

Registered Charity number: 1165336

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2017

HONNYWILL FAMILY CHARITABLE TRUST

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HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

The trustees present their report and the unaudited financial statements of Honnywill Family Charitable Trust ("the Trust") for the period ended 31 March 2017.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the governing document, and the provisions of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2015) (Charities SORP (FRS 102)).

Reference and administrative information

Registered charity number	1165336
Principal office address	Underriver Farm Underriver House Road Underriver Sevenoaks TN15 0SJ
Independent examiner	A S Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Principal bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Buss Murton Law LLP Wellington Gate 7-9 Church Road Tunbridge Wells Kent TN1 1HT
Settlor	Mr C G Honnywill

Structure, governance and management

a. Constitution

The Honnywill Family Charitable Trust is governed by its Trust Deed dated 1 March 2015 and amended 6 January 2016. It was granted charitable status on 27 January 2016. These financial statements cover the fourteen-month period since its commencement.

b. Appointment and Training of Trustees

The power of appointing new trustees is vested in the settlor during his lifetime, and thereafter in the trustees by way of a resolution of a meeting of the trustees.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 MARCH 2017

The trustees were selected to ensure the Trust has access to a diverse range of skills, experience, and time from people who are relevant to its objectives and activities. The trustees include a lawyer, teacher, Riding for the Disabled ("RDA") coach and retired trustee of a national disabled riding charity, and an accountant. Together, they provide a good level of diversity to the workings of the charity.

The trustees met on a number of occasions in late 2015 to discuss the Charity Commission application and the Trust objectives. They discussed the guidance given by the Charity Commission and have used this as the basis of the trustees' induction and the roles taken on by each of them. They have also taken professional advice from legal and accounting/tax advisers who work with charities.

c. Organisational Structure and Decision Making

The trustees have overall responsibility for approval of strategy, policies, plans, risk management and finance. The charity has no employees.

d. Trustees

The trustees serving during the year were:

Mr C G Honnywill
Mrs S Honnywill
Mrs Ruth Weaver (Chairman)
Mrs Clare Wilson

The trustees were appointed on 27 January 2016, the date that the charity was granted charitable status.

Objectives and activities

The charity's purposes are:

- The provision of pony riding facilities for disadvantaged and seriously ill young people, in the interests of social welfare with the object of improving their conditions of life and the promotion of health.
- To promote the conservation and preservation and improvement of the natural environment and the biodiversity and natural habitat of land at Kiln House Farm, Bough Beech, Edenbridge, Kent for the public benefit.
- The preservation of Kiln House Farm and its features of architectural interest for the public benefit.

The charity's provision of pony riding facilities is designed to meet the needs of young people that are not readily met by other charities or public bodies that offer riding. Their condition or needs, and those of their families/carers, typically mean that they need more bespoke care, or a longer period of time allocation to each visit, to achieve the benefits that being with ponies can bring. The charity is able to provide this as it offers individual attention and extended time at its pony riding facilities.

During the period, the charity had one pony in work; it will increase the number in future periods.

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TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

As a result of the charity's *modus operandi*, it enables some young people with extreme disabilities to develop so that they can join "mainstream" riding groups. In the period, due to the time and resources needed to pursue development of a new site at Kiln House Farm, these activities were infrequent but the frequency of visits has built over time, and particularly in the period since 31 March 2017.

In addition to the riding activities, the charity achieved the necessary local authority permissions to begin to renovate and extend the Wealden listed cottage on the site. The progress of this work was slower than expected due to a significant number of ecological and planning regulation requirements. The rental income generated from the cottage will be used by the charity to further its objectives.

The conservation and preservation work was progressed in three main areas. First was the renovation of an old Wealden dew pond. Second, some of the rides through the woodland were cleared to enable ponies to pass through safely. Third, working with local wildlife wardens, the charity established new bird box habitats and began to monitor and record flora and fauna (with a particular focus on owls, bats, dormice and rare Wealden woodland and meadow flora species). Early indications are that Kiln House Farm will be critical to the local area's increasing population of barn owls.

These aims and activities will directly increase the number of people assisted by the charity and will visibly show that the charity is furthering its legal purposes.

The charity's strategy is to establish the Kiln House Farm site as a site that meets the needs of its target beneficiaries. It has raised funds to provide purpose built facilities, with a small number of fully trained ponies, set in a beautiful rural location within easy reach of much of the south-eastern part of the UK. Until the facilities are fully operational, the charity is using alternative facilities at Underriver Farm, Underriver as necessary.

Once Kiln House Farm is operational, the charity will increase the number of ponies from one (as at 31 March 2017) depending on demand and the capacity of the charity to attract sufficient funding and volunteer helpers.

Once the cottage has been renovated, and time/resources are therefore freed up, the trustees expect to focus more on the planned preservation and conservation activities. These are expected to include pond renovation, meadow seed planting, and woodland maintenance. This will be carried out in conjunction with Kent Wildlife Trust, a charity operating on sites in the local area.

In the period, the trustees have measured the success of the charity in terms of its progress in securing the site and Kiln House Farm and achieving the significant permissions to carry out the cottage renovation and site development work.

The trustees consider that the site at Kiln House Farm will become fully operational in mid-2018. In the meantime, the public benefits achieved to date have been made possible by the charity's use, at nil incremental cost, of facilities at Underriver Farm. This has enabled the charity to begin its work, albeit on a smaller scale than is anticipated after mid-2018. In the short term, the number of ponies will remain at two (the second pony was acquired in April 2017, after the period covered by this report). In the medium term, (ie in 2019/20) the trustees anticipate that demand may lead to a need to increase the number of its own ponies to between three and four. In addition, the charity is able to borrow other ponies as required to meet the particular needs of riders.

The trustees are grateful for the contribution of volunteers to the work of the charity. Particular thanks are due to the volunteer helpers who assist with monitoring young people as they ride, others who provide additional support services and those involved with marketing, fundraising and design of the website.

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

Achievements and performance

In setting the charity's objectives and planning its activities, the trustees have given consideration to the Charity Commission's guidance on public benefit.

The trustees consider that the charity's main achievements in the period (as measured against its objectives) are:

- Secured funding for the build of the facilities planned at Kiln House Farm
- Acquired the site at Kiln House Farm and begun the cottage renovation
- Brought one pony into use, using facilities at Underriver Farm, and identified a second (acquired in April 2107)
- Set up the website
- Began the process of securing local planning permissions to develop the Kiln House Farm site
- Began discussions with Kent Wildlife Trust on how the two charities could work together
- Established a strong trustee group with diverse skills and experiences relevant to the charity
- Began marketing planning

The impact of the charity on its beneficiaries was limited in the period because the facilities were under development and it had only one pony under training and coming into use. The trustees consider that it is too soon, as at 31 March 2017, to measure any significant impact on its beneficiaries and its wider benefits to society as a whole.

The principal delay to the development of the charity has been regulatory in nature – the local planning authority delays have severely impacted the rate of development of the charity's facilities. The trustees estimate that these delays have amounted to some nine months. Consequently, the charity will not achieve its full operational capacity until late 2018.

Financial review

For the period ended 31 March 2017, the charity's incoming resources amounted to £981,787. This included donations to enable the charity to acquire its site and commence the redevelopment of its residential property and the construction of its equestrian buildings.

Resources expended were £17,512, leaving net income for the year of £964,275.

At the balance sheet date, the charity's free unrestricted reserves (that is, its unrestricted reserves less those represented by fixed assets) amounted to £355,491.

During the period, the charity's principal funding source was donations from individuals, and gift aid reclaimed from Her Majesty's Revenue & Customs. The trustees are particularly grateful for specific gifts that have sponsored one pony and provided for a bespoke saddle to be designed and bought.

Risks

The trustees have assessed the principal risks and uncertainties facing the charity and developed its strategy and plans to manage those risks. They are

- Funding sustainability
- Potential liabilities arising from working with young vulnerable beneficiaries
- Potential liabilities arising from working with ponies
- Having adequate volunteers who are available as required and able/trained to perform their role

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

- Carrying out site works, notably building renovation, construction and associated ground works using contractors

The trustees have secured funding to meet the full development of the Kiln House site and the cashflow needs of the charity for at least the next 18 months. They have developed an initial marketing and fundraising plan that will be launched after the site has been finished.

The charity's work with young vulnerable people and ponies is carried out under the supervision of Sophie Honnywill, a trained RDA coach. The charity has assessed as adequate the operating procedures of the RDA for its use. It continues to keep close contact with the RDA. In addition, the charity carries public liability insurance.

The charity relies completely on its volunteers – over time the trustees plan to build the number of volunteers on who it can call to provide the required level of supervision for every rider.

The site works are largely being carried out by contractors carefully chosen on the basis of personal recommendation and local reputation, or by tendering for specific elements of work. They are chosen for their consideration for the objectives of the charity and their care and attention to the environment. One of the trustees has been heavily involved in the site works supervision, often on site on a daily basis.

Policy on reserves

The trustees consider that, after the Kiln House Farm development is complete, the charity should hold some £10,000 per active pony housed at Kiln House Farm. This is based on an estimate of the average current full year cost of stabling, care and training of a pony.

As at 31 March 2017, the unrestricted reserves held were £355,491. This exceeds the policy on reserves while the charity continues to develop the facilities at Kiln House Farm but provides the funding to enable the work to continue as soon as the authorisations are received. Because of authorisation delays, and the resulting impact on the work, the trustees expect that the level of reserves will only decrease to the long-term level during the year ending 31 March 2019.

As at 31 March 2017, restricted funds amounted to £1,460. No designated funds exist, but at the balance sheet dated the charity was committed to capital expenditure amounting to £125,000 in respect of the development of its residential property.

Plans for future periods

The trustees plan for the Kiln House Farm development to continue throughout the year ending 31 March 2018, with completion in the following accounting year. They will keep the number of ponies under review (both those owned/under long term loan) and those available for short term loan from third parties.

The charity will continue to build its team of volunteers (for both riding and conservation activities).

According to the level of demand for riding generated by the marketing planned for mid-2018, the trustees expect to launch a fundraising programme after 31 March 2018.

The charity expects the cottage renovation to be completed by late 2017 and occupied by a tenant soon thereafter.

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2017

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. 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 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board of Trustees on 25 January 2018 and signed on its behalf by:

Charles Honnywill
Trustee

HONNYWILL FAMILY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 MARCH 2017

I report to the trustees on the financial statements of Honnywill Family Charitable Trust for the period ended 31 March 2017.

Respective responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

A S Healey FCA CTA DChA
Lindeyer Francis Ferguson Limited
Chartered Accountants
North House, 198 High Street
Tonbridge, Kent TN9 1BE

Date: 25 January 2018

HONNYWILL FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2017

		2017 Unrestricted funds £	2017 Restricted funds £	2017 Total funds £
	Note			
Income from:				
Donations		968,977	12,800	981,777
Charitable activities:				
Rainbow Pony Rides		10	-	10
Total income		968,987	12,800	981,787
Expenditure on:				
Raising funds:				
Rental property costs		2,382	-	2,382
Charitable activities:				
Rainbow Pony Rides	3	5,190	9,940	15,130
Total expenditure		7,572	9,940	17,512
Net income		961,415	2,860	964,275
Transfers between funds		1,400	(1,400)	-
Net movement in funds		962,815	1,460	964,275
Reconciliation of funds:				
Total funds brought forward		-	-	-
Total funds carried forward		962,815	1,460	964,275

HONNYWILL FAMILY CHARITABLE TRUST

BALANCE SHEET AS AT 31 MARCH 2017

		£	2017 £
	Note		
Fixed assets			
Tangible assets	6		607,324
Current assets			
Debtors			
Gift Aid recoverable		535	
Cash at bank and in hand		364,321	
		<u>364,856</u>	
Current liabilities			
Creditors: amounts falling due within one year			
Accruals		(7,905)	
		<u></u>	
Net current assets			356,951
Total net assets			<u>964,275</u>
The funds of the charity			
Unrestricted funds			962,815
Restricted funds			1,460
	7		<u>964,275</u>

The financial statements were approved by the Board of Trustees on 25 January 2018 and signed on their behalf by:

Charles Honnywill
Trustee

HONNYWILL FAMILY CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2017

		£	2017 £
	Note		
Cash flows from operating activities:			
Net cash provided by operating activities	A		972,286
Cash flows from investing activities:			
Purchase of tangible fixed assets		(607,965)	
			(607,965)
Change in cash and cash equivalents in the reporting period			364,321
Cash and cash equivalents at the beginning of the reporting period			-
Cash and cash equivalents at the end of the reporting period			364,321
Cash and cash equivalents relate to the charity's bank account balances.			
A. Reconciliation of net income to net cash flow from operating activities			
Net income as per the Statement of Financial Activities			964,275
Adjustment for:			
Depreciation charges		641	
(Increase) in debtors		(535)	
Increase in creditors		7,905	
			8,011
Net cash provided by operating activities			972,286

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

1 Status

Honnywill Family Charitable Trust is a charitable organisation governed by its Trust Deed dated 15 March 2015 and amended 6 January 2016. The address of the principal office is Underriver Farm, Underriver House Road, Underriver, Sevenoaks, Kent, TN15 0SJ.

2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Honnywill Family Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

The period covered is the fourteenth-month period since the charity's initial registration.

2.2 Income

Income from donations is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. This is usually on receipt.

Income from riding sessions is recognised in the period in which the session takes place.

Donated goods and services are valued by the trustees at their fair value and included in both income and expenditure. For the period this amounted to £8,396.

2.3 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably. All expenditure is accounted for on an accruals basis.

Expenditure has been classified under headings that aggregate all costs related to the category.

Support costs have been allocated to activities pro rata based on the direct costs incurred by those activities.

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

2.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Freehold land	Not depreciated
Equestrian buildings and structures	Over 15 to 25 years straight line
Ponies	Over the expected working life of each pony
Assets under construction	Not depreciated

The cost of freehold land comprises the original purchase price of the land for use in the charitable activities, plus the costs of preparing the land for its intended use.

Assets under construction relates to a residential property which is being substantially redeveloped. The intention is that the property will generate rental income, and once the development is complete the asset will be transferred to investment property and stated at fair value.

2.5 Financial Instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Short term debtors, prepayments, creditors and deferred income are measured at their settlement value.

2.6 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

3 Expenditure on charitable activities

	Rainbow Rides 2017 £	Conservation 2017 £	Total 2017 £
Direct costs	10,052	396	10,448
Depreciation	641	-	641
	<hr/> 10,693	<hr/> 396	<hr/> 11,089
Allocation of support costs (Note 4)	3,897	144	4,041
	<hr/> 14,590	<hr/> 540	<hr/> 15,130
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

4 Support costs

	2017 £
Site repairs and maintenance	2,065
Travelling	351
Bank charges	25
Governance costs:	
Independent examiner's fees	1,600
	<u>4,041</u>

5 Employees

The charity did not have any employees during the period.

6 Tangible fixed assets

	Freehold land £	Equestrian buildings £	Ponies £	Assets under construction £	Total £
Cost					
Additions	155,077	24,811	1,400	426,677	607,965
At 31 March 2017	<u>155,077</u>	<u>24,811</u>	<u>1,400</u>	<u>426,677</u>	<u>607,965</u>
Depreciation					
Charge for the year	-	629	12	-	641
At 31 March 2017	<u>-</u>	<u>629</u>	<u>12</u>	<u>-</u>	<u>641</u>
Net book value					
At 31 March 2017	<u>155,077</u>	<u>24,182</u>	<u>1,388</u>	<u>426,677</u>	<u>607,324</u>

7 Movement in funds

	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Unrestricted funds	968,987	(7,572)	1,400	962,815
Restricted funds:				
Pony costs	12,000	(9,940)	(1,400)	660
Saddle	800	-	-	800
Total restricted funds	<u>12,800</u>	<u>(9,940)</u>	<u>(1,400)</u>	<u>1,460</u>
Total funds	<u>981,787</u>	<u>(17,512)</u>	<u>-</u>	<u>964,275</u>

The transfers relate to the acquisition of a pony for use in the charity's activities.

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

8 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	607,324	-	607,324
Net current assets	355,491	1,460	356,951
Total net assets	962,815	1,460	964,275

9 Related party transactions

The key management personnel of the charity is considered to be the trustees.

Trustees did not receive any remuneration, benefits or reimbursed expenses during the period.

Donations from trustees and related parties to the charity in the period, including gifts in kind, were £774,976 in aggregate.

10 Capital commitments

At 31 March 2017, the charity was committed to further capital expenditure of £125,000 in respect of the development of its residential property.