

Registered Charity number: 1165336

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2018

HONNYWILL FAMILY CHARITABLE TRUST

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HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

The trustees present their report and the unaudited financial statements of Honnywill Family Charitable Trust ("the Trust") for the period ended 31 March 2018.

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

Reference and administrative information

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

Structure, governance and management

a. Constitution

The Honnywill Family Charitable Trust is governed by its Trust Deed dated 1 March 2015 and amended 6 January 2016. It was granted charitable status on 27 January 2016. These financial statements cover the year ended 31 March 2018.

b. Appointment and Training of Trustees

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

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

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

The trustees met on a number of occasions during the year. They continued to take professional advice from legal and accounting/tax advisers who work with charities.

c. Organisational Structure and Decision Making

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

d. Trustees

The trustees serving during the year were:

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

The trustees held office throughout the year.

Objectives and activities

The charity's purposes, as set out in its governing document, are:

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

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

As a result of the charity's modus operandi, it has been able to develop some young people with extreme disabilities to a point where they can join "mainstream" riding for the disabled groups, and it has provided riding experiences that have been tailor-made to individuals. In the year, due to the time and resources needed to develop the site at Kiln House Farm, the frequency of visits built over the year. We had had two ponies in work; we aim to increase the number in future periods when the facilities at Kiln House Farm have been completed.

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

In addition to the riding activities, the charity completed the renovation and extension of the Wealden listed cottage on the site. The tenant moved in during October 2017. The rental income generated from the cottage is now being used by the charity to further its objectives.

The conservation and preservation work progressed throughout the year, although at a lower intensity than we plan for the future, as the trustees had to focus all efforts on the development of the equestrian centre. Nevertheless, rides through the woodland were cleared to create a full circuit ride. Our work with local wildlife wardens continued, notably new bird boxes and monitoring of flora and fauna (with a particular focus on owls, bats, dormice and rare Wealden woodland and meadow flora species). These activities lay the foundation for more conservation work in the years to come.

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

Once Kiln House Farm is fully operational, the charity will increase the number of ponies from two (as at 31 March 2018) depending on demand and the capacity of the charity to attract sufficient funding and volunteer helpers. The Kiln House Farm site has provision for up to seven ponies.

In the year, the trustees have measured the success of the charity in terms of the cottage renovation and site development work.

As predicted in last year's report, the site at Kiln House Farm will become fully operational in August 2018. In the meantime, the public benefits achieved in the year were partly made possible by the charity's use, at nil incremental cost, of facilities at Underriver Farm, and the use of some of the facilities at Kiln House Farm, as they became available during the year. This enabled the charity to continue its work, albeit on a smaller scale than is possible after mid-2018.

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

Achievements and performance

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

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

- Secured all local and national permissions to develop the Kiln House Farm site
- Continued the development of the site at Kiln House Farm and brought the cottage into use
- Had two ponies in use during the year
- Updated and upgraded the website
- Worked closely with local wildlife wardens and placed breeding boxes in strategic locations
- Carried out initial marketing

The impact of the charity on its beneficiaries was limited in the year because the facilities were under development and it took until mid-2018 to secure all the necessary permissions to operate as a riding school at the Kiln House Farm site.

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

As disclosed in last year's report, the principal delay to the development of the charity has been regulatory in nature – the local planning authority and licensing delays continued to impact the rate of development of the charity's facilities. The trustees estimate that the charity will not achieve its full operational capacity until after mid 2018.

Financial review

For the year ended 31 March 2018, the charity's incoming resources amounted to £81,439. This included donations to enable the charity to develop the Kiln House Farm site.

Resources expended were £46,612 leaving net income for the year of £34,827.

At the balance sheet date, the charity's free unrestricted reserves (that is, its unrestricted reserves less those represented by fixed assets) amounted to £124,044.

During the year, the charity's principal funding source was donations from individuals, and gift aid reclaimed from Her Majesty's Revenue & Customs. The charity registered for VAT in January 2018 with effect from June 2016.

Risks

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

- Funding sustainability
- Potential liabilities arising from working with young vulnerable beneficiaries
- Potential liabilities arising from working with ponies
- Having adequate volunteers who are available as required and able/trained to perform their role
- Carrying out site works, notably building renovation, construction and associated ground works using contractors

The trustees have secured funding to meet the full development of the Kiln House site and the cashflow needs of the charity for at least the next 18 months. They have developed an initial marketing and fundraising plan that will be launched after the site has been finished later in 2018.

The charity's work with young vulnerable people and ponies is carried out under the supervision of Sophie Honnywill, a trained Riding for the Disabled Coach ("RDAC"), instructor and past RDA trustee. The charity has assessed as adequate the operating procedures of the RDA for its use. It continues to keep close contact with the RDA. In addition, the charity carries public liability insurance. Since August 2018, it has been licenced to operate as a riding school from the Kiln House Farm site.

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

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

HONNYWILL FAMILY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 MARCH 2018

Policy on reserves

The trustees consider that, after the Kiln House Farm development is complete, the charity should hold some £10,000 per active pony housed at Kiln House Farm. This is based on an estimate of the average current full year cost of stabling, care and training of a pony. As at 31 March 2018, the unrestricted free reserves held were £124,044. This is higher than reserves policy due to the ongoing development of the site.

Plans for future periods

The trustees plan for the Kiln House Farm development to be completed in the year ending 31 March 2019, as predicted in last years report. They will keep the number of ponies under review (both those owned/under long term loan).

The charity will continue to build its team of volunteers (for both riding and conservation activities). The trustees were grateful to receive a number of donations in the year such that there was no need to launch a fundraising programme in the year. This is expected to be required in early 2019.

Statement of Trustees' Responsibilities

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

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. In preparing these financial statements, the trustees are required to:

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

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

This report was approved by the Board of Trustees on 10 January, 2019 and signed on its behalf by:

Charles Honnywill
Trustee

HONNYWILL FAMILY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 MARCH 2018

I report to the trustees on the financial statements of Honnywill Family Charitable Trust for the period ended 31 March 2018.

Respective responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Date: 11 January, 2019

HONNYWILL FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2018

		2018	2018	2018	14 months to
		Unrestricted	Restricted	Total	2017
		funds	funds	funds	Total
		£	£	£	funds
	Note				£
Income from:					
Donations	3	79,879	-	79,879	981,777
Charitable activities:					
Rainbow Pony Rides		358	-	358	10
Investments		1,202	-	1,202	-
Total income		81,439	-	81,439	981,787
Expenditure on:					
Raising funds:					
Rental property costs		5,331	-	5,331	2,382
Charitable activities	4	39,821	1,460	41,281	15,130
Total expenditure		45,152	1,460	46,612	17,512
Net income and net movement in funds		36,287	(1,460)	34,827	964,275
Reconciliation of funds:	10				
Total funds brought forward		962,815	1,460	964,275	-
Total funds carried forward		999,102	-	999,102	964,275

HONNYWILL FAMILY CHARITABLE TRUST

BALANCE SHEET AS AT 31 MARCH 2018

		2018 £	2018 £	2017 £	2017 £
	Note				
Fixed assets					
Tangible assets	7		331,178		607,324
Investment property	8		543,880		-
			<u>875,058</u>		<u>607,324</u>
Current assets					
Debtors	9	28,762		535	
Cash at bank and in hand		103,349		364,321	
		<u>132,111</u>		<u>364,856</u>	
Current liabilities					
Creditors: amounts falling due within one year					
Accruals		(8,067)		(7,905)	
		<u></u>		<u></u>	
Net current assets			124,044		356,951
			<u>999,102</u>		<u>964,275</u>
Total net assets			<u>999,102</u>		<u>964,275</u>
The funds of the charity					
Unrestricted funds			999,102		962,815
Restricted funds			-		1,460
	10		<u>999,102</u>		<u>964,275</u>

The financial statements were approved by the Board of Trustees on 10 January, 2019 and signed on their behalf by:

Charles Honnywill
Trustee

HONNYWILL FAMILY CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

		2018 £	14 months to 2017 £
	Note		
Cash flows from operating activities:			
Net cash provided by operating activities	A	11,539	972,286
Cash flows from investing activities:			
Purchase of tangible fixed assets		(272,511)	(607,965)
Change in cash and cash equivalents in the reporting period		(260,972)	364,321
Cash and cash equivalents at the beginning of the reporting period		364,321	-
Cash and cash equivalents at the end of the reporting period		103,349	364,321
Cash and cash equivalents relate to the charity's bank account balances.			
A. Reconciliation of net income to net cash flow from operating activities			
Net income as per the Statement of Financial Activities		34,827	964,275
Adjustment for:			
Depreciation charges		4,777	641
(Increase) in debtors		(28,227)	(535)
Increase in creditors		162	7,905
Net cash provided by operating activities		11,539	972,286

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Status

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

2 Accounting policies

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

2.1 Basis of preparation

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

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

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

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

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

2 Income

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

Donated goods and services are recognised in the period in which they are utilised and are valued by the trustees at their fair value.

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

Income from investments relates to interest and rental income and is recognised in the period to which it relates.

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2 Expenditure

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

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

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

During the year the charity registered for VAT and is partially exempt. The VAT disallowed in relation to exempt supplies is shown separately in support costs.

2 Tangible fixed assets and depreciation

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

Freehold land	Not depreciated
Equestrian buildings and structures	Over 15 to 25 years straight line
Ponies	Over the expected working life of each pony
Assets under construction	Not depreciated
Fixtures and equipment	Over 10 years straight line

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

Assets under construction related to a residential property that was substantially redeveloped during the year. This development completed during the year and was subsequently rented out. At this point the costs were transferred and reclassified as an investment property.

3 Investment property

The investment property is stated in the balance sheet at fair value. Investment gains or losses are recognised in the Statement of Financial Activities.

3 Financial Instruments

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

3 Fund accounting

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

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

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3 Donations

	Total 2018 £	Total 2017 £
Donations and gift aid	76,777	973,381
Donated services	3,102	8,396
	79,879	981,777

Donated services relate to the provision of food and shelter for the ponies during the year.

In the prior year the charity received £12,800 in restricted donations.

4 Expenditure on charitable activities

	Rainbow Rides 2018 £	Conservation 2018 £	Total 2018 £	Total 2017 £
Direct costs	10,492	75	10,567	10,448
Depreciation	3,527	-	3,527	641
	14,019	75	14,094	11,089
Allocation of support costs (Note 5)	27,042	145	27,187	4,041
	41,061	220	41,281	15,130

In the prior year the charity spent £9,940 from restricted funds in relation to its charitable activities.

5 Support costs

	2018 £	2017 £
Site repairs and maintenance	660	2,065
Travelling	-	351
Bank charges	60	25
Irrecoverable VAT	16,992	-
Fixtures and equipment depreciation	1,250	-
Sundry	14	-
Governance costs:		
Independent examiner's fees	1,750	1,600
VAT advisory fees	6,461	-
	27,187	4,041

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

6 Employees

The charity did not have any employees during the period.

7 Tangible fixed assets

	Freehold land £	Equestrian buildings £	Ponies £	Assets under construction £	Fixtures and equipment	Total £
Cost						
At 1 April 2017	155,077	24,811	1,400	426,677	-	607,965
Additions	-	120,000	-	117,203	35,308	272,511
Transfers	-	-	-	(543,880)	-	(543,880)
At 31 March 2018	155,077	144,811	1,400	-	35,308	336,596
Depreciation						
At 1 April 2017	-	629	12	-	-	641
Charge for the year	-	3,387	140	-	1,250	4,777
At 31 March 2018	-	4,016	152	-	1,250	5,418
Net book value						
At 31 March 2018	155,077	140,795	1,248	-	34,058	331,178
At 31 March 2017	155,077	24,182	1,388	426,677	-	607,324

Assets under construction represents the renovation and extension of the residential property. This was completed during the year and has therefore been transferred to investment property in note 8.

8 Investment property

£

At 1 April 2017	-
Transfer from tangible fixed assets	543,880
At 31 March 2018	543,880

The property was valued by the trustees who consider that there is no material change to the fair value of the property at the year end.

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9 Debtors

	2018 £	2017 £
Gift aid recoverable	108	535
VAT recoverable	27,383	-
Prepayments	1,271	-
	<u>28,762</u>	<u>535</u>

10 Movement in funds

<i>Current year</i>	At 1 April 2017	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Unrestricted funds	962,815	81,439	(45,152)	-	999,102
Restricted funds:					
Pony costs	660	-	(660)	-	-
Saddle	800	-	(800)	-	-
Total restricted funds	<u>1,460</u>	<u>-</u>	<u>(1,460)</u>	<u>-</u>	<u>-</u>
Total funds	<u>964,275</u>	<u>81,439</u>	<u>(46,612)</u>	<u>-</u>	<u>999,102</u>

<i>Prior year</i>	At 27 January 2016	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Unrestricted funds	-	968,987	(7,572)	1,400	962,815
Restricted funds:					
Pony costs	-	12,000	(9,940)	(1,400)	660
Saddle	-	800	-	-	800
Total restricted funds	<u>-</u>	<u>12,800</u>	<u>(9,940)</u>	<u>(1,400)</u>	<u>1,460</u>
Total funds	<u>-</u>	<u>981,787</u>	<u>(17,512)</u>	<u>-</u>	<u>964,275</u>

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

HONNYWILL FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

11 Analysis of net assets between funds

Current year	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	875,058	-	875,058
Net current assets	124,044	-	124,044
Total net assets	999,102	-	999,102
Prior year	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	607,324	-	607,324
Net current assets	355,491	1,460	356,951
Total net assets	962,815	1,460	964,275

12 Related party transactions

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

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

Donations from trustees and related parties to the charity, including gifts in kind, were £53,103 (2017: £774,976) in aggregate.

13 Capital commitments

At 31 March 2018, the charity was committed to further capital expenditure of £nil (2017: £125,000) in respect of the development of its residential property.