

**Bransby Horses**  
**Audited Financial Statements**  
**Year ending 31 December 2017**  
**Charity number 1075601**

Nicholsons  
Statutory Auditors  
Newland House  
The Point  
Weaver Road  
LINCOLN  
Lincolnshire  
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**Bransby Horses**  
**(Registered Number 03711676)**

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**for the Year Ended 31 December 2017**

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**Report of the trustees**  
**for the year ending 31 December 2017**

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

**Constitution**

The Charity was founded in 1968 and was registered as a charity soon after. The Registered Charity Number is 1075601. Bransby Horses (then known as Bransby Home of Rest for Horses) was Registered in England and Wales as a Company Limited by Guarantee on 11 February 1999 and is governed by its Memorandum and Articles of Association. The Articles of Association were amended in November 2012. The Charity name was amended to Bransby Horses at the same time.

**Structure, Governance and Management**

The charity's principal and registered office is Bransby House, Bransby, Lincoln, Lincolnshire, United Kingdom, LN1 2PH.

The trustees of the charitable company are its Directors and Members and throughout this report are collectively referred to as the "trustees".

The trustees serving during the year ending 31 December 2017 and to date are as follows:

Mr D Crowe (Resigned 11 March 2017)  
Miss E A Dawson (Vice Chairman) (Resigned 4 October 2017; appointed 13 November 2017)  
Mrs S J Dolan  
Mrs H C Elston  
Mrs C N Fisher (Chairman)  
Mr C Hoskins (Resigned 11 March 2017)  
Miss K McFee (Appointed 12 February 2018)  
Mr M S Mitchell (Treasurer)  
Mr R Charles Pope (Appointed 15 March 2018)  
Ms C F Sowden (Resigned 4 October 2017)  
Miss J Ticehurst (Appointed 12 February 2018)

The Board of trustees meet quarterly as a minimum and more frequently when necessary.

The Articles of Association provide the trustees with power to appoint trustees with such specialist skills, knowledge or expertise as they think fit. The Board aims to appoint dedicated trustees and ensure they have a diverse set of skills with which to serve the charity. The recruitment, induction and training of trustees are governed by Policies approved by the Board.

The Board advertises for trustees on the charity website and other relevant platforms and ensures trustee candidates satisfy the legal compliance standards and requirements prior to appointment. Once appointed trustees receive an induction pack and ongoing training. Trustees are provided with a tour of the site to introduce them to Executive Directors, managers, staff and volunteers.

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**Structure, Governance and Management (continued)**

The Articles of Association grant the trustees power to delegate authority to subcommittees to such extent and on such terms and conditions as they think fit. The trustees have delegated powers to the Finance and Audit Subcommittee and Equine Health & Welfare Subcommittee under Terms of Reference which set out its scope and responsibilities under a trustee (chairman) together with the Chief Executive, appropriate managers and staff; they meet quarterly and report to the trustees at quarterly Board meetings. The remuneration level for key personnel is calculated based on benchmarking the roles within the industry and by assessing key criteria based on expertise, experience and areas of responsibility.

The Board of trustees approves policies which are reviewed annually to ensure they reflect best practice and current legislation and are communicated throughout the charity. Policies, procedures and processes are monitored and reported on regularly to the Finance and Audit Subcommittee and Board.

Policies include:

Governance incorporating Conflicts of Interest and Risk Management  
Finance incorporating Investments and Reserves; Complaint handling  
Human Resources incorporating Health and Safety; Employment and Volunteer Management  
Marketing incorporating Fundraising and Communications  
Equine Health and Welfare and Estates Management.

The Articles of Association provide for the delegation of the trustees powers, functions, and implementation of decisions on day to day management of the affairs of the charity to any person they think fit. The daily management of the charity is delegated to and undertaken by the Chief Executive, Joanne Snell, who provides reports to the Board to facilitate informed discussion and decision making in the best interests of the charity and is accountable to the Board for the delivery of the charity's strategic plan. Joanne is accountable for the management of all staff and volunteers and has full delegated financial authority.

**Our Purposes and Activities**

The Objects of the charity are:

- To prevent and relieve cruelty to horses, (which expression shall herein include ponies, mules and donkeys), to protect them from unnecessary suffering and for that purpose to promote knowledge of their proper care and treatment among the public;
- To ameliorate the pain and suffering of horses which are for any reason unfit for work or in need of care by the provision, maintenance and management of a home of rest or homes of rest, stabling and grazing, or by the provision of suitable work under the supervision of the charity or by arranging for their painless destruction or by any combination of such means aforesaid; and
- To make grants or such other assistance as is suitable in the circumstances for the prevention of suffering to horses.

In preparing the charity's strategic plan, the trustees identified the core values as:

- Inspirational
- Caring
- Progressive
- Knowledgeable

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**Our Purposes and Activities (continued)**

The core business of the charity is the welfare of horses. Its primary role is to rescue those in need of help; some of which have been subject to serious and prolonged periods of neglect. The charity works closely with other welfare organisations and local authorities to ensure that it helps the cases most in need. The primary aim of the charity is to improve the standards of care and quality of life for horses that have suffered. As a rescue centre, the charity is committed to taking into care those horses whose welfare needs have been severely compromised, it provides the expertise, treatments and rehabilitation required to improve the future of each horse that is brought into the charity's care. In extreme cases, the charity provides immediate pain relief to eliminate prolonged suffering and is then committed to providing a safe haven for life-long supportive care.

The charity's Animal Reception Centre (ARC) is Bransby Horses' purpose built isolation facility in Lincolnshire. All horses that arrive at the charity pass through this facility for a minimum period of six weeks, while initial assessments of their medical condition and wellbeing are undertaken. The charity provides immediate care from a team of highly trained welfare staff, vets, dentists and farriers. At times the ARC facility is full to capacity; the time that the horses stay here varies on a case by case basis, dependent upon the care they need and their legal status. Some horses are held in this facility on behalf of other organisations, pending prosecution. The charity works closely with other horse charities and other organisations throughout the UK; including RSPCA, Trading Standards, Local Authorities and the Police to ensure a better quality of life for all horses, ponies, donkeys and mules.

Whilst in sanctuary care the charity undertakes a significant amount of work rehabilitating these horses. This includes a significant amount of one to one care whilst in the ARC; and the behavioural rehabilitation continues once the horse has moved onto one of the farms. The more nervous horses that require routine and consistent longer-term handling for their behavioural rehabilitation move on to the charity's specialist handling yard.

Wherever possible the charity will try to rehome its horses, so that they can benefit from new lives in a home with foster carers. The charity's Friend for Life rehoming scheme offers an opportunity for horses that have been rescued to have a loving home that provides one to one care. The work the charity does in preparing horses to be rehomed and supporting fosterers helps to ensure that the charity has sufficient sanctuary care space available to continue to provide a safe haven for other horses in need of care and rehabilitation. Some horses are not suitable for rehoming, this may be because they have a range of complex or serious medical conditions such as arthritis, equine metabolic syndrome or because they have behavioural issues that due to their age or history can never be fully resolved. Regardless of the reason, the charity is committed to always giving these horses a happy, fulfilling home in sanctuary care for the rest of their life.

The charity's specialist welfare officers provide help and support to horse owners who need it, including the hundreds of foster carers who look after the charity's horses in private homes. The welfare team also identify the action needed following calls from concerned members of the public of horse owners looking for knowledgeable advice.

The charity is committed to being a learning organisation that promotes knowledge of the proper care of horses by providing support and learning opportunities. It does this in the hope that the more knowledge it can pass on, the more this will impact directly on the number of cases of cruelty and neglect that are experienced first-hand. The charity is committed to continually learning, upskilling and increasing its expertise in equine welfare.

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**Our Purposes and Activities (continued)**

The charity provides learning opportunities to communicate with children in key stage one and two with interactive visits and follow up activities. The focus on education enables schools and clubs to participate easily and effectively so promoting the charity and its work seamlessly. The charity's facilities and accessibility are adapted to cater for those with limited mobility to ensure inclusivity. Higher education initiatives are offered to provide undergraduates, postgraduate and vet students with further opportunities whilst contributing to the charity's welfare work.

The principal activity of Bransby Horses Trading Limited, a 100% owned subsidiary, is general trading in goods of various kinds including branded items of stationery, cards and giftware. These goods are sold in the mail order gift catalogue, which is mailed out to approximately 97,000 supporters on the charity's supporter database. The trade of this subsidiary also includes the gift shop and the café at the visitor centre, for which it pays rent to the charity; which was visited by 25,239 visitors in 2017. Both the mailing and the visitor centre have an important role in promoting the charity's work to this large audience of supporters and visitors. Previously this trading subsidiary has also rented land from the charity to farm as arable, however due to the ever-increasing need for land to sustain our rescue and safe haven work, this land has been taken in to grazing use and arable farming is no longer undertaken.

**Strategic report**

**- Achievements and Performance**

In recent years Bransby Horses has achieved a great deal to improve its policies and further develop the way in which it approaches its core business of, the welfare of horses. Successes in site development, the introduction of more equipment and human resources, external welfare work within the community, rehabilitation of the horses and training them for a successful future in their own caring homes, have been rewarding and this is reflected in the number of horses the charity has been able to rescue, rehabilitate and rehome.

In 2017, the charity: -

Rescued 129 equines from situations of abandonment, cruelty or neglect  
Rehomed 189 equines to loving and knowledgeable foster homes

The external welfare team has taken part in conducting and developing British Horse Society Link days and clinics microchipping, passporting and castrating equines alongside similar organisations to assist the community in caring for their equines and providing education on their care. Through this platform, 795 equines have been seen between all charities involved. Alongside this, the team have contributed to multi-organisational rescues and treatments of feral equines as part of a National Equine Welfare Council initiative.

The creation of an Education and Campaigns Officer role has enabled the charity to focus on specific areas of concern and ensure concise and accurate awareness and advice is communicated to the widest possible audience.

Since its opening in 2013, the Visitor and Education Centre at the charity's Lincoln site has welcomed more than 150,000 visitors. The centre offers educational, interactive days for families, children and students on a regular basis, providing a wealth of opportunities to its supporters. In 2017 the Charity was awarded the 'Hidden Gem' award by Trip Advisor for its excellent facilities and service.

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**- Achievements and Performance (continued)**

In 2016, the trustees approved a revised five-year strategy that outlines the overarching aim to improve the standards of care and quality of life for horses that have suffered, which remains at the heart of everything we do at Bransby Horses. The strategic plan outlines the vision for the charity over the next five years and it details how we aim to impact on the lives of many more horses during that period, how we will address the challenges we expect to face, from our IT systems and fundraising practices to the development of our physical resources that will provide for the number of horses we need to support.

The charity's three key welfare commitments are detailed in the Strategic Plan, these are: -

**- Commitment to Rescue**

- In order to further improve the service Bransby Horses offers to rescuing equines in need, the charity trained even more trailer and lorry drivers and the provision of horse transport was reviewed.
- A thorough review of the Animal Reception Centre's facilities and capability was undertaken and procedural alterations were made to ensure maximum efficiencies.
- The Intensive Care Unit was built and came in to in service during 2017 and has proved to be a vital addition to the charity's on site facilities providing not only a safe and controlled area to care for equines under intensive vet supervision, but also as a clinic for other equine procedures.
- In 2017 a new 24/7 external welfare emergency line was introduced to further develop the 24-hour response system the charity has in place for responding to equine emergencies within the community.
- 2017 also saw the recruitment of an experienced welfare officer to build relationships within the equine community and to respond to equine emergencies and calls of concern from the public. This introduction has proved a huge asset with 926 equines being seen during 2017. This role has also built relationships between the charity and community groups and improved the way the charity is viewed as a helpful resource to be readily utilised. Due to the success of this community support, the number of intakes reduced from 141 in 2016 to 129 in 2017.

**- Commitment to a safe Haven**

- An audit of the charity's rehoming operations was undertaken and as a result the role of the rehoming manager was revised to focused upon a more customer service facing role to ensure the charity's fosterers and rehomed equines received the most beneficial service. Various procedures and documentation were revised to ensure fully fit for purpose.
- A review of the welfare and rehoming staffing structures were completed and a recruitment drive followed to ensure an experienced and strong staff force with adequate numbers.
- In 2017 a system was created for identifying equines which are classed as either suitable for the sanctuary care scheme, or for rehoming. This is completed within the Animal Reception Centre and ensures that each equine is released to the correct yard on the main farm for its needs once its initial isolation period is complete.

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**- Achievements and Performance (continued)**

- A thorough review of the Rehoming Centre's facilities and capability was undertaken and procedural alterations were made to ensure maximum efficiencies.
- In 2017, the Charity's vet services were reviewed taking in to consideration the needs of their equines and as such a vet intern was recruited. The recruit offers specialist experience and knowledge with a specific focus on parasitology and is undertaking further academic training whilst proving invaluable on a daily basis to the vet provision at the charity.

**- Commitment to Support and Learning Opportunities**

- The charity's Efficacy Through Equines education scheme created to offer young adults the opportunity to improve engagement with their studies and their future prospects through empathetic work with horses, continues to be highly successful with two full programmes delivered across eight sessions delivered throughout 2017.
- Throughout 2017, four undergraduate research projects have taken place to benefit both the charity and the wider equine health community: -
  - Causes of mortality at Bransby Horses
  - Psychological Effects of Euthanasia on Bransby Horses staff
  - Efficacy of the Anthelmintic regime at the Animal Reception Centre
  - Prevalence of Pinworm (Oxyuris Equi) Infestations
- In 2017 an Abstract was submitted for the BEVA Congress based on Ellie Cartledge's research with regard to Bransby Horses mortality data. Co-authored with Dr Carol Hall at NTU and in association with the Charity's Consultant Vet Jeremy Kemp-Symonds.
- A calendar of monthly training and information seminars was introduced for Bransby Horses staff and its supporters throughout 2017 with external talks featuring a plethora of professional guest speakers and internal training which received consistent praise for delivery and content. These sessions addressed issues from Strangles to new developments in equine diseases and treatments for sarcoid and skin tumours.
- Bransby Horses become part of a local vet school's final year clinical rotation with two students on site per fortnight for 46 weeks of the year.

This crucial work is supported by two further commitments: -

**- Commitment to Developing our People**

- The annual performance reviews were reviewed and a 360 appraisal was piloted receiving some positive feedback and highlighting its value for use in the future.
- The human resources provision at the charity was reviewed and a human resources manager was recruited to provide internal support alongside the administrator and external consultant. An IT Systems Manager was recruited to protect the charity's cyber security, ensuring IT compliance whilst ensuring robust and efficient systems. Following this thorough review, three new executive directors were recruited to lead the charity's three main functions – equine welfare, fundraising and engagement and finance and resources. The directors are responsible for developing strategies to support the charity's future by way of effective leadership of resources and ensuring effective operational delivery.



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**- Achievements and Performance (continued)**

- During 2017, leadership and management training became a focus with some of the management team undertaking the first modules. The leadership and management skills passport project began and is planned to continue into 2018.
- The welfare skills passport project was reviewed and has enabled welfare staff to have a clear focus on their development and progression. This has also enabled the management team to provide more tailored support and guidance to their teams whilst also identifying training needs.
- In order to build relationships amongst teams and across departments whilst improving motivation, 'Positive Mind-set' training was introduced which yielded favourable results and gave members of staff the tools required to ensure success in their daily duties.

**- Commitment to Protecting and Developing our Resources**

- In 2017 work continued on the charity's Site Development Plan creating new track ways and safe access routes to areas across the site. The plan also saw the completion of bringing 164 acres of land back in to charity use as grazing land. The land has been fenced with troughs, pens, pads and shelters being installed.
- In order to effectively manage the amount of land owned by the charity, new land maintenance equipment was proposed and authorised for delivery in 2018.
- A long-term land management action plan will be created in order to ensure grazing land owned by the charity is improved and is closely managed.
- Alongside improvements to the grazing land, the Feedroom café extension was complete, providing fit for purpose catering and storage facilities. The visitor toilet block, over flow car park and pop up café were also completed during the year.
- At the start of 2017, an application to Trademark the charity's brand was submitted to the Intellectual Property Office and was granted with effect from 20 January 2017 and entered on the Trade Mark Register on 7 July 2017.
- In order to provide further safety and emergency support, a new 24-hour duty manager system was introduced ensuring that there is always one key point of contact to assist with any issues that may arise.
- In the interest of improving security of charity assets in 2017 a robust CCTV system was installed across the site along with barriers to protect the main machinery storage areas and a finger print scanner was installed as a trial on the charity's head office building.

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**- Achievements and Performance (continued)**

- In 2017 it became necessary to begin a review of the effectiveness of both sites owned by the charity to ensure that the charity uses its resources effectively to maximise the impact that it has on horse welfare. Following a thorough and extensive review, the charity's second site in Herefordshire was closed. The site was not sustainable and was costing a great deal more to run than the charity's Lincolnshire site and ensuring a knowledgeable staff team could be effectively recruited and retained could not be guaranteed. As the charity is committed to ensuring that it can continue to make a positive impact on the lives of equines and consistently provide active support in managing the equine welfare crisis, it has therefore made the decision to sell the site in Herefordshire, which was sold in early 2018. The proceeds from the sale of the site will be placed into a restricted fund to be used to improve upon its facilities to ensure the charity is sustainable in to the future, resulting in achieving the maximum impact on rescue, rehabilitation and rehoming. The trustees recognise that it is important that the charity uses its resources efficiently in fulfilling its work.

The charity is very excited that during its 50<sup>th</sup> year celebration the trustees are looking forward to the next 50 years with confidence that by investing the income from Stoke Prior in land purchases it can ensure the future sustainability of Bransby Horses.

**- Financial Review**

The group statement of financial activities shows net incoming resources of £3,128,326 (2016: £2,770,579).

The net income figure includes realised gains of £76,962 (2016: £163,876) and unrealised gains on investments of £2,965,102 (2016: £2,527,054). Therefore, the net income excluding the unrealised gain on investments is £86,262 (2016: £79,649).

The charitable company reserves represent funds which are invested in its fixed and working capital, or are expected to be spent in the short term or are held in reserve to protect the long term future of its operations.

All aspects of the finances of the group are kept under review by the trustees and their advisors on a regular basis.

Bransby Horses is committed to ethical fundraising practices. As a member of both the Fundraising Regulator and Institute of Fundraising, we are compliant with their guidelines. We are fortunate to have a large supporter database of approximately 97,000 people whom we mail to twice annually, keeping them abreast of our charities vital work. These mailings, alongside two smaller mailings each year to approximately 5,000 'Friends of Bransby Horses' elite supporters, enables us to generate the vast majority of our general donation and legacy income.

**- Plans for Future Periods**

In 2018, Bransby Horses 50<sup>th</sup> anniversary year, the Charity will primarily be focusing on reviewing its operations, assets and strategies to ensure its sustainability into the future by utilising the funds so generously donated by loyal supporters in the most efficient and responsible way.

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**- Plans for Future Periods (continued)**

**Commitment to rescue**

- In 2018 the charity will create a five-year equine welfare strategy to ensure we can continue to assist with the equine welfare crisis to the highest level possible and ensure the charity is proactive in its approach.
- Bransby Horses provides support to other equine welfare organisations. The process for this will be formalised and a framework created.
- The charity's need for a national welfare volunteer network will be reviewed.
- The charity's legacy and welfare scheme is being revised to ensure relationships are nurtured and accurate and timely assessments are completed for the equines involved to ensure their health and wellbeing.

**Commitment to Providing a Safe Haven**

- Bransby Horses will aim to create stronger links with other charities to share knowledge and improve the provision of sanctuary care at the charity to be as effective as possible.
- As part of the charity's commitment to provide a safe haven for horses in need, we have been working closely with a charity in Lutterworth – "The Horse's Voice" to ensure that the horses that the charity supports continue to receive a high level of care that they deserve. As part of this work Bransby Horses and The Horse's Voice are in the final stages of a merger.
- A full review of the charity's Friend for Life rehoming function will be completed with a strong emphasis on ensuing professional standards, engaging further with the welfare teams on site and ensuring administration and marketing remain as effective as possible.
- The charity's riding training facilities and resources will be fully reviewed to ensure it remains fit for purpose.
- A rehoming liaison team will be created from trained and experienced key staff members to assist with the rehoming process and provide a greater level of support to prospective and existing fosterers.

**Commitment to Support and Learning Opportunities**

- As the charity moves in to its 50<sup>th</sup> anniversary year, it has been selected as 'Charity of the Year' by BETA International and opportunities presented by this, such as Belton Horse Trials, will be fully maximised from raising awareness and public relations to fundraising.
- The support the charity offers other equine welfare charities will be reviewed and a formal system will be created to ensure this support can be maximised.
- The Educational visitor area will be redesigned to allow for an interactive experience ensuring equine welfare educational opportunities on site are maximised. Educational signage around the charity's Lincoln site will be improved.

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**- Plans for Future Periods (continued)**

- In 2018 the charity's interactive educational room on the handling yard will be completed offering visitors an educational insight into the vital work the handling team do with semi-feral equines requiring consistent behavioural training.
- A community engagement hub will be created for onsite learning and volunteering projects to take place.
- With longer term strategic direction in mind, in 2018 a five-year support and learning strategy will be created focusing on Bransby Horses being a source of specialist advice for students, fosterers, the general public, horse owners and outside agencies.
- Further outreach projects will be developed in collaboration with other charities and agencies.
- A review of educational output and structure within the charity's welfare function will be completed which will include consideration of utilising resources and communication channels effectively and a framework created.
- A large scale review of onsite educational visitor signage will be completed to ensure continual visitor learning.

**Commitment to Developing our People**

- The charity will progress the Pay and Reward Review forwards with momentum, this is currently on target to be complete by October 2018.
- A fit for purpose employee wellbeing strategy will be created and implemented.
- There will be a key focus on improving the charity's volunteering experience with consideration given to a volunteer management database, the introduction of the "Bransby Brew" (an information sharing forum specifically for volunteers) and identifying more opportunities for volunteers to be involved with.
- A Leadership Skills Passport will be devised to equip the charity's management team with key leadership skills and will be incorporated in to the induction process for new managers. 'Finance for Non-Finance Managers' and 'Having Difficult Conversations' training are both scheduled in for 2018.
- An internal communications strategy will be created to boost morale, embed cultural behaviours and define expectations.
- The charity will explore the possibility of gaining 'Investors in People' status or another accreditation for good practice in personnel management. This work will be explored with a view to gaining accreditation by the end of 2022. The charity also takes its policy on equal opportunities very seriously and as a way of demonstrating that commitment, it will explore gaining the Disability Tick, which is a symbol that recognises those employers that are positive about employing disabled people.
- In 2018, three new trustees were appointed to the board of trustees providing a greater breadth of knowledge and experience in some of the charity's key operating areas.

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**- Plans for Future Periods (continued)**

**Commitment to Protecting and Developing our Resources**

- A comprehensive five-year strategy will be created to include land and facilities requirements together with human resources required to support our work in to the near future. Consideration will be given to disease control and cross species grazing.
- A full audit of all procedures and processes will take place throughout the charity to ensure these are efficient and compliant.
- A detailed review of all charity suppliers including the purchasing process, ensuring best service, quality and value for money, will be completed and a framework developed for more efficient management moving forwards.
- With the recruitment of an IT Systems manager, the charity's IT resources will be examined to ensure they are robust enough to support the welfare and income strategies and improvements will include the introduction of an employee intranet and improvements in connectivity and managing data to fully comply with GDPR legislation. Archiving and document storage will also be a focus
- A new welfare database will be purchased and implemented over 2018/2019 to improve recording and reporting on animal information, thus improving health surveillance and monitoring of the horses in the charity's care.
- A full review of the Trading Subsidiary will be undertaken to identify weaknesses within the gift shop and mail order functions to enable improvements to be made moving forwards.
- A five-year income generation strategy will be created to support the needs of the welfare strategy.
- The charity's relationship management database for supporters will be reviewed and potential new, more effective databases will be considered.
- It will be considered whether improved rehoming numbers and also health and safety of this function could be achieved by moving all rehoming operations off the charity's main site, also allowing for the sanctuary care of more horses and an increase in rehoming numbers.
- The role of health and safety manager is evolving to incorporate facilities management with the purpose being to provide a greater level of asset protection.

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**- Principal Risks and Uncertainties**

The trustees have a formal Risk Framework to identify the risks faced by the charity and develop strategies to manage them on a timely basis. The Risk Framework incorporates major strategic, business and operational risks facing the charity and the control and reporting systems in place. The Risk Framework is monitored and amended as circumstances change and new risks are identified. Regular meetings held at all levels in the organisation enable the circulation of information relating to risk management. During 2017 the Health & Safety manager took on responsibility for the fleet and buildings which has resulted in greater control of these areas. Departmental reports are prepared, reviewed by the Finance and Audit Subcommittee quarterly meetings with appropriate action monitored and reported on to the Board. Financial risks are tightly monitored and controlled by appropriate authorisation systems and trustees carry out bi-monthly sampling of financial and payroll procedures. The auditors have assisted in ensuring good practice remains in place and in training trustees in good governance. The trustees have identified that along with the inherent risks that affect all charities, there are two specific significant risks:

- The indications are that the current financial climate is likely to reduce the amount of donations that the charity receives over the next few years. It is also the case that people are living longer and requiring care in old age, which may mean less income can be expected from legacies.

The trustees have attempted to reduce this risk by ensuring that systems are in place to attract and maximise future legacies and other donation income.

- The other main risk is that of disease. Rescued equines are often in very poor condition on arrival. Elderly equines may require an increased level of specialist care for chronic conditions and all are prone to the various equine illnesses that are present in the national herd.

Whilst every effort is made to prevent the transmission of disease into the charity's herd, which itself involves expensive isolation and veterinary procedures at the Animal Reception Centre, it cannot be eliminated altogether. Unpredictable outbreaks of disease are always costly and usually require extensive use of medicines and veterinary attention as well as resulting in an increase in staff costs.

**Grant-making Policy**

The charity awards grants from its unrestricted funds to educational and research institutions and other equine charities for the prevention of suffering to horses.

The awarding of grants is determined annually by the trustees, based on applications received. Bransby Horses continues to support Lluest Horse and Pony Trust, which is located in the Brecon Beacons in South Wales. In 2017 £66,000 (2016: £70,500) was granted to Lluest and this support will continue in 2018. The work carried out by this charity in the area is invaluable to ensure that horses are not left to suffer from neglect. In line with Charity Commission recommendations regarding collaborative working, a Collaborative Working Agreement has enabled Bransby Horses to provide support and knowledge to Lluest Horse and Pony Trust in addition to financial grants.

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**Performance of the Trading Company**

The trading company recorded an overall loss of £11,885 (2016: profit before tax £10,800). Turnover for the trading company as a whole decreased to £357,561 from £377,930 in 2016.

The Feedroom Café and Pop-Up Cafes generated turnover of £108,890 (2016 Feedroom only: £106,796). Following a decrease in gross profit, a loss of £38,420 was recorded (2016: £23,824) owing primarily to increased staff costs.

Farming income decreased to £76,442 in 2017 (2016: £88,654) and recorded a net loss of £4,686 (2016: profit £11,177). Farming pays a rent to the charity for the land and also provides the charity with a way of disposing of its horse manure, though farming activity ceased in 2017 and the land was taken back in to charity use.

The mail order gift catalogue which is sent out by the trading company is distributed across the UK and overseas. Mail order turnover of £105,727, compared to £118,510 in 2016. The net profit of the mail order activity in 2017 was £24,957 compared to £27,024 in 2016.

The Gift Shop also recorded a net profit for 2017 of £6,263, which is an improvement on 2016's loss of £3,577.

A Charity Commission Report was submitted on 12 May 2017 in relation to misappropriation of funds. This matter has now been concluded and no further losses were identified.

**Public Benefit**

All charities are expected to provide public benefits beyond their specific objectives. Currently identified for Bransby Horses are:

- providing expertise on legislation, regulations and policy concerning horse welfare, including membership of the All Party Parliamentary Group for Animal Welfare;
- providing a 24-hour response to requests for advice or assistance from local authorities, police, RSPCA and members of the public, including a welfare advice line;
- working with police and local authorities in England and Wales and The Fire and Rescue Service developing methods and training to help officers manage stray horses effectively;
- taking into care from the RSPCA and local authorities horses that have been neglected or cruelly treated;
- providing a Legacy and Welfare scheme, whereby responsible horse owners can provide for their horses in the event of illness or their own death and they are respectfully asked to remember the charity in their Will;
- delivering talks and seminars on horse and donkey welfare to a wide variety of key target groups;
- hosting visits by disabled adults and children and those with learning difficulties;
- hosting visits by school parties and contributing to appropriate sections of the national curriculum;
- hosting visits from community interest groups;
- providing a site with a community focus, its miles of countryside walkways used frequently by dog walkers, walking groups and ramblers;

**Bransby Horses**  
**(Registered Number 03711676)**

**Trustees' Annual Report**  
**For the Year Ended 31 December 2017**

**Public Benefit (continued)**

- providing a mixture of opportunities for volunteers, which cater for their well-being and career development requirements;
- providing a diverse range of work experience placement opportunities to school children, college and university students;
- providing training and career opportunities to school leavers through the National Apprenticeship Scheme and
- providing assessment and training facilities for professional studies, research and qualifications.

In setting objectives and planning activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

**Reserves Policy Statement**

In recent years, Bransby Horses has undergone a period of expansion in order to meet the ever increasing needs of suffering equines. The charity is committed to growing and improving its facilities and to providing a high level of care required to the equines it assists. The charity has developed an aspirational five-year strategic plan to further develop its facilities in order to meet the welfare needs of equines in need of much care and attention. It feels that it has an obligation to its supporters who have given their money in good faith to ensure that it is constantly improving to ensure that it has maximum impact on the equine welfare crisis.

Inevitably, with such aspirational plans, levels of expenditure will increase significantly in order to deliver upon these commitments and this has been considered in this reserves policy.

The trustees operate a reserves policy which they consider to be appropriate and takes into consideration the following:

**1. Future expenditure**

Future expenditure in relation to the ongoing running costs of the charity to ensure that it can provide for the 425 equines currently in sanctuary care; and a further 481 on the charity's Friend for Life rehoming scheme.

The trustees aim to be in a position whereby they can meet the costs of running the charity for a period of three years. This decision has been made based on future forecast expenditure, the volatility of its income streams, the diverse functions undertaken by the charity, its asset base, the environment and the reliance upon its services by its beneficiaries.

Current levels of expenditure are forecast to be £4.48m; therefore, a level of £13.4m of reserves is needed to ensure that the charity can continue to operate for a period of three years whilst it reacts to the challenges that it faces within the environment in which it operates. This level will be reviewed on an annual basis.



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**(Registered Number 03711676)**

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**For the Year Ended 31 December 2017**

**Reserves policy Statement (continued)**

**2. Income stream risk**

The charity is heavily reliant upon voluntary income. Over 85% of the charity's voluntary income is from legacies. Whilst this income stream is regularly monitored and reported to the trustees, uncertainty about its long term sustainability remains.

Included in the current level of free reserves are legacies advised of, but for which no money has been received. This equates to £0.475m. The trustees feel that it is prudent to remove this amount from its free reserves when it calculates the amounts available for use.

As a responsible charity, Bransby Horses ensures that it maximizes the return on the funds it holds through holding proactively managed investment portfolios, which provides additional income to support the charity's vital welfare work.

**3. Operational risk**

The charity operates within an environment whereby there is an inherent risk of the health of the herd cared for by the charity being compromised by an outbreak of infectious disease. Whilst the charity operates a robust bio-security management programme, including strict quarantine, and practices herd vaccination whenever applicable/available, the risk of a disease outbreak cannot ever be fully eliminated. These risks include highly-infectious diseases which are currently enzootic in the UK, such as equine influenza and strangles. It is recognised, for example, that the influenza virus is constantly evolving and, although Bransby Horses always uses the latest vaccine strains, the risk of an outbreak caused by a novel strain remains a real possibility. In addition, a number of equine diseases which are currently exotic to the UK are nevertheless considered to be a potential risk. In particular, several of these currently exotic diseases are transmitted by insect vectors and the threat from them is widely considered to be increasing, particularly as climate change progresses, thereby providing a more permissive environment for the vectors in the UK. Such diseases include West Nile virus, equine infectious anaemia and African horse sickness (AHS). An outbreak of EIA occurred in the south-west of the UK in 2012, for example, and the potential threat from African horse sickness has been highlighted by relatively recent UK outbreaks of bluetongue in ruminants, as the two viral diseases are transmitted by similar species of *Culicoides* midges. The Trustees therefore provide £2m of its reserves by way of a contingency fund, should such a situation arise.

**Bransby Horses**  
**(Registered Number 03711676)**

**Trustees' Annual Report**  
**For the Year Ended 31 December 2017**

**Reserves Policy Statement continued**

**4. Future strategy**

The trustees have developed plans for the further development of the services the charity offers to help horses in need of care and assistance. The charity has recently reviewed and updated its five-year strategic plan and it is essential that the trustees ensure that funds are available to deliver upon the commitments contained within the plan, which are:

- **Commitment to rescue**

The charity aims to be in a position whereby it can always provide emergency care and safety for horses whose welfare has been severely compromised; this will be achieved by reviewing the current facilities and resources the charity has available and by being proactive in working in partnership with other welfare organisations.

- **Commitment to provide a safe haven**

The charity aims to be in a position where it will provide a safe haven for all horses that are brought into the charity's care; whether this is to provide life-long sanctuary care or by finding the right foster home. The facilities and resources at both sites will require review to ensure that they are fit to cope with the demands that will be placed upon them.

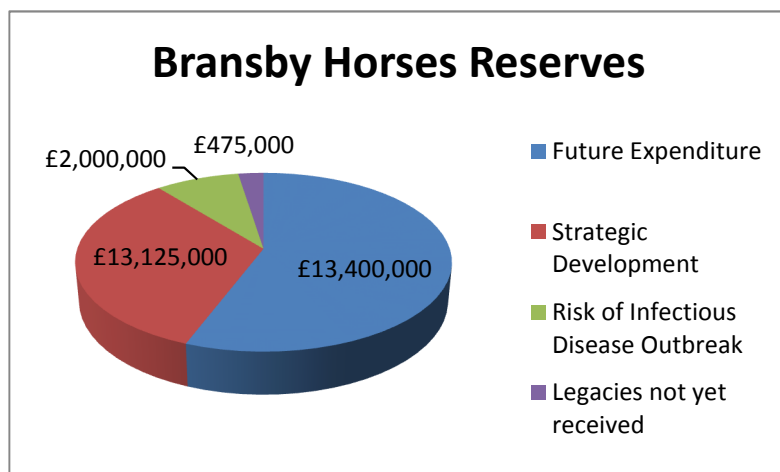
- **Commitment to provide support and learning opportunities**

The charity has aspirational plans to further develop support and learning opportunities by providing non-judgmental support and promoting the knowledge of the proper care of horses to those in need of assistance.

The Trustees have provided £13m for the further development of its facilities and resources in order to fulfil its strategy. They are committed to and are pro-actively pursuing opportunities to acquire more land; this is to ensure that the charity can continue develop the services needed to help more horses in need of help and assistance.

**Supplementary Information:**

The Trustees are committed to ensure that the charity maintains a level of reserves that safeguards the charity's activities well into the future. Whilst they will set a minimum level of reserves required annually, based on forecast expenditure; free reserves will be closely monitored on a quarterly basis by the Finance and Audit Subcommittee. The current summary of Bransby Horses free reserves is as follows:



**The total in reserves equates to approximately £29m**

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**Investment Policy and Objectives Statement**

The Articles of Association authorise the trustees to make and hold investments using the general funds of the charitable company. The trustees of Bransby Horses wish to pursue a policy that provides revenue for its current purposes and enhances income and capital growth over the longer term, thereby enabling them to meet their current and future objectives in line with the objects of the charity.

As permitted by the charity's Articles of Association, the trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile. The trustees have regular review meetings with the three individual investment managers in order to ensure that the portfolios are performing in line with their benchmark. The trustees use the services of a professional advisor as needed to assist with the monitoring and review of the performance of the investments.

During the year the investments achieved the agreed level of capital growth and yielded £1,080,766 (2016: £923,081) of revenue income.

During 2017 the charity generated total revenue of £1,097,359 (2016: £946,933) in terms of dividends and interest received.

**Qualifying Third Party Indemnity Provisions**

Qualifying third party provisions made by the charity are in force for the benefit of the trustees.

**Reference and Administrative Details**

**Directors**

Mr D Crowe (Resigned 11 March 2017)  
Miss E A Dawson (Vice Chairman) (Resigned 04 October 2017; appointed 13 November 2017)  
Mrs S J Dolan  
Mrs H C Elston  
Mrs C N Fisher (Chairman)  
Mr C Hoskins (Resigned 11 March 2017)  
Miss K McFee (Appointed 12 February 2018)  
Mr M S Mitchell (Treasurer)  
Mr R C Pope (Appointed 15 March 2018)  
Ms C F Sowden (Resigned 4 October 2017)  
Miss J Ticehurst (Appointed 12 February 2018)

**Honorary President**

Mr H C Marshall BSc, MICE, MIWEM

**Chief Executive Officer**

Mrs J Snell

**Secretary**

Miss D Hall

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**Trustees' Annual Report**  
**For the Year Ended 31 December 2017**

**Registered Office**

Bransby House  
Bransby  
LINCOLN  
Lincolnshire  
LN1 2PH

**Registered Company**

03711676 (England and Wales)

**Registered Charity**

1075601

**Registered Auditors**

Nicholsons  
Newland House  
The Point  
Weaver Road  
LINCOLN  
Lincolnshire  
LN6 3QN

**Bankers**

Clydesdale  
8-10 Guildhall Street  
LINCOLN  
Lincolnshire  
LN1 1TT

**Solicitors**

Wilkin Chapman  
The Maltings  
11-15 Brayford Wharf East  
LINCOLN  
LN6 7AY

**Investment Managers**

Barclays Wealth  
11 Park Square East  
LEEDS  
LS1 2NG

Quilters  
St Helen's  
1 Undershaft  
LONDON  
EC3A 8BB

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Charles Stanley & Co Limited  
Mercury Place  
St George Street  
LEICESTER  
LE1 1QG

**Property Advisors**

J H Walter  
1 Mint Lane  
LINCOLN  
Lincolnshire  
LN1 1VD

**Bransby Horses**  
**(Registered Number 03711676)**

**Trustees' Annual Report**  
**For the Year Ended 31 December 2017**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

In so far as the trustees are aware:

- there is no relevant audit information (as defined by Section 418 of the Companies Act) 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.

**AUDITORS**

The auditors, Nicholsons, will be proposed for re-appointment at the forthcoming Finance and Audit Subcommittee meeting and for approval at the Charity Board meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium companies.

**FOR AND ON BEHALF OF THE BOARD:**

Mrs C N Fisher – Trustee (Chair)

Date: 31 May 2018

**Bransby Horses**  
**(Registered Number 03711676)**

**Report of the Independent Auditors to the Members of**

**Bransby Horses**  
**(Registered Number 03711676)**

**Opinion**

We have audited the financial statements of Bransby Horses for the year ended 31 December 2017 which comprise, the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheet, the Statement of Cash Flows and Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, 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 trustees 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 2017, 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.

**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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the group 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**

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 group or parent charitable company'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.

**Bransby Horses**  
**(Registered Number 03711676)**

**Report of the Independent Auditors to the Members of**

**Bransby Horses**  
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**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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 matter 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' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Annual Report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

- the parent charitable company has not kept adequate and sufficient accounting records, 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.



**Bransby Horses**  
**(Registered Number 03711676)**

**Report of the Independent Auditors to the Members of**

**Bransby Horses**  
**(Registered Number 03711676)**

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, 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 the 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 a Report of the Independent Auditors 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Emma Murray (Senior Statutory Auditor)  
For and on behalf of Nicholsons  
Statutory Auditor  
Newland House  
The Point  
Weaver Road  
LINCOLN  
Lincolnshire, LN6 3QN

Date: 5 June 2018

**Bransby Horses**  
**(Registered Number 03711676)**

**Consolidated Statement of Financial Activities**  
**(including consolidated income and expenditure account)**  
**for year ending 31 December 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>Income:</b>					
Donations and legacies	4	3,170,670	17,285	3,187,955	2,690,223
<i>Income from charitable activities:</i>					
Activities for generating funds	5	262,504	-	262,504	229,622
<i>Income from other trading activities:</i>					
Commercial trading operations	6	357,561	-	357,561	377,930
Investment income	7	1,137,896	-	1,137,896	988,014
Other incoming resources		69,174	-	69,174	48,185
<b>Total income</b>		<b>4,997,805</b>	<b>17,285</b>	<b>5,015,090</b>	<b>4,333,974</b>
<b>Expenditure</b>					
<i>Costs of raising funds:</i>					
Commercial trading operations	6	345,282	-	345,282	341,807
Costs of generating funds	8	573,467	-	573,467	494,243
<i>Expenditure on charitable activities:</i>					
Operation of the charity	9	3,842,792	167,287	4,010,079	3,418,275
<b>Total expenditure</b>		<b>4,761,541</b>	<b>167,287</b>	<b>4,928,828</b>	<b>4,254,325</b>
<b>Net gains/(losses) on investments</b>	16	3,042,064	-	3,042,064	2,690,930
<b>Net income/(expenditure) and net movement in funds for the year</b>		<b>3,278,328</b>	<b>(150,002)</b>	<b>3,128,326</b>	<b>2,770,579</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		45,387,901	152,597	45,540,498	42,769,919
<b>Total funds carried forward</b>		<b>48,666,229</b>	<b>2,595</b>	<b>48,668,824</b>	<b>45,540,498</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes at pages 26 to 44 form part of these accounts

**Bransby Horses**  
**(Registered Number 03711676)**

**Consolidated Balance Sheet**  
**as at 31 December 2017**

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Fixed assets</b>					
Tangible assets	15	8,942,656	8,208,590	8,912,234	8,174,119
Investments	16	33,374,029	30,352,483	33,374,129	30,352,583
Investment properties	17	1,065,000	1,065,000	1,065,000	1,065,000
<b>Total fixed assets</b>		<b>43,381,685</b>	<b>39,626,073</b>	<b>43,351,363</b>	<b>39,591,702</b>
<b>Current assets</b>					
Stock		102,578	99,188	60,432	30,071
Debtors	18	615,454	646,907	799,935	807,015
Short-term deposits		3,735,648	4,736,244	3,735,648	4,736,244
Cash at bank and in hand		1,268,640	965,560	1,151,957	888,804
<b>Total current assets</b>		<b>5,722,320</b>	<b>6,447,899</b>	<b>5,747,972</b>	<b>6,462,134</b>
<b>Liabilities</b>					
Creditors falling due within one year	19	(435,181)	(533,474)	(402,085)	(496,797)
<b>Net current assets</b>		<b>5,287,139</b>	<b>5,914,425</b>	<b>5,345,887</b>	<b>5,965,337</b>
<b>Total assets less current liabilities</b>		<b>48,668,824</b>	<b>45,540,498</b>	<b>48,697,250</b>	<b>45,557,039</b>
<b>The funds of the charity:</b>					
	21				
Non charitable trading		(28,426)	(16,541)	-	-
General funds		28,959,030	24,463,407	28,959,030	24,463,407
Restricted funds		2,595	152,597	2,595	152,597
Investment revaluation fund		8,549,756	6,234,432	8,549,756	6,234,432
Designated funds		11,185,869	14,706,603	11,185,869	14,706,603
<b>Total charity funds</b>		<b>48,668,824</b>	<b>45,540,498</b>	<b>48,697,250</b>	<b>45,557,039</b>

The financial statements were approved by the Board of Trustees on 31 May 2018 and were signed on its behalf by:

Mrs C N Fisher, Chair of trustees

Miss E A Dawson, Vice Chair of Trustees

The notes at pages 26 to 44 form part of these accounts

**Bransby Horses**  
**(Registered Number 03711676)**

**Statement of Cash Flows and Consolidated Statement of Cash Flows**  
**for year ending 31 December 2017**

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Cash used in operating activities</b>	23	<b>(285,349)</b>	<b>863,341</b>	<b>(328,676)</b>	<b>803,868</b>
<b>Cash flows from investing activities</b>					
Investment income		1,137,896	988,014	1,137,896	988,014
Purchase of tangible fixed assets		(1,627,196)	(840,898)	(1,623,328)	(840,499)
Purchase of fixed asset investments		(4,063,288)	(5,461,481)	(4,063,288)	(5,461,481)
Sale of tangible fixed assets		56,615	35,013	56,147	35,013
Sale of fixed asset investments		3,861,400	5,579,601	3,861,400	5,579,601
<b>Cash provided by (used in) investing activities</b>		<b>(634,573)</b>	<b>300,249</b>	<b>(631,173)</b>	<b>300,648</b>
Increase (decrease) in cash and cash equivalents in the year		(919,922)	1,163,590	(959,849)	1,104,516
Cash and cash equivalents at the beginning of the year		5,993,315	4,829,725	5,916,559	4,812,043
<b>Total cash and cash equivalents at the end of the year</b>		<b>5,073,393</b>	<b>5,993,315</b>	<b>4,956,710</b>	<b>5,916,559</b>

The notes at pages 26 to 44 form part of these accounts

**Bransby Horses**  
**(Registered Number 03711676)**

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2017**

**1 Accounting Policies**

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

a) Basis of preparation

The 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 Companies Act 2006.

Bransby Horses 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).

b) Preparation of the accounts on a going concern basis

The charity reported a net cash outflow of £959,849 for the year and £919,922 on a group basis. The trustees are of the view from these results that on this basis the Charity is a going concern for at least the next 12 months from the date of signing the Financial Statements.

c) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Bransby Horses Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**Bransby Horses**  
**(Registered Number 03711676)**

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2017**

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Investment income

Investment income on funds held is included when interest and dividends are receivable and the amount can be measured reliably by the charity; this is normally upon notification of the income paid or payable.

g) 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 designated 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 charitable company for particular purposes. The cost of raising and administering such funds are charges against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

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h) Expenditure and value added tax

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure directly attributable to specific activities has been included in those cost categories. Other costs are apportioned to cost categories based on estimates by management using various appropriate measures.

The charity is not registered for VAT, irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. The trading subsidiary is registered for VAT and its income and expenditure are shown net of VAT.

i) Allocation of support costs

Support costs are those associated with the general management of the charity, other than governance costs, that are not directly attributable to charitable activities or fundraising. These costs are allocated based primarily on head count. Office and associated costs are allocated based on staff numbers and activities carried out by each. General running costs are allocated based on total head count including all charity staff.

j) Grants payable

Grants paid and payable are included as a liability when a constructive obligation is entered into by the charity, being the date a written grant offer letter is communicated to the grant recipient.

k) Pensions

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

l) Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

Rentals paid under operating leases are charged on a straight-line basis over the term of the lease.

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m) Tangible fixed assets

Tangible fixed assets (excluding investment assets) are recorded at cost or, in cases where fixed assets have been donated, at valuation at the time of acquisition. There is no specific capitalisation threshold.

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Freehold land	Not provided
Freehold buildings	2% Straight line / 4% reducing balance
Freehold property improvement	10% Straight line
Plant, motor and machinery	15% / 25% Straight line 15% / 20% reducing balance

Where an asset is under construction depreciation is not charged until the asset is complete.

n) Investment assets

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

o) Investment property

Investment property is shown at the fair value valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the SOFA.

p) Stock

Stock consists of purchased goods for resale together with veterinary goods and feed stocks for own use and are included at the lower of cost and net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

q) Debtors

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.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term investments with a short maturity from the date of acquisition or opening of the deposit or similar account.

s) Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.



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t) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Tangible fixed asset lives and residual values

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Judgement is applied in determining the residual values of fixed assets by assessing the amount that the charity would currently obtain for disposing of the asset in the condition it is expected to be in at the end of its useful life. The estimation of useful lives is based on historic performance as well as expectations about future use. Useful lives are reviewed to reflect current estimates of technological advancement, future investment policy, economic utilisation and the physical condition of the asset.

## **2 Legal status of the charity**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

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**3 Financial Performance of the charity**

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary.

The summary financial performance of the charity alone is:

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Income	4,677,693	3,980,609
Expenditure on charitable activities	(4,579,546)	(3,909,518)
Net gains/(losses) on investments	3,042,064	2,690,930
Net income	<hr/> 3,140,211	<hr/> 2,762,021
Total funds brought forward	45,557,039	42,795,018
Total funds carried forward	<hr/> 48,697,250	<hr/> 45,557,039
Represented by:		
General funds	28,959,030	24,463,407
Restricted income funds	2,595	152,597
Investment revaluation fund	8,549,756	6,234,432
Designated funds	<hr/> 11,185,869	<hr/> 14,706,603
	48,697,250	45,557,039

**4 Income from donations and legacies**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
<b>Donations</b>		
Gifts	459,468	497,804
Legacies	<hr/> 2,728,487	<hr/> 2,192,419
	<hr/> <b>3,187,955</b>	<hr/> <b>2,690,223</b>

The income from donations and legacies was £3,187,955 (2016: £2,690,223) of which £3,170,670 was unrestricted (2016: £2,687,094) and £17,285 restricted (2016: £3,129).

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

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**Notes to the Financial Statements**  
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**5 Income from charitable activities**

	<b>Unrestricted funds 2017 £</b>	<b>Unrestricted funds 2016 £</b>
Open day receipts	11,810	9,825
Raffle tickets	128,972	91,576
Adoptions	75,922	83,270
External welfare income	45,800	44,951
<b>Total income from charitable activities</b>	<b><u>262,504</u></b>	<b><u>229,622</u></b>

**6 Income earned from other activities**

The wholly owned trading subsidiary Bransby Horses Trading Limited is incorporated in the United Kingdom (company number 02480383). Bransby Horses Trading Limited operates sale of stationery cards, fancy goods and clothing appropriate to the objectives of its parent company along with farming activities and a café. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	<b>2017 £</b>	<b>2016 £</b>
Turnover	357,561	377,930
Cost of sales and administration costs	<u>(369,446)</u>	<u>(367,130)</u>
Net profit before taxation	(11,885)	10,800
Taxation	-	(2,242)
(Loss)/profit after taxation	<b><u>(11,885)</u></b>	<b><u>8,558</u></b>
The assets and liabilities of the subsidiary were:		
Assets	198,302	201,475
Liabilities	<u>(226,628)</u>	<u>(217,916)</u>
Aggregate share capital and reserves	<b><u>(28,326)</u></b>	<b><u>(16,441)</u></b>

Included within £369,446 (2016: £367,130) is £24,164 (2016: £27,565) being recharges from the charity which have been removed on consolidation.

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**Notes to the Financial Statements**  
**for the Year Ended 31 December 2017**

**7 Investment income**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Dividends and other income from investment portfolio	1,080,766	923,081
Bank and other interest	16,593	23,852
Rental income	40,537	41,081
	<b><u>1,137,896</u></b>	<b><u>988,014</u></b>

**8 Costs of generating funds**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Cost of generating voluntary income:		
Printing and postage	136,431	141,026
Advertising	58,599	52,603
Legal and professional fees	3,084	661
Raffle expenses	14,615	16,000
Other costs	18,483	22,016
Investment management costs	126,376	126,207
Allocated support costs (see note 10)	215,879	135,730
	<b><u>573,467</u></b>	<b><u>494,243</u></b>

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**Notes to the Financial Statements**  
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**9 Analysis of expenditure on charitable activities**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Running costs</b>		
Equine welfare wages	1,123,208	1,207,485
Equine welfare costs	405,272	533,636
Feed and bedding	172,677	143,080
Protective clothing	11,623	10,275
Repairs and renewals of fencing	38,211	27,332
Staff uniforms	2,868	4,238
Health and safety costs	19,169	15,652
Educational area costs	3,283	1,914
Subscriptions	4,316	6,068
Rent	6,620	-
Legal and professional	78,801	40,708
Bank and credit charges	10,372	12,598
Bad debts	-	2,957
Plant, motor and machinery depreciation	132,793	115,134
(Profit)/loss on sale of fixed assets	(22,929)	(11,258)
Allocated support costs (see note 10)	1,942,914	1,221,571
Grant making	66,000	70,500
Governance costs (see note 10)	14,881	16,385
	<b><u>4,010,079</u></b>	<b><u>3,418,275</u></b>

Expenditure on charitable activities was £4,010,079 (2016: £3,418,275) of which £3,842,792 was unrestricted (2016: £3,403,675) and £167,287 was restricted (2016: £14,600).

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**Notes to the Financial Statements**  
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**10 Analysis of governance and support costs**

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function.

**Support costs**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Salaries, wages and National Insurance	824,296	689,663
Training	31,249	29,403
Canteen and staff welfare	45,118	12,766
Repairs and renewals	187,192	122,228
Cleaning and gardening expenses	38,420	31,108
Vehicle and plant running costs	69,255	65,895
Rates	12,939	13,519
Water and drainage rates	7,993	9,320
Heat and light	34,793	25,121
Insurance	100,043	89,051
Telephone	21,123	20,754
Office equipment repairs	3,113	5,368
Stationery	7,036	8,213
Travel expenses	16,279	13,400
Computer costs	34,037	41,555
Security	5,795	11,188
Pest control	910	3,797
Sundry administrative charges	-	35
Freehold land and building depreciation	203,428	162,728
Plant, motor and machinery depreciation	2,503	2,189
Freehold land and building impairment	513,271	-
	<u>2,158,793</u>	<u>1,357,301</u>
<b>Allocation of support costs</b>		
Costs of generating funds	215,879	135,730
Charitable activities	1,942,914	1,221,571
	<u>2,158,793</u>	<u>1,357,301</u>

**Governance costs**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Audit and accountancy	14,290	16,000
Trustee expenses (see note 11)	591	385
	<u>14,881</u>	<u>16,385</u>

Fees payable to the auditors for audit services were £8,100 (2016: £8,100) which includes £2,000 (2016: £2,000) for the subsidiary undertaking.

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries and wages	1,890,407	1,822,339
Social security costs	130,855	122,210
Pension costs	49,376	47,545
	<b><u>2,070,638</u></b>	<b><u>1,992,094</u></b>

One employee had employee benefits between £60,000 - £70,000 (2016: 1) and one employee had employee benefits between £70,000 - £80,000 (2016: Nil).

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2016: £nil) travel expenses were reimbursed during the year amounting to £591 (2016: £385). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

The key management personnel of the parent charity, comprise the trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £70,543 (2016: £59,779).

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary Bransby Horses Trading Limited. The key management personnel of Bransby Horses Trading Limited are the Chief Executive Officer whose employee benefits total £70,543 (2016: £59,779). The employee benefit of key management personnel for the group was therefore £70,543 (2016: £59,779).

**12 Staff numbers**

The average monthly head count was 117 staff (2016: 116 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	76	73
Cost of generating funds	14	10
Management and administration of the charity	16	16
	<b><u>106</u></b>	<b><u>99</u></b>

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**Notes to the Financial Statements**  
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**13 Related party transactions**

The charitable company has taken advantage of the exemption in FRS102 (section 33) 'related party disclosure' not to disclose transactions with subsidiary undertakings.

**14 Corporation taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	<b>Group</b>		<b>Charitable company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current tax:				
UK corporation tax	-	2,242	-	-
	<u>-</u>	<u>2,242</u>	<u>-</u>	<u>-</u>



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**15 Tangible fixed assets**

**Charitable company**

	<b>Freehold land and buildings £</b>	<b>Plant, motor and machinery £</b>	<b>Totals  £</b>
<b>COST</b>			
At 1 January 2017	8,878,273	1,235,729	10,114,002
Additions	1,315,582	307,746	1,623,328
Disposals	(10,476)	(148,662)	(159,138)
At 31 December 2017	<u>10,183,379</u>	<u>1,394,813</u>	<u>11,578,192</u>
<b>DEPRECIATION</b>			
At 1 January 2017	1,182,840	757,043	1,939,883
Charge for year	203,429	135,295	338,724
Eliminated on disposal	-	(125,920)	(125,920)
Impairment	513,271	-	513,271
At 31 December 2017	<u>1,899,540</u>	<u>766,418</u>	<u>2,665,958</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>7,695,433</u>	<u>478,686</u>	<u>8,174,119</u>
<b>At 31 December 2017</b>	<u><b>8,283,839</b></u>	<u><b>628,395</b></u>	<u><b>8,912,234</b></u>

**Group**

	<b>Freehold land and buildings £</b>	<b>Plant, motor and machinery £</b>	<b>Totals  £</b>
<b>COST</b>			
At 1 January 2017	8,930,210	1,286,784	10,216,994
Additions	1,315,582	311,614	1,627,196
Disposals	(10,476)	(150,662)	(161,138)
At 31 December 2017	<u>10,235,316</u>	<u>1,447,736</u>	<u>11,683,052</u>
<b>DEPRECIATION</b>			
At 1 January 2017	1,225,691	782,713	2,008,404
Charge for year	207,248	138,735	345,983
Eliminated on disposal	-	(127,262)	(127,262)
Impairment	513,271	-	513,271
At 31 December 2017	<u>1,946,210</u>	<u>794,186</u>	<u>2,740,396</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>7,704,519</u>	<u>504,071</u>	<u>8,208,590</u>
<b>At 31 December 2017</b>	<u><b>8,289,106</b></u>	<u><b>653,550</b></u>	<u><b>8,942,656</b></u>

Included in land and buildings is land amounting to £2,178,932 (2016: £2,178,932) which has not been depreciated.

Also included within land and buildings is a nominal amount relating to land which is rented out to local farmers, this land is not suitable for grazing. The amount received during the year for land rents amounts to £8,743 (2016: £8,712).

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**16 Investments – Charitable company**

The charity holds 100 shares of £1 each in its wholly owned trading subsidiary company Bransby Horses Trading Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 6.

**Investments – Group and charitable company**

	<b>Listed £</b>	<b>Cash £</b>	<b>Totals £</b>
Market value at 1 January 2017	30,060,972	291,511	30,352,483
Additions to investments at cost	4,063,288	-	4,063,288
Disposals at carrying value	(3,784,438)	-	(3,784,438)
Net cash movements	-	(222,406)	(222,406)
	<u>30,339,822</u>	<u>69,105</u>	<u>30,408,927</u>
Net gain on revaluation at 31 December 2017	2,965,102	-	2,965,102
Market value at 31 December 2017	<u><b>33,304,924</b></u>	<u><b>69,105</b></u>	<u><b>33,374,029</b></u>
Cost of investments at 31 December 2017	<u>24,755,168</u>	<u>69,105</u>	<u>24,824,273</u>
Investment revaluation reserve at 31 December 2017	<u>8,549,756</u>	<u>-</u>	<u>8,549,756</u>
Cost of investments at 1 January 2017	<u>23,826,540</u>	<u>291,511</u>	<u>24,118,051</u>

		<b>Listed £</b>
<b>Listed investments comprise:</b>		
Quilters:	UK gilts	2,919,207
	Europe and global bond fund	348,250
	Equities UK	4,549,085
	Equities Foreign	4,282,502
	Hedge Funds UK	590,286
	Property	962,084
Barclays Wealth:		
Fixed interest -	UK bond funds	658,160
	Europe and global bond fund	521,656
	UK Gilts	103,666
Equities -	UK	5,100,284
	Foreign	4,467,486
Property	UK	1,113,047
Charles Stanley:		
Fixed interest –	UK gilts	309,525
	UK bond funds	754,520
	Europe and global bond fund	211,972
Equities -	UK	3,087,753
	Foreign	2,643,800
Hedge Funds	UK	510,551
Property	UK	171,090
		<u><b>33,304,924</b></u>

No investment represents more than 5% of the total market value.

The above investments are held primarily to provide an investment return.

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**Notes to the Financial Statements**  
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**17 Investment property – group and charitable company**

**Total**  
**£**

**VALUATION**

At 31 December 2016	1,065,000
At 31 December 2017	<u>1,065,000</u>

**NET BOOK VALUE**

<b>At 31 December 2017</b>	<b><u>1,065,000</u></b>
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During the year the investment properties were let or available for let under operating leases.

Investment properties were valued on an open market basis on 30 April 2014 by J H Walters Chartered Surveyors and the trustees are satisfied that this valuation is still reasonable.

If the investment properties were sold at this value the maximum additional corporation tax due would be £Nil.

If investment property had not been revalued it would have been included at the following historical cost:

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Cost	<u>1,490,435</u>	<u>1,490,435</u>
Aggregate depreciation	<u>(191,994)</u>	<u>(162,185)</u>

**18 Debtors**

	<b>Group</b>		<b>Charitable company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Due within one year:				
Amounts due from trading subsidiary	-	-	74,277	178,413
Trade debtors	8,339	21,131	-	-
Other debtors	4,154	821	4,154	821
Accrued income	542,427	573,575	541,715	576,401
Prepayments	60,534	51,380	60,534	51,380
	<u>615,454</u>	<u>646,907</u>	<u>680,680</u>	<u>807,015</u>
Due greater than one year:				
Amounts due from trading subsidiary	-	-	119,255	-
Aggregate amounts	<u>615,454</u>	<u>646,907</u>	<u>799,935</u>	<u>807,015</u>

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**Notes to the Financial Statements**  
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**19 Creditors – Amounts falling due within one year**

	<b>Group</b>		<b>Charitable company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	160,730	326,273	156,090	316,483
Other taxation and social security	46,898	44,282	30,573	28,335
Accruals	227,553	162,919	215,422	151,979
	<b>435,181</b>	<b>533,474</b>	<b>402,085</b>	<b>496,797</b>

**20 Operating lease commitments**

	<b>Group</b>		<b>Charitable company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expiring:				
Within one year	-	12,072	-	-

**21 Analysis of charitable funds**

	<b>Balance 1 January 2017</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Other movement</b>	<b>Funds 31 December 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trading company reserves	(16,541)	357,561	(369,446)	-	(28,426)
General funds	24,463,407	4,640,244	(3,540,100)	3,395,479	28,959,030
Restricted funds	152,597	17,285	(167,287)	-	2,595
Investment revaluation	6,234,432	-	-	2,315,324	8,549,756
	<b>30,833,895</b>	<b>5,015,090</b>	<b>(4,076,833)</b>	<b>5,710,803</b>	<b>37,482,955</b>
Designated funds					
Capital commitment fund	5,467,484	-	-	(4,258,849)	1,208,635
Fixed asset fund	9,239,119	-	(851,995)	1,590,110	9,977,234
	<b>14,706,603</b>	<b>-</b>	<b>(851,995)</b>	<b>(2,668,739)</b>	<b>11,185,869</b>
<b>Total funds</b>	<b>45,540,498</b>	<b>5,015,090</b>	<b>(4,928,828)</b>	<b>3,042,064</b>	<b>48,668,824</b>

The general funds balance represents the free funds of the charitable company which are not designated for particular purposes.

The restricted funds balance represents amounts received in relation to the following:

**ICU**

To improve the facilities at our Animal Reception Centre by building a specialist care area for equines who are dangerously ill.

**Bransby Horses**  
**(Registered Number 03711676)**

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2017**

**Analysis of charitable funds continued**

**Mumphy Memorial Fund**

A fund was created in memory of ex-adoption horse Mumphy to build an all-weather turn-out area at the Visitor Centre.

**Yard staff who look after Woody**

A donation was given to the staff who look after the horse Woody.

**Winter Feed**

Donations were given as equines need additional feed during the winter when they are unable to graze on pasture.

**Arabs / Shires / Domino**

Donations were given to contribute towards the care of the Arabs, Shires and Domino.

**Gifts with a Difference**

The Gifts with a Difference can be given in lieu of gift.

**Hatcher Family Trust**

£5,000 was given by the Trust to improve the play/education area.

**Capital commitments authorised but not contracted for**

	<b>Balance 2016 £</b>	<b>Movement in provision £</b>	<b>Provision spent in the year £</b>	<b>Balance 2017 £</b>
<b>Lincolnshire site</b>				
Fleet	330,500	112,964	(231,764)	211,700
General	10,000	8,280	(8,280)	10,000
IT and telecommunications	195,600	37,922	(23,522)	210,000
Site development	1,908,484	124,943	(1,274,892)	758,535
Veterinary equipment	22,900	(2,205)	(2,295)	18,400
<b>Herefordshire site</b>				
Welfare development	3,000,000	(3,000,000)	-	-
	<b><u>5,467,484</u></b>	<b><u>(2,718,096)</u></b>	<b><u>(1,540,753)</u></b>	<b><u>1,208,635</u></b>

The capital commitments fund has been designated by the Trustees for the major capital expenditure expected during 2018 as set out above, some of which has been carried forward from 2017. Funds have also been committed to a welfare development fund; this will enable the charity to make substantial plans for further improving the horse welfare in line with its objects.

The fixed asset fund has been set up to assist in identifying those funds that are not free funds. It represents the net book value of tangible fixed assets of the charitable company and the investment properties held.

**Bransby Horses**  
**(Registered Number 03711676)**

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2017**

**22 Analysis of group net assets between funds**

	Designated funds £	General funds £	Restricted funds £	Total £
<b>Fund balances at 31 December 2017 are represented by:</b>				
Tangible fixed assets	8,912,234	30,422	-	8,942,656
Investments	2,273,635	32,165,394	-	34,439,029
Current assets	-	5,719,725	2,595	5,722,320
Liabilities	-	(435,181)	-	(435,181)
<b>Total net assets</b>	<b><u>11,185,869</u></b>	<b><u>37,480,360</u></b>	<b><u>2,595</u></b>	<b><u>48,668,824</u></b>

**23 Reconciliation of net movement in funds to net cash flow from operating activities**

	Group		Charitable company	
	2017 £	2016 £	2017 £	2016 £
Net movement in funds	3,128,326	2,770,579	3,140,211	2,762,021
Depreciation charge	345,983	288,251	338,724	280,051
Impairment	513,271	-	513,271	-
Income shown in investing activities	(1,137,896)	(988,014)	(1,137,896)	(988,014)
(Profit)/loss on disposal of fixed assets	(22,739)	(11,258)	(22,929)	(11,258)
(Profit)/loss on disposal of investments	(76,962)	(163,876)	(76,962)	(163,876)
(Profit)/loss on revaluation of investments	(2,965,102)	(2,527,054)	(2,965,102)	(2,527,054)
(Increase)/decrease in stock	(3,390)	14,084	(30,361)	(1,258)
(Increase)/decrease in debtors	31,453	1,310,672	7,080	1,277,061
Increase/(decrease) in creditors	(98,293)	169,957	(94,712)	176,195
<b>Net cash used in operating activities</b>	<b><u>(285,349)</u></b>	<b><u>863,341</u></b>	<b><u>(328,676)</u></b>	<b><u>803,868</u></b>

**24 Events after the end of the reporting period**

Subsequent to the year end land and building were sold at the Herefordshire site and the proceeds of the sale were less than the book value so fixed assets have been impaired. This has reduced the net surplus by £513,271.