69,143)

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

18. Funds

	Opening Balance	Funds Movements			Closing Balance	Represented by	
		Income	Expenditure	Transfers Gains & Losses		Fixed assets	Net current assets
	£	£	£	£	£	£	£
Endowment							
WJ Turner Settlement	20,372	-	-	-	20,372	-	20,372
Restricted							
Recovery shelter	304,798	-	-	(304,798)	-	-	-
New farm & grazing	205,822	-	-	(205,822)	-	-	-
Reception & Assessment Centre	94,500	-	-	(94,500)	-	-	-
Ada Cole Memorial Stables	-	168,065	(168,065)	-	-	-	-
Caldecott	-	2,600	(2,600)	-	-	-	-
Oxhill donkey barn and windbreak	2,915	-	(2,915)	-	-	-	-
Mountains general	-	4,630	(4,630)	-	-	-	-
Paddock fencing & shelters SWHP	-	7,500	(7,500)	-	-	-	-
Horse Hospital	50,000	-	-	(50,000)	-	-	-
Hay Mountains	-	5,000	(5,000)	-	-	-	-
Care of Cinnabar	-	6,000	(1,231)	-	4,769	-	4,769
Treatment room	500	-	-	-	500	-	500
Hoist at Reception	-	3,000	(3,000)	-	-	-	-
Field Shelters Mountains	-	15,000	-	(15,000)	-	-	-
Mountains Special Care Barn	5,000	-	-	(5,000)	-	-	-
Hapton	-	77,278	(77,278)	-	-	-	-
Horses and Ponies	-	7,577	(7,577)	-	-	-	-
Operational Work	-	10,834	(10,834)	-	-	-	-
Ventilator control box Hapton Hospital	-	5,000	(5,000)	-	-	-	-
Layby field Piggots	-	99,525	(25,278)	-	74,247	-	74,247
Oxhill	-	50	(50)	-	-	-	-
SWHP	-	440	(440)	-	-	-	-
Norfolk Sanctuary Farms	-	11,046	(11,046)	-	-	-	-
H K D Animal Welfare Trust	155,818	660,541	(471,339)	(62,574)	282,446	-	282,446
Total restricted	819,353	1,084,086	(803,783)	(737,694)	361,962	-	361,692
Total endowment & restricted	839,725	1,084,086	(803,783)	(737,694)	382,334	-	382,334
Designated							
Planned capital expenditure	2,111,879	-	-	638,121	2,750,000	-	2,750,000
Revaluation reserve	863,944	-	-	950,835	1,814,779	1,814,779	-
General reserve	32,084,854	12,961,210	(11,985,609)	(315,974)	32,744,497	23,973,063	8,771,433
Total unrestricted	35,060,677	12,961,210	(11,985,609)	1,272,982	37,309,276	25,787,842	11,521,434
Group Total	35,900,402	14,045,296	(12,789,392)	535,288	37,691,610	25,787,842	11,903,768

Any income or expenditure over £5,000 will be explained in below.

Purpose of funds

Name	Primary use of funds and designated
Ada Cole Memorial Stables	For general running of Redwings Ada Cole.
Layby field Piggots	Fencing, trackways, and shelter to layby field at Piggots.
Horse Hospital	Treatment room renovations and flooring.
HKD Animal Welfare Trust	For use in Scotland only.

Funds movements under designated funds, the closing balance on planned capital expenditure represents the Capital projects approved for 2022 by the board of Trustees. The expenditure for 2021 represents any spend during the year that related to the restriction the total capital spend for 2021 was £765,567.

The transfer from restricted funds is where fixed assets have been purchased and the purpose of those funds have been fully met.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

19. Funds – comparative 2020

	Opening Balance	Funds Movements			Closing Balance	Represented by	
		Income	Expenditure	Transfers Gains & Losses		Fixed assets	Net current assets
	£	£	£	£	£	£	£
Endowment							
WJ Turner Settlement	20,372	-	-	-	20,372	-	20,372
Restricted							
Recovery shelter	304,798	-	-	-	304,798	304,798	-
New farm & grazing	205,822	-	-	-	205,822	205,822	-
Reception & Assessment Centre	94,500	7,000	(7,000)	-	94,500	94,500	-
Ada Cole Memorial Stables	-	100,940	(100,940)	-	-	-	-
Mountains field shelters/repairs	6,000	-	(6,000)	-	-	-	-
Oxhill donkey barn and windbreak	-	5,570	(2,655)	-	2,915	-	2,915
Mountains general	-	4,290	(4,290)	-	-	-	-
Caldecott	-	50,256	(50,256)	-	-	-	-
Horse Hospital	20,000	30,000	-	-	50,000	50,000	-
SOS Campaign thermometers	-	1,000	(1,000)	-	-	-	-
Feed	-	3,000	(3,000)	-	-	-	-
Servicing vet equipment	-	3,100	(3,100)	-	-	-	-
Treatment room	-	500	-	-	500	-	500
Vet equipment for welfare	-	2,000	(2,000)	-	-	-	-
Oxhill rehoming facility	-	120,650	(120,650)	-	-	-	-
Mountains Special Care Barn	-	5,000	-	-	5,000	5,000	-
Hapton	-	10,000	(10,000)	-	-	-	-
Animal Welfare	-	160,000	(160,000)	-	-	-	-
SWHP fencing & Field Shelters	-	20,000	(20,000)	-	-	-	-
Dog bins at Aylsham	-	150	(150)	-	-	-	-
Donkeys	-	200	(200)	-	-	-	-
Oxhill	-	5,348	(5,348)	-	-	-	-
SWHP	-	50,034	(50,034)	-	-	-	-
H K D Animal Welfare Trust	630,492	-	(474,674)	-	155,818	-	155,818
Total restricted	1,261,613	579,037	(1,021,296)	-	819,353	660,120	159,233
Total endowment & restricted	1,281,984	579,037	(1,021,296)	-	839,725	660,120	179,605
Designated							
Planned capital expenditure	810,059	-	-	1,301,820	2,111,879	-	2,111,879
Revaluation reserve	968,553	-	-	(104,609)	863,944	863,944	-
General reserve	34,587,617	9,741,509	(11,270,148)	(974,124)	32,084,854	24,198,250	7,886,604
Total unrestricted	36,366,228	9,741,509	(11,270,148)	223,088	35,060,676	25,062,194	9,998,482
Group Total	37,648,212	10,320,546	(12,291,444)	223,088	35,900,402	25,722,314	10,178,087

20. Operating leases receivable

The Charity as lessee, holds the following commitments

	31 Dec 2021	31 Dec 2020
	£	£
Within one year	59,077	58,496

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

21. Related party transactions

No remuneration was paid to any member of the board during the period.

Two Trustees were reimbursed £479 (2020: one trustee £465) in respect of travel expenses to attend Board of Trustee meetings.

Fees totalling £7,951 (2020: £13,272) have been paid to Savills PLC in Norwich in which Mr M Little is a director. The fees were in respect of estate management advice.

An amount of £36,217 (2020: £4,700) has been paid to Town and Country Floors of whom Mrs T Whistlecraft (Executive Director Resources at Redwings) is related. These costs relate to flooring.

Fees totalling £12,225 (2020: £9,845) have been paid to Birketts LLP in which Mr T Sharp is a director. The fees were in respect of legal fees.

The above transactions are specifically permitted by the Charity's Memorandum of Association and were at arms-length and in the ordinary course of business.

In 2021 the following transaction took place between the Charity and its wholly owned subsidiary Redwings Enterprises Limited:

Management charge of £148,330 (2020: £167,496)
Rental charge of £3,000 (2020: £3,000)
Interest charge of £3,159 (2020: £3,338)

As at 31 December 2021, £8,431 was due from Redwings Enterprises Limited to the Charity (2020: £16,229 was due from the Charity to Redwings Enterprises Limited). In addition to this, the Charity had provided a loan of £150,000 to Redwings Enterprises Limited. The loan is due for repayment in one year from the balance sheet date. Interest is charged on the loan at 2% above NatWest Bank plc's base rate.

22. Members Guarantee

The Charity has no share capital but is limited by guarantee. Every member of the Charity is a guarantor and undertakes to contribute to the assets of the Charity, in the event of it being wound up, such amounts as may be required. Each guarantor's liability is limited to £1.

23. Financial instruments

	31 Dec 2021	31 Dec 2020
	£	£
Financial assets measured at fair value	6,547,793	5,996,650