

**The Mare and Foal Sanctuary
(A Company Limited by Guarantee)**

**Trustees' Report and Financial Statements
For the Year Ended 31 October 2017**

Charity Number: 1141831
Company Number: 07584914

The Mare and Foal Sanctuary

Report and Financial Statements

Year Ended 31 October 2017

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The Mare and Foal Sanctuary

Reference and Administrative Details

Year Ended 31 October 2017

The Mare and Foal Sanctuary is a registered charity and company limited by guarantee and does not have any share capital.

Trustees

The Trustees of the Charity who served during the year were:

Trustees:

Alison Bragg	(Resigned 26 June 2017)
Nigel Brown	Chair
David Charlesworth	(Resigned 27 March 2018)
James Fitzpatrick	(Appointed 13 June 2017)
Elizabeth Gaffer	(Appointed 29 June 2017)
Donna Hallett	
Robert Lovell	
Louise Sharpe	(Appointed 15 November 2016)
Heather Stone	(Resigned 3 July 2017)
Alison Wallace	

Principal and Registered Office:

Honeysuckle Farm
Hacombe with Combe
Newton Abbot
Devon
TQ12 4SA

Registered Charity No. 1141831

Registered Company No. 07584914

Bankers: NatWest Bank plc
48 Courtenay Street
Newton Abbot
TQ12 2EE

Auditors: PKF Francis Clark
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

Solicitors Boyce Hatton
Torquay
TQ1 1DE

WBW
Newton Abbot
TQ12 2QP

Investment manager: Rathbone Brothers Plc
Southernhay Gardens
Exeter
EX1 1UG

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

Legal status

The Mare and Foal Sanctuary is a registered charity (number 1141831) and a company limited by guarantee (number 7584914).

Policies adopted for the recruitment, induction and training of trustees.

The existing trustees have the power of appointing new trustees. All new trustees are provided with Charity Commission published guidance on the responsibilities of being a trustee and a trustee job description. They are introduced to the Charity and its aims by receiving a tour of the site, and meeting management, staff and current trustees.

Training in the work of trustees is also made evident before appointment.

Organisational structure

The charity is managed in four sections.

- (a) The welfare, rehabilitation, training and care of the horses and ponies.
- (b) Education of the public to reduce future welfare case and improve general equine knowledge.
- (c) Income generation and communications including direct fundraising and management of our charity shops.
- (d) Administration including HR, IT, accounts and maintenance of our estate.

Governance and management

The trustees meet at least bi-monthly and are in close contact with the management team. They receive regular updates regarding issues at the Sanctuary and are able to respond accordingly.

No major decisions or expenditure can be made without consultation and approval of the trustees.

Day to day management is delegated to the two Executive Directors, who report to the Board of Trustees bi-monthly at meetings, and at other times as required.

Nigel Brown is chair of trustees.

Syra Bowden (Executive Director) oversees and is responsible for: Equine care, Veterinary Treatment, Stable and Field Management, Health and Safety, HR, Charity Shops, Education and External Events.

Simon Avery (Managing Director) oversees and is responsible for: Fundraising, IT, Visitors, Facility and Event Management, Advertising, Building Maintenance and improvement, Finance and Press, Administration.

Both Executive Directors share training, vehicles and overall Charity Management across all sites and can cover the other's roles for sickness and holiday.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate our exposure to the major risks.

Trustees indemnity

In accordance with normal commercial practice the charity has purchased insurance to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance provides cover up to £1,000,000 on any one claim.

Strategic report

The sections below, up to and including plans for the future comprise the company's strategic report for the year.

OBJECTIVES AND ACTIVITIES

The charities aims are to rescue and provide care for and prevent cruelty and suffering among horses and ponies that are in need of attention by reason of sickness, maltreatment, ill-usage or other like causes and to provide temporary or permanent homes for such horses and ponies.

To advance the education of the public in matters relating to the welfare of horses and ponies and the prevention of cruelty and suffering among horses and ponies.

Our overall medium to long term objectives are:

- Continued high quality of equine care;
- To develop new ways of promoting public awareness of the charity's work, and understanding of the issues surrounding equine care;
- To ensure the charity is financially viable in the long term, to continue to meet the demand for its work.
- Increase capacity in order to accommodate more horses/ponies.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

Department specific aims and objectives for the last year:

Equine – to rescue, rehabilitate, retrain and rehome horses and ponies in the United Kingdom

We will continue attending all local horse markets and drift sales to monitor and act as necessary to ensure good horse welfare standards are maintained.

We will continue to provide international support for all equine owners via a range of communication channels.

All our stable staff will take part in work experience with our veterinary practice.

Specific Objectives

Rehome 45 horses in new homes

Ensure all staff are informed to act as first contact points for any rehoming enquiries

Introduce a new Loan Home Check procedure to help reduce costs and give more time to other projects

Carry out a full review of each current yards facilities

Education – to foster a sense of caring for equines and encourage positive and knowledgeable action. To influence horsemanship skills and welfare understanding to local, national and international audiences

We will work towards being recognised as a centre of Equine learning for welfare organisations and academic institutions

We will develop our education department to improve the visitor experience on site and when delivering outreach education through talks and courses

We will monitor, research and support all aspects of equine welfare on Dartmoor and Bodmin Moor.

Specific Objectives

Utilise our resources at Coombe Park and staff knowledge to improve and reinforce links with higher and further education establishments

Produce subject specific Mare and Foal Sanctuary literature for use across the Sanctuary and at events it holds or attends.

Research the benefits of funding large scale research into breeding management on Dartmoor and Bodmin Moor.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

Public Benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our motto 'Kindness, Care and Knowledge' embraces humans and equines together. We aim to rescue and rehabilitate horses and ponies. We are able to teach people how to look after horses and ponies, and to respect animals in general.

We aim to educate the general public, as well as those involved directly with equines, advising owners and carers, but also educating those who may contribute towards the suffering.

Our Coombe Park site provides the public face of the Sanctuary and is open to visitors year-round. We do not charge admission, seeing this as our main opportunity to educate the public about equine welfare, as well as act as our main rehoming centre. We run various events through the year to spread our message at every level and we also hire out the arena as an income stream and use it to maintain links with the equine community.

We often work alongside other organisations, such as the RSPCA, Horseworld and World Horse Welfare who often contact us in equine cases. We are an approved rescue centre. We also work with the police and emergency services.

We continue to increase our links with external parties, including involvement again this year with both Bicton and Duchy Colleges.

We have had school and college groups visit our Coombe Park site and are developing a programme of schools visits.

Our membership of the National Equine Welfare Council allows us to have input into welfare issues in the whole of the UK, and increases our links with other related charities and groups.

ACHIEVEMENTS AND PERFORMANCE

The UK continues to face a huge equine crisis, with England and Wales being the worst hit areas, horses and ponies are in need of our help now more than ever before. The present economic climate has resulted in many equines being abandoned with inadequate food and water. Indiscriminate breeding is exacerbating the problem with breeding in order to "cherry-pick" the best foals of poor quality stock. 32 new horses were rescued by the Sanctuary over the past year and high quality care and treatment has been given to all our existing horses.

Rescue – we rescued 32 equines in 2017 including a large number of Bodmin Ponies which has helped us alleviate the overstocking problem on the moors. We rehomed 43 equines in the same year. 37 Equines were returned to our care which reflects national difficulties in finding long term homes.

Beech Trees Welfare Centre – is delivering its objectives well. This allows us, with the use of isolation fields, to take in larger groups of welfare cases. The Operating Theatre has been used 28 times, providing high quality care without the need to transport ill equines.

Inclusive education – an inclusive attitude to education has provided a much needed benefit to the community and we have continued working with special needs students.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

Out-reach visits - our attendance at external events has generated higher numbers of visitors to our Visitor Centre with an awareness of the work we do and why there is a need for charities such as ourselves. As well as delivering education through shows and events, we also visit schools and work with other welfare groups to spread our message. Our in-house vet also delivers educational events at our Visitor Centre.

Fundraising income – out performed expectations both from donations from the public and from legacies. Direct debit donations have grown well, giving greater certainty over future income. Growth in supporter numbers has been encouraging.

Volunteers - our loyal volunteers are an essential asset to the charity. Stables volunteers perform important roles such as mucking out and grooming. Shops volunteers perform a range of activities including serving customers and processing donated goods. Visitor centre volunteers work in all areas to improve the visitor experience. The sanctuary would not be able to operate without the valuable work undertaken by our volunteers.

FINANCIAL REVIEW

The charity is heavily reliant upon donations from its supporters. Donation and gifts of £2,356,917 (2016 £2,198,126) were received in the year, this pays for the day to day shelter and food for the equines in our care and other charitable expenditure. We also received £1,430,682 (2016 £1,561,459) of legacies during the year which makes a huge difference. Over recent years it has been this legacy and regular donation income that has allowed the charity to increase its capacity and diversify its use of the sites it owns. We are extremely grateful to all of our loyal supporters who share our values and goals. Total expenditure of £3,457,449 (2016 £3,597,749) was incurred during the year, we regularly review our expenditure to ensure we get the best value possible. The surplus for the year was £1,142,048 (2016 £947,792) and this has been utilised to increase our free reserves to ensure of future financial resilience.

PRINCIPAL RISKS AND UNCERTAINTIES

Specific Key risks:

Reliance upon loan homes

The Sanctuary is reliant upon the carers who look after many of the Sanctuary's equines on a 'loan home' basis. As mentioned above, some carers are facing financial pressures which increase the possibility of equines being returned to the Sanctuary. Our new schemes are helping with this and we continue to encourage use of these schemes where appropriate.

Reliance upon donation income

The charity relies greatly on its donation and legacy income, and trustees are aware of the financial pressures that people are facing.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

The charity market is highly competitive, donor confidence in charities has dropped significantly in the past 18 months and we face uncertainty through fundraising regulatory changes. In light of this our fundraising team are developing a range of alternatives to diversify our income streams including extension of digital opportunities, increasing trust applications, development of corporate sponsorship and consideration of community fundraising.

The management team have undertaken a scenario planning exercise which has enabled them to identify actions which could be undertaken in the event of a dramatic fall in income.

Loss of IT and communications

A contingency plan has been completed by each department head which has involved reviewing risks and putting in place mitigating arrangements. The primary concern arising from this review was the affect that a loss of IT and communications would have on their work. Accordingly the IT Manager has drawn up a remedial strategy including backing up content to a cloud server, copying data between sites and having the phone system hosted by an internet provider so that calls can easily be re-directed or the network re-configured.

Employment and Health and Safety issues

There are a number of potential risks related to employing the number of people we do relating to communication and health and safety.

We aim to address these by holding regular safety committee meetings and by continuing to improve communications within the Sanctuary. All staff are given a safety induction and undertake both generic and subject specific safety training. We communicate relevant information in a number of ways including via staff newsletters and regularly review policies and systems across all departments.

Equine illness on yards

There is a risk of any illness brought onto the yard quickly spreading among the horses. To help avoid this, our isolation policy has been dramatically tightened recently to help prevent the need for complete closure. In 2015, 2016 and 2017 we experienced outbreaks of strangles across our Farms. On each occasion we have learned from the experience and have put in place a robust system of procedures and controls. The primary development has been the opening of Beech Trees Welfare Centre which provides a bespoke isolation yard.

RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately six months budgeted expenditure, this being around £2,000,000. In arriving at the "free reserves" amount the Trustees take the view that the charity development designated fund and the designated property fund are not free reserves. These funds are linked to the charities fixed assets at the start of the year and capital programme for the year and the realisation of these funds would require the disposal of property, land and other assets which could be a timely process.

The trustees believe that this will provide sufficient free reserves to cover unforeseen circumstances that may arise and the charity has retained in excess of this figure at 31 October 2017.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

The designated property fund ended the year with a balance of £6,293,165. This reserve is to reflect the funds tied up in the capital investment in farms and associated equipment. Full details and a final figure will be included in our financial statements.

The charity development designated fund has been increased to £96,500. This reserve reflects the capital expenditure planned for 2017/18.

The Fixed Asset Investment designated fund has been increased to £2,137,022 in the year. This is to ensure there are funds held to protect the Sanctuary's long term future and to obtain a reasonable return over the medium to long term.

The general fund balance of £1,980,133 is considered to be free reserves. These are available at short notice to meet the needs of the charity. The trustees are satisfied that free reserves are at an appropriate level.

INVESTMENT POLICY

The Trustees have the power to administer and manage the assets of the charity. They have delegated the preparation of advice on the invested parts of these assets to an investment subcommittee comprising of two Trustees, the Finance Manager and an Executive Director.

The Charity has always been, and remains, heavily reliant on legacies to fund its work and receipts continue to remain healthy.

The Sanctuary appointed Rathbones to act on their behalf to professionally manage allocated funds on a discretionary basis and have entered into a formal written agreement with them. The sum invested with Rathbones has increased and now stands at over £2 million. This amount will be reviewed annually once draft financial statements are available.

The stated investment objective is to preserve and grow the invested sum through a balanced and diversified investment portfolio for capital growth whilst adopting a low risk approach. For the time being the amount invested in this portfolio as a percentage of total available funds should not be limited, but will be kept under review.

The Charity has highlighted to its fund manager that investment decisions must be made with an awareness of the Charity's sensitivity to animal testing and animal related issues which may cause pain or suffering.

The fund manager should meet at least yearly with the charity's Board of Trustees, when the amount invested and the stated investment objective will be reviewed.

Any funds held by the charity and not managed by Rathbones will be held as cash and where possible continue to be invested in bank accounts or bonds to maximise returns and also to be readily available for general investment purposes or to fund future projects. The time for which money is invested will depend on when it is needed for the Charity's objectives.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

PLANS AND FUTURE DEVELOPMENTS

We will continue achieving our charitable objectives.

We will continue to look after, rehabilitate and rehome our existing horses to give them every chance to live happy and useful lives.

We will also continue working with other charities and organisations to address the core reasons why horse charities are needed in the UK. We see this happening through education, awareness and continued work at all levels to overcome ignorance, negligence and abuse.

To increase our benefit to horses, ponies and people we need to adapt to changing public perceptions about charities and prove that we are able to deliver what our supporters ask us to, efficiently and to a high standard.

- We will fit out Beech Trees Welfare Centre to allow a wider variety of equine operations and procedures to be carried out in house.
- We will broaden our education services by using the powerful connection with horses to inspire children and young people to develop transferable life skills.
- We will review our staffing structure to ensure the fantastic people who work for us are properly supported and rewarded for their hard work.
- We will provide the support and recognition to make our volunteers feel valued. We will increase our volunteering hours and numbers to meet demand.
- We will work on major equine welfare projects, often with other charities and organisations to save lives where possible and try and prevent the same tragedies occurring again and again.
- We will consolidate our retail portfolio with the view to develop and invest in the remaining locations.
- We will diversify our income to ensure the future sustainability of the charity.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations, and in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and application of resources of the charity 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/ FRS102;
- Make judgments 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 charity will continue in operation.

The Mare and Foal Sanctuary

Trustees' Report

Year Ended 31 October 2017

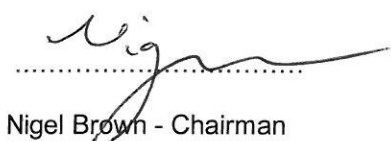
The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustees on ^{24th} APRIL 2018 and signed on their behalf, by:


Nigel Brown - Chairman

The Mare and Foal Sanctuary

Independent Auditor's Report to the Members of The Mare and Foal Sanctuary

Year Ended 31 October 2017

Opinion

We have audited the financial statements of The Mare and Foal Sanctuary (the 'Charity') for the year ended 31 October 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of 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 affairs of the Charity as at 31 October 2017 and of the Charity's results 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.

Basis for opinion

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 Charity 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.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

The Mare and Foal Sanctuary

Independent Auditor's Report to the Members of The Mare and Foal Sanctuary

Year Ended 31 October 2017

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept by the Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 9, the Trustees 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 Charity'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 Charity 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 Mare and Foal Sanctuary

Independent Auditor's Report to the Members of The Mare and Foal Sanctuary

Year Ended 31 October 2017

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



Sharon Austen FCCA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ2 7FF

Date: 31 May 2018

The Mare and Foal Sanctuary

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ended 31 October 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
Income			
Donations and legacies	3	3,787,599	3,759,585
Charitable activities	4	28,026	20,000
Other trading activities	5	623,919	587,021
Investment income	6	43,210	36,943
Total Income		4,482,754	4,403,549
Expenditure			
Raising funds	7	1,612,471	1,582,242
Charitable activities	8	1,844,978	2,015,507
Total Expenditure		3,457,449	3,597,749
Net gains on investments		116,743	141,992
Net income		1,142,048	947,792
Net movement in funds		1,142,048	947,792
Reconciliation of Funds			
Total funds at 1 November 2016		9,364,772	8,416,980
Total funds at 31 October 2017		10,506,820	9,364,772

Included above is £20,000 of restricted income and expenditure. The remaining funds are unrestricted.

The Mare and Foal Sanctuary

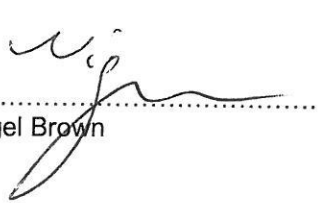
Balance Sheet

31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible fixed assets	11	6,293,165	6,452,443
Investments	12	2,157,122	1,374,044
		<u>8,450,287</u>	<u>7,826,487</u>
Current assets			
Stock	13	15,369	15,369
Debtors	14	788,488	838,833
Cash at bank and in hand	15	1,387,371	858,342
		<u>2,191,228</u>	<u>1,712,544</u>
Liabilities			
Creditors - Amounts falling due within one year	16	(134,695)	(174,259)
Net current assets		<u>2,056,533</u>	<u>1,538,285</u>
Net assets		<u>10,506,820</u>	<u>9,364,772</u>
Funded by:			
Designated funds	17	8,526,687	7,931,387
General funds	17	1,980,133	1,433,385
Total funds	17	<u>10,506,820</u>	<u>9,364,772</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006, relating to small companies.

Approved by the Board of Trustees on ^{24th} APRIL 2018 and signed on its behalf by


Nigel Brown

Company Registration Number: 07584914

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

1 Accounting Policies *(continued)*

m) Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amount payable by the company to the pension fund in respect of the year.

2 Charitable Status

The charity is a company limited by guarantee and is registered with the Charity Commissioners for England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The charitable company was incorporated in England and Wales.

3 Income from donations and legacies

	2017 £	2016 £
Donations and gifts	2,356,917	2,198,126
Legacies	1,430,682	1,561,459
Total	3,787,599	3,759,585

4 Income from charitable activities

	2017 £	2016 £
Adoptions	10,741	4,377
Shows and rides	17,285	15,623
Total	28,026	20,000

5 Income from other trading activities

	2017 £	2016 £
Shop takings	553,143	528,661
Coombe Park facility hire	33,399	26,643
Cafe and Gift Shop	37,377	31,717
Total	623,919	587,021

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

6 Investment Income	2017	2016
	£	£
Rent	10,161	10,008
Investment income	28,563	25,821
Interest receivable	4,486	1,114
Total	43,210	36,943
7 Analysis of expenditure on raising funds	2017	2016
	£	£
Advertising	10,731	17,537
Other costs	15,157	42,948
Printing and postage	696,362	609,361
Database management	14,827	36,286
Banking charges	22,105	23,135
Investment management fees	12,251	10,143
Wages and salaries	197,030	208,118
Charity shops – overheads and cost of goods sold	504,420	512,467
Café and gift shop – overheads and cost of goods sold	15,905	13,905
Support costs	123,683	108,342
Total	1,612,471	1,582,242
8 Analysis of expenditure on charitable activities	2017	2016
	£	£
Animal feed and general welfare	110,078	123,441
Veterinary and Blacksmiths fees	212,739	241,393
Passports	666	356
Rent	3,750	1,850
Other property costs	56,779	45,652
Repairs, maintenance and cleaning	66,430	75,383
Motor and travel (including staff fares)	1,555	2,796
Subsistence and refreshments	-	1,127
Telephone	1,403	815
Sundry expenses	4,379	3,479
Professional fees	-	1,145
Wages and salaries	600,508	631,430
National Insurance	39,220	45,680
Pension costs	3,215	3,753
Trustees indemnity insurance	1,221	1,643
Support costs	743,035	853,564
Total	1,844,978	2,015,507

All expenditure on charitable activities is incurred for the provision of sanctuary and welfare.

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

9 Analysis of support costs

	Raising Funds	Charitable Activities	Total 2017	Total 2016
	£	£	£	£
Motor, travel and subsistence	1,159	16,911	18,070	21,702
Bank and credit card charges	-	9,545	9,545	15,816
Establishment costs	21,317	15,707	37,024	16,240
Postage, printing, stationery and office	6,138	8,527	14,665	31,907
Telephone and communication	2,236	6,333	8,569	14,675
Sundry expenses	2,106	16,811	18,917	39,076
Light and heat	4,620	28,800	33,420	14,651
Repairs and renewals	4,694	53,765	58,459	41,450
Profit on disposal of fixed assets	709	(66,927)	(66,218)	(3,577)
Professional fees	4,846	8,445	13,291	12,684
Wages and salaries	47,402	426,142	473,544	516,013
National Insurance	3,079	27,683	30,762	12,811
Pension cost	740	7,015	7,755	7,501
Depreciation	24,637	174,779	199,416	195,457
Auditor's remuneration	-	8,000	8,000	7,364
Other accountancy fees	-	1,499	1,499	136
Total	123,683	743,035	866,718	943,906

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2017	2016
	£	£
Wages and salaries	1,519,007	1,612,119
Social security costs	100,020	99,766
Other costs	8,408	8,482
Total	1,627,435	1,720,367

The average number of employees (headcount) during the year was:

	2017	2016
	Number	Number
Charity shops	27	29
Provision of sanctuary and welfare	65	74
Fundraising	13	14
Total	105	117

The number of FTE equivalent employees during the year was:

	2017	2016
	Number	Number
Charity shops	19	19
Provision of sanctuary and welfare	59	64
Fundraising	9	11
Total	87	94

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (*continued*)

No employees earned emoluments, excluding pension contributions, but including benefits in kind, equal to or greater than £60,000 per annum (2016: £60,000)

The key management personnel comprises the two directors and trustees. Four trustees received expenses as detailed in note 19, the aggregate employee benefits payable to the directors for the year was £92,652 (2016: £88,120).

11 Tangible Fixed Assets

	Freehold Property £	Motor Vehicles £	Furniture, Fittings & Equipment £	Database & Software £	Total £
Cost					
At 1 November 2016	7,095,036	73,883	262,834	52,470	7,484,223
Additions	29,245	4,899	22,157	-	56,301
Disposals	(14,154)	(20,545)	(1,774)	-	(36,473)
At 31 October 2017	7,110,127	58,237	283,217	52,470	7,504,051
Depreciation					
At 1 November 2016	766,859	54,128	168,817	41,976	1,031,780
Charge for the period	144,331	8,648	35,943	10,494	199,416
On disposals	-	(19,245)	(1,065)	-	(20,310)
At 31 October 2017	911,190	43,531	203,695	52,470	1,210,886
Net Book Value					
At 31 October 2017	6,198,937	14,706	79,521	-	6,293,165
At 31 October 2016	6,328,177	19,755	94,016	10,494	6,452,443

The net book value of assets held under finance leases and hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Furniture, fittings and equipment	869	1,303

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

12 Fixed Asset Investments

	Listed Securities £	Unlisted Securities £	Shares in group undertakings £	Total £
Market value				
At 1 November 2016	1,274,795	99,149	100	1,374,044
Additions at cost	-	678,586	-	678,586
Transfers – additions to shares	844,916	(844,916)	-	-
Transfers – sale of shares	(212,304)	212,304	-	-
Revaluations	116,743	-	-	116,743
Charges	-	(12,251)	-	(12,251)
At 31 October 2017	2,024,150	132,872	100	2,157,122

Unlisted securities comprise cash held as part of the investment portfolio.

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding	Registered office
The Mare and Foal Sanctuary Trading Limited	100%	Honeysuckle Farm Buckland Road Newton Abbot TQ12 4SA

The aggregate of the ordinary share capital and reserves as at 31 October 2017 and of the profit and loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital & reserves £	Profit/(Loss) £
The Mare and Foal Sanctuary Trading Limited	100	-

The Mare and Foal Sanctuary Trading Limited is a dormant company.

All fixed asset investments are managed within the UK.

13 Stock

	2017 £	2016 £
Animal supplies and goods for resale	15,369	15,369

The costs of stocks recognised as an expense in the year amounted to £20,740 (2016: £22,621).

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

14 Debtors: Due within one year

	2017 £	2016 £
Trade debtors	866	179
Other debtors	25	3,379
Prepayments and accrued income	80,497	90,146
Legacies receivable	707,100	745,129
	<u>788,488</u>	<u>838,833</u>

15 Cash at Bank and in Hand

	2017 £	2016 £
Cash at bank and in hand	<u>1,387,371</u>	<u>858,342</u>

16 Creditors: Due within one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	724	1,086
Trade creditors	117,809	81,692
Other taxes and social security	2,860	28,553
Accruals and deferred income	13,302	62,928
	<u>134,695</u>	<u>174,259</u>

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

17 Funds

	Brought Forward £	Income £	Expenditure £	Transfers in / (out) £	Gains/ (losses) £	Carried forward £
Designated funds						
Property and fixed asset designated fund	6,542,443	-	-	(249,278)	-	6,293,165
Charity development designated fund	35,000	-	-	61,500	-	96,500
Fixed asset investment designated fund	1,353,944	-	-	783,078	-	2,137,022
	<u>7,931,387</u>	<u>-</u>	<u>-</u>	<u>595,300</u>	<u>-</u>	<u>8,526,687</u>
General funds						
General free reserves	1,433,385	4,482,754	(3,457,449)	(595,300)	116,743	1,980,133
Total unrestricted funds	<u>9,364,772</u>	<u>4,482,754</u>	<u>(3,457,449)</u>	<u>-</u>	<u>116,743</u>	<u>10,506,820</u>
Total funds	<u>9,364,772</u>	<u>4,482,754</u>	<u>(3,457,449)</u>	<u>-</u>	<u>116,743</u>	<u>10,506,820</u>

Property and fixed asset designated fund

- The Trustees have separately identified funds tied up in property and other tangible fixed assets, as these funds, by their nature, are not freely available for the day to day use of the charity. The transfer into this fund represents the movement in fixed assets during the year.

Charity development designated fund

- The £35,000 brought forward was spent during the year on the 2016/17 capital project. £96,500 has been transferred into this fund representing the capital spend for 2017/18.

Fixed asset investment designated fund

- In addition to this, the Trustees have also separately identified funds that have been intended to be retained in fixed asset investments. The balance carried forward represents the value of listed and unlisted securities carried forward which is managed by Rathbones Investment Managers. These reserves will not be freely available for the day to day use of the charity.

Remaining funds (i.e. those not designated or invested in fixed assets).

- Represent the free reserves of the charity.

The Mare and Foal Sanctuary

Notes and Accounting Policies

Year Ended 31 October 2017

18 Operating Lease Commitments	2017 £	2016 £
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At 31 October 2017, the Charity had total future minimum lease payments as follows:

In less than 1 year	101,675	96,183
Within 2-5 years	127,473	171,667
Over 5 years	50,000	68,947
	<u>279,148</u>	<u>336,797</u>

During the year lease payments totalling £96,183 (2016: £160,824) were recognised as an expense.

19 Related Party Transactions

During the year the charity paid expenses totalling £371 (2016: £Nil) to four trustees in relation to travel expenses.

20 Pension

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in and independently administered fund. The contributions paid by the charity to the fund during the year totalled £8,408 (2016: £8,482).

21 Contingent Asset

The charity has a contingent asset at 31 October 2017 of £Nil (2016: £103,000) in respect of a legacy.

