

A company limited by guarantee

Registered in England No. 03524502

Registered charity No. 1068911

SC No. 045070



Annual Report and Group Accounts

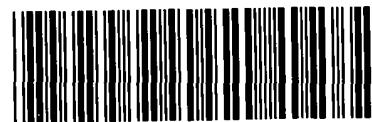
of

Redwings Horse Sanctuary

for the year ended

31st December 2018

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REDWINGS HORSE SANCTUARY

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REDWINGS HORSE SANCTUARY

LEGAL & ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2018

Full name of charity	Redwings Horse Sanctuary Norwich Road, Hapton, Norfolk, NR15 1SP
Constitution	A charitable company limited by guarantee.
Governing document	Memorandum and Articles of Association as last amended on 15 th June 2014
Objects of the Charity	The Charity is established for the benefit of the public to relieve the suffering of horses, ponies, donkeys and mules which have suffered from maltreatment, neglect or poor circumstances. To advance the education of the public in matters pertaining to the welfare of horses, ponies, donkeys and mules in general and the prevention of cruelty and suffering among such animals.
Company registration number	03524502
Charity registration number	1068911 (England & Wales) SC045070 (Scotland)
Trustees	Stephen Clark, Chair Andrew Fryer Peter Horrocks Mark Little FRICS FAAV (Vice Chair from 2 nd May 2018) Ann Polley (Vice Chair until 2 nd May 2018) David Buckton Paul Fileman The Trustees constitute Directors of the charitable company and Trustees of the charity for the purposes of the Charities Act 2011. In accordance with the company's Articles of Association all Trustees retire from office at each AGM where they may seek re-election and new Trustees can be elected.
Chief Executive & Secretary	Lynn Cutress MBA
Bankers	NatWest Bank plc, 45 London Street, Norwich, NR2 1HX
Auditors	RSM, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk, IP32 7FA
Investment managers	Quilter Cheviot, One Kingsway, London, WC2B 6AN

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2018

Mission Statement

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

Who we are and what we do

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

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

We operate from ten sites with over 1,300 acres of grazing land located in Norfolk, Essex, Warwickshire and Angus in Scotland. Five of these sites are Visitor Centres - open to the public and free to visit.

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

Governance and Management

Governance

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

Management

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

Governance Policies

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

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Recruitment, induction and training of Trustees

The Trustees have been chosen for the experience, skills and interests thought necessary and relevant to ensure effective management of the Charity. New Board members receive an induction across their first three months, including seeing our work and explaining our policies. The Board of Trustees is subject to a regular Skills Audit to ensure the knowledge is there to lead the Charity. In 2018, we reviewed the role of Vice Chair, as well as revising how the Treasurer works with senior management and set a new format for the Finance Sub Committee for 2019.

In the last eighteen months we recruited two additional Trustees to strengthen the Board from five to seven members following a Skills Audit of our current Board and in the light of our expanding work. Recruitment was through advertising on our website and a media campaign; the result was a strong pool of candidates and the two people selected have further strengthened the existing skills of committed Trustees. We maintain a high level of attendance across all Trustees at Board meetings.

Fundraising

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

Redwings pledges to adhere to best practice when raising and receiving funds from individuals, organisations, trusts and foundations. Redwings is a member of the Direct Marketing Association and the Institute of Fundraising, and is registered with the Fundraising Regulator. We follow the guidelines and codes of practice set out by these organisations and regularly review our fundraising to ensure that we operate in line with their recommendations, and the law. Redwings has a set of organisational values, standard operating procedures and comprehensive policies, and provides training and guidance to its staff and volunteers. Redwings understands that some donors may be vulnerable or not have the capacity to make a decision to donate; in which case Redwings will not accept or encourage a donation, but will follow the guidance of the Institute of Fundraising and Fundraising Regulator.

Redwings has a robust complaints process that reviews and learns from any complaints received. The operational team meet monthly should there be a need to review any complaints and Trustees monitor details of any complaints received and how they were addressed. During 2018 there were five complaints related to fundraising activity resulting from non-actioned requests (such as frequency of contact, or not acknowledged supporter wishes, or request to cease mailing a supporter that we had failed to remove from our mailing list).

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

Strategic Report

Rescue and admissions

Where possible we try to help horses remain in the care of their owners through providing advice. During 2018 our Welfare & Horse Care Helpline gave advice 1,372 times (a 16% increase from 2017), responded to 347 comprehensive email and written enquiries (a 15% decrease) and investigated 271 concerns (a 24% increase). In addition to these increases in volume, the complexity of call and time spent per call remains high.

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

Our veterinary teams have developed expertise in the infectious disease Strangles, through cases admitted to us. Before we admit an animal each one undergoes assessment at either our main Quarantine Centre or in set-aside quarantine facilities at our satellite centres outside Norfolk. During 2018 we continued to have to fund keeping horses in external boarding awaiting admissions. These horses are not included in our sanctuary numbers, but we keep them in boarding prior to being admitted to us when the space permits; most of these horses have particular handling needs.

In 2018 we took 94 equines into our direct care (a 14% increase on 2017), as well as 24 from external boarding. We had an increase of over 6% in formal admission requests with 964 requests for admission.

Rehabilitation & equine behaviour

Redwings has a specialist team who focus on leading on our rehabilitation and equine behaviour. The team trains staff on equine behaviour in order to ensure consistency of handling and a positive experience for our rescued herds. New staff have an equine behaviour induction, instilling our approach from day one and ensuring staff are safe in their day to day care of our rescued herds. We take in behaviour case referrals from other organisations. We have expertise in round-ups of feral herds or horses with behavioural challenges; when needed we send a dozen or more staff (vets, drivers and horse handlers). By spending time and applying our knowledge, rescued feral horses are transformed to a point when they no longer need to be sedated for routine care, such as farriery. Our specialist behaviour team is keen to further share their knowledge and have advised other charities and enabled peer welfare workers in other charities and students to spend time observing our work.

Sanctuary – a home for life

Redwings provides permanent sanctuary care to around 1,500 horses, ponies, donkeys and mules who have often suffered neglect or come from difficult circumstances. Many of our permanent residents cannot be rehomed, often because they require lifelong specialist care including significant veterinary costs beyond the reach of the typical owner, but can still enjoy a good quality of life at Redwings. The number of 'places' available depends on the needs of our existing residents and the needs of the potential candidate for admission. In 2018 17% of our resident horses were veterans (aged 15 to 19) and 18% were geriatrics (aged 20 and over). Included in the younger 65% are special care cases with severe ongoing veterinary needs, and horses in need of specialist handling. Life is a constant challenge as it is often not until we admit a horse that we are able to establish their true needs. In 2018 we increased the number of veterinary surgeons in our employ and veterinary time remains in demand.

Redwings strives to maintain the highest possible care standards. We have an Internal Welfare Group dedicated to monitoring our internal care standards and looking at trends in equine care. We encourage suggestions from staff on how we can best deliver our day-to-day care. We run seminars sharing our horse welfare and care knowledge, with over 90 staff attending each full day seminar. Topics for 2018 included myths and facts behind weight management, diagnosis of lameness and pain, as well as ensuring our staff are kept up to date with legislation and our campaigning.

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Rehoming of ridden or companion horses (Guardianship scheme)

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

Healthy horses that have the potential to enjoy a working life can learn to be ridden or assessed as companion animals at our purpose-built Rehoming Centre in Norfolk or at our Ada Cole Centre in Essex, and then be found a suitable foster home. At the close of 2018 we had 387 horses in Guardian homes, fewer than 2017 (392); some of our horses out on loan are geriatric or fell ill (20% have been out in homes for more than ten years) and passed away during the year.

If during their time at one of our Rehoming Centres a horse shows that they are not suited to a working life, they will not be pushed, but will return to the permanent care of the Sanctuary. Redwings retains ownership of every horse for the rest of its life so that should a Guardian no longer be able to provide for the horse, or if our regular home checks show that a high standard of care is not being maintained, Redwings will step in and return the horse to the Sanctuary. Our welfare officers performed 375 checks on rehomed horses in 2018, including checks on those horses rehomed by other charities where we were geographically closer. We appreciate this reciprocal arrangement as it provides good value for charity partners as well as keeping contact with our horses on loan.

Education and campaigning

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

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

- In addition to education groups visiting us, we work directly with educational groups, including schools, universities and colleges, and local community groups by giving talks and visitor experiences to educate on equine welfare issues and provide examples of good horse care.
- We hold free seminars for horse owners on veterinary care; in 2018 we held three seminars with 111 attendees meeting our experienced veterinary and care teams.
- The education section of our website (www.redwings.org.uk) provides free educational resources to teachers and children to encourage an understanding of the importance of equine welfare. In addition, the welfare section provides a range of publications for owners on issues such as equine Cushings disease, Strangles, hoof care and farriery, and donkey care. We run educational campaigns, including laminitis awareness, use of grazing muzzles, and good biosecurity.
- We host training days for farriers and equine dentists, enabling them to further develop their welfare and equine behaviour knowledge in their professional work.
- We run training days on horse behaviour for the RSPCA and for the fire brigade (2018: 7 days involving training 57 fire fighters on safety and horse behaviour); as well as welfare training for local authorities.
- We work alongside the gypsy and traveller community including running a campaign at the Appleby travellers' fair, called 'Best in Show', encouraging good horse care and spreading the word to this extensive number of horse-owners.

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The people behind Redwings

Our supporters

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

Our Guardians

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

Our volunteers

Our volunteers give their time to the Charity without charge. We are supported by a team of volunteers, many of whom have been with us for over two decades. In particular, there are volunteers with horse knowledge and the experience to carry out valuable support for our rehoming team.

We have a volunteer programme, including help with administration and assisting at our visitor centres. In 2018 we recruited volunteers to help with tasks as wide-ranging as photography, window cleaning and even a private-practice veterinary nurse who helps run campaign information stands at events.

Our staff

Over 200 of our paid staff care for our horses and donkeys: either by providing direct care or by working in one of our support teams (day and night horse care teams, veterinary, maintenance and land management, horse transport, behaviour, rehoming, and dedicated quarantine).

At Hapton in Norfolk, our administration includes essential functions such as finance, supporter services, IT, human resources, health & safety, fundraising and communications.

We have front line staff leading our field and welfare work supported by dedicated welfare veterinary surgeons. Our visitor centre teams meet supporters and the public and inform them about our work.

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

With staff delivering such a variety of work for the Charity, Redwings has a bespoke job evaluation scheme in order to assess each role.

Pay is set annually using benchmarking for all staff including senior management with national and local comparisons. Remuneration of senior management adopts the same policies as for all staff, but with the Board's prior authorisation, led by the Treasurer. We are mindful of our funding model and when using published pay ranges for comparison, we review pay based on the lower quartiles. However we seek to provide above statutory pension contributions, looking after our many staff doing tough physical work.

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On 5th April 2018 Redwings employees were 83% female. Fifty-seven percent of these employees were in equine or supporter related roles where pay ranges fall into the lower quartile. This has influenced Redwings' median gender pay gap in favour of men with a majority of roles that predominantly attract men (maintenance, mechanics and IT), falling into the lower middle and upper middle quartiles.

The mean pay gap in favour of women is influenced by the number of females in supervisory, managerial and senior management roles which fall into the upper middle and upper quartiles (20% of females compared to 3.5% of males in similar roles).

Redwings acknowledges that whilst there is a gender pay gap this can partly be attributed to a female led equine sector and the nature of the roles that account for the majority of its workforce. Whilst Redwings will continue to be committed to equality of pay based on job and not gender, we face a wider challenge to attract a more diverse workforce and will aim to appeal to both men and women equally through our recruitment advertising processes.

Public Benefit

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

- **Offering advice** through our dedicated Horse Care & Welfare Helpline to horse or donkey carers including experienced owners facing a new challenge; and giving initial advice on the level of care, financial cost and commitment needed before considering taking on a horse. Our Helpline also advises people who report a welfare concern before we then act on the information to investigate the reported case. Our Field Officers are able to offer advice directly to owners struggling to care for their horse. We regularly attend equestrian events and county shows to offer advice on a range of issues including rehoming and topics on particular aspects of horse care, such as laminitis and Strangles. Our in-house veterinary surgeons speak at external private practice client evenings where they can offer advice on horse health and ailments and we run free seminars for horse owners.
- **Partnership working** with local authorities and agencies to help resolve the socio-economic, health & safety and other challenges of stray horses, be it from one escapee on a major road, through to over-populated herds being illegally grazed. We provide training and support to the police and fire service on horse handling, particularly in emergency situations, as well as training for RSPCA Welfare Officers, and hosting training days for fellow professionals - farriers, veterinary nurses and equine dentists.
- Participating in the **British Horse Council** in partnership with local government and the equine industry and being a full member and on the Board of the **National Equine Welfare Council**.
- Providing an **informed free education programme**, through attendance at schools, colleges and clubs and giving welfare advice or more specific care talks. Our centres regularly receive and look after school groups and colleges allowing students to see the care Redwings provides to some of its 1,500 residents. We also provide free educational material through a variety of media including our two websites (redwings.org.uk and youngredwings.co.uk), leaflets and displays at our centres and events.
- **Providing employment** and running a popular and extensive work experience programme. Employees can benefit from a range of bespoke in-house equine care training programmes or professional external training to develop staff in their relevant professional fields. Our in-house veterinary surgeons are members of the British Equine Veterinary Association and comply with continuing professional development to enable them to carry out their veterinary medicine.
- **Working with the gypsy and traveller community** to offer equine passporting and microchipping initiatives. Whilst engaging we demonstrate what good equine welfare standards mean in practice.

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- **Providing free-to-visit visitor centres** and open days showing the work of our horse hospital at no charge, giving access to all. Our visitor centres have cafés and shops allowing us to support tourism and the local economies.
- **Running a rehoming scheme** for our suitable rescued horses to have a life outside Redwings with Guardians who are able to meet our horses' needs (ridden and companion).
- **Running a volunteer programme**, including a variety of rewarding roles for people.
- **Managing our land holdings as a responsible landowner respecting the environment.**

Our Strategy

We started a new three-year plan in 2018 at capacity, including continuing to fund horses in external boarding centres. As the UK's largest horse sanctuary and a leader in special care, horse behaviour and geriatric horse care, our plan continued with many of the initiatives started before 2018 and aims to address the welfare challenges resulting from the UK Equine Welfare Crisis.

The strategy includes significant investment in more rehoming facilities including rehoming from more of our visitor centres. The more horses we rehome, the more we can free up space to help other horses.

For over fifteen years we have worked with the Society for the Welfare of Horses & Ponies (SWHP) in Monmouthshire. We agreed to merge with SWHP, subject to Redwings purchasing a suitable 'home' to replace the SWHP rented facility. In January 2018 Redwings completed the purchase of a farm and neighbouring land near Chepstow and started a Planning Application. On 1st February 2019, we formally merged with SWHP and our new site is now home to SWHP's horses and staff.

Our 2018-2020 Strategic Plan has four sections:

- Horses
- People
- Resources
- Communications

Much of our strategic delivery in 2018 was dominated by merger preparations in order to continue our welfare work in South Wales, following the investment in a farm at the beginning of the year.

We ended 2018 having made substantial progress on creating rehoming facilities at two additional centres (Norfolk and Warwickshire), with preparation to use them for increasing rehoming the following year. We trialled new avenues for rehoming from our existing centres and as a result now are able to rehome project horses; a horse rehomed means space for another horse.

With the introduction of the General Data Protection Regulations (GDPR), our strategy was to go beyond compliance with this new legislation, through an engagement programme with staff and volunteers. We combined this strategy with one of increasing our everyday digital working and reviewing our practices across all areas of our work.

Our *Stamp Out Strangles* campaign's pledge for individuals and yards was launched at Your Horse Live and our approach to how we delivered this campaign and engage with horse owners was commended with a British Horse Society National Welfare Award in November 2018.

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Our Plans for the Future

We continue to operate our farms at capacity, with spaces only coming from rehoming or the sad passing of horses in our care. Our resident horses graze 24:7, only being stabled for veterinary treatment, therefore we have to be mindful of the constraints on our land and horse-per-acre. We are continuing a programme of major works to reduce the pressures on our grazing; at the end of December 2018 we were pleased to purchase an important area of land rented until then; we will now be able to apply for Planning Permission to increase our grazing acreage on our largest farm.

Our welfare work remains in demand, yet we have little space for admissions. We work in partnership to find alternatives to having to bring a horse into our direct care. Delivery of more partnerships and programmes to support this work will continue to be a priority rather than expand our horse numbers.

Our veterinary expertise is in demand, both internally in caring for our sanctuary horses and externally with other professionals, services, horse owners and charities. We will continue to collaborate and share our knowledge, including running a programme for latter-years Royal Veterinary College equine veterinary students to spend time in our horse hospital.

Financial Review

Income is unpredictable. In particular, we rely on and appreciate income from legacies to fund a large percentage of our work. We are prudent in our financial forecasting as legacy income has helped us enormously, but we cannot assume it will continue at this high level.

Due to a reduction in legacy income (2017 had been an exceptional year and above forecast; the accrued legacies did reduce in 2018) and an increase in expenditure; we ended the year with a £673k deficit in income after overall consolidated expenditure due to considerable works in preparation for expanding our rehoming reach. The Charity always seeks to reduce expenditure where possible but some of our horse care costs remain unavoidably high, including forage, veterinary drugs and (whilst space is limited) external boarding fees. Our maintenance and environmental costs are unavoidably high due to the number of farms and need to use agricultural machinery (equipment and farm running increased by £177k). Wages are a large part of our costs despite welcomed support from volunteers. In 2018 staff costs accounted for £6m of our annual spend; other increases included premises costs and professional advice fees for major works, the merger with SWHP and Planning Applications.

Overall the total funds on the consolidated Balance Sheet (page 20) declined by 1.4% from £35,716,572 to £35,219,327, although total unrestricted funds only reduced by 0.5%. This was in part due to a loss on investment return at year-end because of market uncertainty.

Reserves Policy

The balance sheet shows the Charity's reserves at 31st December 2018. To quantify the funds which are freely available for general purposes, it is necessary to consider how the reserves are applied.

Total unrestricted reserves at the balance sheet date	£34,506,429
Less: tangible & intangible fixed assets	(£19,596,326)
Excluding restricted tangible fixed assets	<u>£637,120</u>
	<u>£15,547,223</u>

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

- As a major provider of sanctuary for horses and donkeys, Redwings must ensure that we can look after those horses in our care until the end of their days.
- Even if we ceased to take in horses, we would still be wholly responsible for those horses already in our everyday care and for those horses that might have to return from Guardian homes.
- We are responsible for not only Redwings horses and donkeys that can live out in herds, but also those that need veterinary treatment or intensive veterinary care. We would need to maintain our Horse Hospital facility and core veterinary team.
- Our cost of keeping horses includes ensuring that a maintenance programme for facilities and land is in place and sufficiently resourced with enough grazing to meet the needs of our horses.
- All horse care and maintenance costs would need to be met from 'free reserves' (i.e. not those tied up in assets such as land and buildings as those would need to remain for the life of the horses).

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

We had an annual review of our reserve levels in the light of a number of key factors including the increase in high dependency and case animals as well as recessionary trends in income and expenditure demands. For example, some of our biggest costs are feed, forage, and veterinary; all of which have increased above inflation over successive years. We have stepped in to assist other charities with funding problems or even where they face closure, but as we are the UK's largest charitable provider of permanent residence to horses in need, we need to be realistic about who would be able to rescue us. Our reserves annual review concluded that in order for Redwings to be managed efficiently, we should work towards establishing a 'buffer' in the form of a general reserve equivalent to 18 months of unrestricted fund expenditure. Based on relevant expenditure during the year under review this reserve would amount to approximately £15.5 million. Free reserves shown on page 11 are in line with this target.

In addition to these running costs a further £6.2 million has been proposed for continued spending on improved facilities and capital projects, focusing on providing care for our horses and donkeys. In particular our planned rehoming expansion in Norfolk and Warwickshire requires a major investment in facilities to ensure we can prepare horses for rehoming and ensure a good match between Guardian and horse. We have a new centre in Chepstow which needs initial investment, followed by equine infrastructure for quarantine, sanctuary care and rehoming, once Planning is concluded and approved.

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

Investment - Policy and Performance

The Trustees have the power to administer and manage the assets of the Charity in accordance with its Memorandum & Articles of Association. The Trustees have appointed professional fund managers to manage our investment portfolio. The fund managers are issued with investment guidelines which are determined by the Trustees with due care for the social, ethical and environmental considerations of the Charity. The fund managers have been instructed to manage the funds on a medium risk basis; this was reviewed in early 2018. With uncertainties around the economy in the latter part of 2018, the portfolio reported a loss at year end of 4.8%; we do not intend to draw funds and will leave it to return to positive.

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The Charity continues to hold some funds in interest-earning bank accounts ensuring monies are readily available to fund new land purchases and the development of our sites. With additional site development and the expansion of our work expected in the short term this policy is expected to be maintained, but with a reduced sum and more movement to increase return by switching accounts.

Financial Strategy

The Board takes its responsibility as custodians of Redwings supporter donations very seriously. There is an accountant on the Board of Trustees and all Trustees have financial experience as managers and officers in their paid employment. The Board makes use of our Auditors and our in-house finance team, led by a qualified accountant. We have policies for Financial Procedures, Reserves and Investments. We hold separate meetings of a Finance Sub Committee.

The Trustees review financial trends on income and expenditure quarterly, this includes those trends associated with the trading arm of Redwings, Redwings Enterprises Limited (REL). REL markets and sells Redwings branded products and associated merchandise. REL plays an important role in our trading at our visitor centres, at external events and our mail order operation; despite making an operating profit in 2017, delays in completing retail and catering facilities at our Caldecott centre and staffing changes during 2018, meant that REL made a loss of £34,579 at the end of 2018. The facilities are now up and running and trading trends for the initial months of 2019 were good; a plan of action is in place to return to a profit in order to support the good financial health of the Charity.

Principal Risks and Uncertainties

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

Registers are reviewed annually (Strategic – quarterly at Board meetings) dealing with particular risks, responsibility, controls and monitoring processes and the need for new risks to be added. Even with controls and monitoring in place, the biggest 'primary' retained risks include:

Health & Safety - controls include staff induction and training, documented operating procedures, risk analysis and provision of personal protective equipment, which is monitored regularly and post incidents. We have a programme of internal audits across all our sites and activities and in addition we commission a three-yearly external health & safety audit.

Rehoming of unsuitable riding horses – controls include assessment of each horse and suitable rider to ensure best match, contract between the Guardian and Redwings, home checks before a horse leaves Redwings and follow up checks. We regularly review our processes including which horses we consider suitable for rehoming in the first place and when a horse is returned (for any reason).

Decline in income sources – as we are funded purely by the public we cannot completely predict our income. We are responsible for horses in our sanctuary for the rest of their days and for any in Guardian homes that can be returned in accordance with our contract. Our reserves are essential since we cannot risk reducing the level of care. We run a quarterly financial review, which has proved invaluable.

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REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2018

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

Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

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

This report, including the strategic report, was approved by the Trustees on 8th May 2019



S Clark

Chair

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

Opinion

We have audited the financial statements of Redwings Horse Sanctuary (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2018; and of the group's and the parent charitable company's incoming resources and application of resources, including their 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Conclusions relating to going concern

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's 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.

Other information

The other information comprises the information included in the annual report¹ other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on pages 13-14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Auditor's responsibilities for the audit of the financial statements

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

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

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

LARAGH JEANROY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA
Date 13/06/2019

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

REDWINGS HORSE SANCTUARY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2018

	Notes	Unrestricted Funds £	Endowment £	Restricted Funds £	Total Year Ended 31 December 2018 £	Total Year Ended 31 December 2107 £
Income and endowment from:						
Donations and legacies	2	9,523,602	-	564,600	10,088,202	10,593,607
Other trading activities:						
Merchandising income	3	433,816	-	-	433,816	464,178
Lottery income		334,643	-	-	334,643	315,957
Estate grants & other income		92,224	-	-	92,224	145,528
Investments	4	270,813	-	-	270,813	353,359
Total income		10,655,098	-	564,600	11,219,698	11,872,628
Expenditure on:						
Raising funds:						
Fundraising and publicity		2,084,000	-	-	2,084,000	1,881,415
Merchandising		425,681	-	-	425,681	381,238
Charitable activities:						
Sanctuary operations		7,863,377	-	822,605	8,685,982	8,030,702
Education		201,350	-	-	201,350	191,915
Total expenditure	5	10,574,408	-	822,605	11,397,013	10,485,270
Net income/(expenditure) and net movement in funds before gains and losses on investments		80,690	-	(258,005)	(177,315)	1,387,358
Net (losses)/gains on investments		(319,930)	-	-	(319,930)	17,314
Net transfers between funds		53,096	-	(53,096)	-	-
Net movement in funds		(186,144)	-	(311,101)	(497,245)	1,404,673
Reconciliation of funds:						
Funds brought forward		34,672,585	20,372	1,023,615	35,716,572	34,311,898
Total funds carried forward		34,486,441	20,372	712,514	35,219,327	35,716,572

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

All of the 2017 income was unrestricted with the exception of £209,144 of donations and gifts classed as restricted funds. All of 2017 expenditure was unrestricted with the exception of £158,716 Sanctuary Operations Expenditure classed as restricted funds.

REDWINGS HORSE SANCTUARY

PARENT COMPANY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Endowment £	Restricted Funds £	Total Year Ended 31 December 2018 £	Total Year Ended 31 December 2107 £
Income and endowment from:						
Donations and legacies		9,523,602	-	564,600	10,088,202	10,593,607
Other trading activities:						
Merchandising income	3	38,963	-	-	38,963	31,738
Lottery income		334,643	-	-	334,643	315,957
Estate Grants & other income		92,224	-	-	92,224	145,528
Investments		274,563	-	-	274,563	356,799
Total income		10,263,995	-	564,600	10,828,595	11,443,629
Expenditure on:						
Raising funds:						
Fundraising and publicity		2,084,000	-	-	2,084,000	1,881,415
Charitable activities:						
Sanctuary operations		7,863,377	-	822,605	8,685,982	8,030,702
Education		201,350	-	-	201,350	191,915
Total expenditure	5	10,148,727	-	822,605	10,971,332	10,104,031
Net income/(expenditure) and net movement in funds before gains and losses on investments		115,268	-	(258,005)	(142,737)	1,339,598
Net (losses)/gains on investments		(319,930)	-	-	(319,930)	17,314
Net transfers between funds		53,096	-	(53,096)	-	-
Net movement in funds		(151,566)	-	(311,101)	(462,667)	1,356,912
Reconciliation of funds:						
Funds brought forward		34,657,995	20,372	1,023,615	35,701,982	34,345,070
Total funds carried forward		34,506,429	20,372	712,514	35,239,315	35,701,982

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

All of the 2017 income was unrestricted with the exception of £209,144 of donations and gifts classed as restricted funds. All of 2017 expenditure was unrestricted with the exception of £158,716 Sanctuary Operations Expenditure classed as restricted funds.

REDWINGS HORSE SANCTUARY
BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	CONSOLIDATED BALANCE SHEET		PARENT COMPANY BALANCE SHEET	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		£	£	£	£
Fixed assets					
Tangible assets	10	19,541,468	17,219,902	19,541,468	17,219,902
Intangible assets	11	54,858	-	54,858	-
Investments	12	4,545,374	2,886,182	4,545,376	2,886,184
Total Fixed Assets		24,141,700	20,106,084	24,141,702	20,106,086
Current assets					
Investments	13	-	5,000	150,000	155,000
Stocks	14	268,144	224,125	194,852	141,062
Debtors	15	4,705,316	6,174,659	4,704,750	6,174,761
Cash at bank and in hand		7,067,073	10,291,999	7,041,422	10,277,388
Total Current Assets		12,040,533	16,695,783	12,091,024	16,748,211
Liabilities					
Creditors falling due within one year	16	962,906	1,085,296	993,411	1,152,315
Net Current Assets		11,077,627	15,610,487	11,097,613	15,595,896
Net Assets		35,219,327	35,716,571	35,239,315	37,701,982
Funds	20				
Endowment fund		20,372	20,372	20,372	20,372
Restricted funds		712,514	1,023,615	712,514	1,023,615
Designated funds		4,280,635	5,670,147	4,280,635	5,670,147
Revaluation reserve		226,950	183,283	226,950	183,283
General reserve		29,978,856	28,819,155	29,998,844	28,804,565
Total Unrestricted Funds		34,486,441	34,672,585	34,506,429	34,657,995
Total Funds		35,219,327	35,716,572	35,239,315	35,701,982

The financial statements of pages 18-34 were approved by the Trustees on 8th May 2019.



S Clark

Chair

Company Registration Number 03524502

REDWINGS HORSE SANCTUARY

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flows from operating activities	a	1,577,503	2,166,904
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest and rents from investments		273,439	353,359
Proceeds from the sale of property, plant and equipment		31,298	1,132
Purchase of property, plant and equipment		(3,133,044)	(2,126,086)
Proceeds from sale of investments		-	271,250
Purchase of investments		(1,974,122)	(93,039)
Net cash used in investing activities		(4,802,429)	(1,593,384)
Change in cash and cash equivalents in the reporting period		(3,224,926)	526,519
Cash and cash equivalents at the beginning of the reporting period	b	10,291,999	9,768,479
Cash and cash equivalents at the end of the reporting period	b	7,067,073	10,291,999
a) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net (expenditure)/income for the reporting period before gains and losses on investments		(177,315)	1,387,358
Adjustments for:			
Depreciation/amortisation charges		805,635	718,601
Dividends, interest and rents from investments		(270,813)	(353,359)
Profit on the sale of fixed assets		(30,765)	(967)
(Increase)/decrease in stocks		(44,019)	17,386
Decrease/(increase) in debtors		1,466,718	(71,843)
(Decrease)/increase in creditors		(171,938)	419,728
Net cash provided by operating activities		1,577,503	2,116,904
b) Analysis of cash and cash equivalents			
		2018 £	2017 £
Cash in hand		5,567,073	8,291,999
Notice deposits (less than 3 months)		1,500,000	2,000,000
Total cash and cash equivalents		7,067,073	10,291,999

REDWINGS HORSE SANCTUARY

PARENT STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flows from operating activities	a	1,562,713	2,117,019
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest and rents from investments		277,189	353,359
Proceeds from the sale of property, plant and equipment		31,298	1,132
Purchase of property, plant and equipment		(3,133,044)	(2,126,086)
Proceeds from sale of investments		-	271,250
Purchase of investments		(1,974,122)	(93,039)
Net cash used in investing activities		(4,798,679)	(1,593,384)
Change in cash and cash equivalents in the reporting period		(3,235,966)	523,634
Cash and cash equivalents at the beginning of the reporting period	b	10,277,388	9,753,756
Cash and cash equivalents at the end of the reporting period	b	7,041,422	10,277,388
a) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net (expenditure)/income for the reporting period before gains and losses on investments		(142,737)	1,339,598
Adjustments for:			
Depreciation/amortisation charges		805,635	718,601
Dividends, interest and rents from investments		(274,563)	(353,359)
Profit on the sale of fixed assets		(30,765)	(967)
(Increase)/decrease in stocks		(53,792)	900
Decrease/(increase) in debtors		1,467,387	(77,730)
(Decrease)/increase in creditors		(208,452)	489,976
Net cash provided by operating activities		1,562,713	2,117,019
b) Analysis of cash and cash equivalents			
		2018 £	2017 £
Cash in hand		5,541,422	8,277,388
Notice deposits (less than 3 months)		1,500,000	2,000,000
Total cash and cash equivalents		7,041,422	10,277,388

REDWINGS HORSE SANCTUARY

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

1 - Accounting policies

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

a. Basis of preparation

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

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

b. Assessment of Going Concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue, as a going concern, and therefore these accounts have been prepared on a going concern basis.

c. Basis of consolidation

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

d. Income

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

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

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

e. Expenditure

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

f. Support costs

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

REDWINGS HORSE SANCTUARY

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

g. Pension costs

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

h. Tangible fixed assets and depreciation

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

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

Assets under construction are not depreciated and placed in work in progress until the work is complete at which time the asset is depreciated.

i. Intangible assets and amortisation

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

Software	over 5 years
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j. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted bid price. The SOFA included the net gains and losses arising on revaluation and disposals through the year.

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

Investments in subsidiaries are measured at cost less accumulated impairment.

k. Operating leases

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

l. Stocks

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

m. Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method, apart from listed investments, which are held at fair value derived as noted within the investments note. Further details of financial instruments are shown in notes 17 and 18.

n. Debtors

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

REDWINGS HORSE SANCTUARY

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

o. Creditors

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

p. Fund accounting

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

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

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

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

Investment income and gains are allocated to the appropriate fund.

q. Critical accounting estimates and areas of judgement

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

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

Legacy debtor

The Charity has entitlement to legacy income at 31 December, but which will be received after the year end. An estimate of the amount of be received has to be made at the year end. See note 14 for the legacy receivable debtor at the year end.

2. Income from donations and legacies

	2018 £	2017 £
Donations	2,765,812	2,322,580
Legacies	7,322,391	8,271,207
Total income from donations and legacies	10,088,202	10,593,607

REDWINGS HORSE SANCTUARY

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

3. Merchandising income

	Sale of Donated Goods	Redwings Enterprises Ltd Sales	Total Year Ended 31 December 2018	Total Year Ended 31 December 2017
	£	£	£	£
Parent company	38,963	-	38,963	31,738
Subsidiary company	-	394,853	394,853	432,439
Total income	38,963	394,853	433,816	464,178
Merchandising costs				
Subsidiary company costs of sales	-	207,837	207,837	206,132
Administration expenses	-	217,843	217,843	175,106
Total costs	-	425,680	425,680	381,238
Merchandising surplus	38,963	(30,827)	8,136	82,939

4. Income from investments

	2018 £	2017 £
Interest	85,121	235,899
Dividends	123,228	57,048
Rent	62,464	60,412
Total income from investments	270,813	353,359

5. Analysis of expenditure

	Staff Costs	Direct Charitable Costs	Other Costs	Total Year Ended 31 Dec 2018	Total Year Ended 31 Dec 2017
	£	£	£	£	£
Fundraising and publicity	710,817	-	1,373,183	2,084,000	1,881,414
Sanctuary operations	6,298,026	2,387,956	-	8,685,982	8,030,702
Education	37,505	163,845	-	201,350	191,915
Expenses - charity	7,046,348	2,551,801	1,373,183	10,971,332	10,104,031
Merchandising costs	54,029	-	371,651	425,681	381,239
Expenditure - group	7,100,377	2,551,801	1,744,834	11,397,013	10,485,270

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

REDWINGS HORSE SANCTUARY

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

6. Support costs

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2018 £	Total 2017 £
Human resources	20,390	67,564	125	655	88,734	79,374
Health & Safety	11,900	51,867	-	453	64,220	60,847
Finance/IT	140,513	259,244	-	6,048	405,805	264,362
Premises/Office costs	136,624	18,188	2,963	4,810	162,585	137,162
Central Services	75,515	624,688	3,062	117,823	821,088	662,217
Depreciation/amortisation	170,844	632,742	-	2,041	805,627	712,076
Support costs - group	555,786	1,654,293	6,150	131,830	2,348,059	1,916,038

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2018 £	Total 2017 £
Human resources	20,390	67,564	125	-	88,079	79,374
Health & Safety	11,900	51,867	-	-	63,767	60,847
Finance/IT	140,513	259,244	-	-	399,757	264,362
Premises/Office costs	136,624	18,188	2,963	-	157,775	137,162
Central Services	53,319	575,676	2,936	-	631,931	498,875
Depreciation/amortisation	170,844	632,742	-	-	803,586	712,076
Support costs - charity	533,590	1,605,281	6,024	-	2,144,895	1,752,696

7. Staff costs

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Wages and salaries	5,386,908	4,865,576
Social security costs	368,137	330,217
Pension costs	197,339	164,460
	5,952,384	5,360,253

Number of employees by function

Sanctuary and welfare	209	189
Fundraising and administration	66	64
	275	236

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

£60,000 - £70,000	1	1
£80,000 - £90,000	0	1
£90,000 - £100,000	1	-

Remuneration for the six Senior Management Team members totalled £346,640 (2017: £382,763). The Senior Management Team are considered to be the key management personnel of the Charity and group.

8. Pension costs

The Charity operates defined contribution pension schemes on behalf of certain employees. The contributions to the schemes are paid into external independently administered funds. The pension cost charge represents contributions payable by the Charity to the schemes, which amounted to £197,339 (2017: £164,460). This includes a contribution of £13,503 (2017: £8,368) made on behalf of the employees earning above £60,000. Contributions totalling £27,160 (2017: £19,635) were payable to the fund at the year end and are included in other creditors.

REDWINGS HORSE SANCTUARY

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

9. Net income for the year

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Net income for the year is stated after charging/(crediting)		
Remuneration of the Charity auditors		
- Audit of these accounts	13,500	10,725
- Audit of subsidiary undertakings	2,500	2,050
- Taxation compliance services	542	155
- Tax advisory	-	452
Depreciation of tangible owned assets	760,601	718,604
Amortisation	45,034	-
Operating leases		
- Land and buildings	26,500	25,600
Profit on sales of assets	(30,765)	(967)

10. Tangible fixed assets

	Group and Charity				
	Freehold Property £	Assets under Construction £	Wasting Structure £	Plant & Equipment £	Total £
Costs					
01 January 2018	16,842,700	110,390	2,939,484	3,857,391	23,749,965
Transfers	-	(37,790)	37,790	-	-
Additions	93,040	1,165,492	1,547,567	376,493	3,182,592
Disposals	-	-	-	(143,997)	(143,997)
Transfers	-	-	-	(225,169)	(225,169)
31 December 2018	16,935,740	1,238,092	4,524,841	3,864,718	26,563,391
Depreciation					
01 January 2018	1,501,548	-	2,100,037	2,928,478	6,530,063
Charge in year	138,731	-	205,857	416,013	760,601
Eliminated on disposal	-	-	-	(143,464)	(143,464)
Transfers	-	-	-	(125,277)	(125,277)
31 December 2018	1,640,279	-	2,305,894	3,075,750	7,021,923
Net book value					
31 December 2018	15,295,461	1,238,092	2,218,947	788,968	19,541,468
31 December 2017	15,341,151	110,390	839,446	928,913	17,219,902

All assets are owned by the Charity and are free from charge. The cost of freehold land not being depreciated included in land and buildings is £9,832,307 (2017: £9,739,267).

REDWINGS HORSE SANCTUARY

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

11. Intangible assets

	2018 £
Cost	
At 1 January	-
Transfer	225,169
At 31 December	<u>225,169</u>
Amortisation	
At 1 January	-
Charge for the year	45,034
Transfer	125,277
At 31 December	<u>170,311</u>
Net book value at 31 December 2018	<u>54,858</u>

12. Fixed asset investments

	Group		Charity	
	31 Dec 2018 £	31 Dec 2017 £	31 Dec 2018 £	31 Dec 2017 £
Quoted Investments				
Market value at start of period	2,336,182	2,127,078	2,336,182	2,127,078
Additions at cost	1,974,122	93,039	1,974,122	93,039
Disposal proceeds	-	(70,114)	-	(70,114)
Net investment (losses)/gains	(314,930)	186,178	(314,930)	186,178
Market value at end of period	<u>3,995,374</u>	<u>2,336,182</u>	<u>3,995,374</u>	<u>2,336,182</u>
Investment property				
Investment property at start of period	550,000	650,000	550,000	650,000
Revaluation	-	(100,000)	-	(100,000)
Market value at end of period	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Un-quoted investments				
Shares in Redwings Enterprises Limited	-	-	2	2
Total fixed asset investments	<u>4,545,374</u>	<u>2,886,182</u>	<u>4,545,376</u>	<u>2,886,184</u>
Historical Cost at 31 December 2018	<u>4,318,425</u>	<u>2,702,901</u>	<u>4,318,425</u>	<u>2,702,901</u>
Analysis of Quoted Investments at 31 December 2018 between funds:				
Fixed Interest UK	515,837	243,904	515,837	243,904
Fixed Interest Overseas	92,377	57,996	92,377	57,996
Equities UK	1,233,780	897,358	1,233,780	897,358
Equities Europe	226,612	122,593	226,612	122,593
Equities Other	1,527,725	785,833	1,527,725	785,833
Property Funds	209,219	104,661	209,219	104,661
Hedge/Absolute Return Funds	189,824	123,838	189,824	123,838
	<u>3,995,374</u>	<u>2,336,182</u>	<u>3,995,374</u>	<u>2,336,182</u>

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

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

REDWINGS HORSE SANCTUARY

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

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

13. Current asset investments

	Group		Charity	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	£	£	£	£
Loan to Redwings enterprises Limited (see note below)	-	-	150,000	150,000
Interest in freehold land acquired form legacy	-	5,000	-	5,000
	-	5,000	150,000	155,000

The only financial instrument measured at amortised cost comprises the loan made to Redwings Enterprises Limited. This is unsecured and is due for repayment one year from the balance sheet date. Interest is charged on the loan at 2% above the NatWest Bank plc's base rate.

14. Stock

	Group		Charity	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	£	£	£	£
Stock of fees and consumables	144,030	87,419	144,030	87,419
Stock of veterinary supplies	50,822	53,643	50,822	53,643
Merchandising goods for resale	73,292	83,063	-	-
	268,144	224,125	194,852	141,062

Stock recognised in cost of generating funds during the year as an expense was £179,377 (2017: £17,667).

15. Debtors

	Group		Charity	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	£	£	£	£
Gift Aid & recoverable tax	30,865	98,806	30,865	98,806
Legacies receivable	4,420,639	5,833,547	4,420,639	5,833,547
Income accrued	6,225	112,000	6,225	112,000
Prepayments and other debtors	225,478	126,124	225,578	127,692
Trade debtors	22,109	4,182	21,443	2,716
	4,705,316	6,174,659	4,704,750	6,174,761

16. Creditors amounts falling due within one year

	Group		Charity	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	£	£	£	£
Trade creditors	551,704	745,681	543,248	740,681
Amount owed to subsidiary	-	-	44,074	73,791
Amount re merged Charity	-	-	100	100
Other creditors	39,958	29,097	39,960	30,565
VAT and social security	27,048	70,507	27,048	70,507
Accruals	344,196	240,011	338,981	236,671
	962,906	1,085,296	993,411	1,152,315

REDWINGS HORSE SANCTUARY

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

17. Financial instruments - group

	2018 £	2017 £
Financial assets		
Debt instruments measured at amortised cost	4,477,986	5,978,141
Instruments measured at fair value through SOFA	3,995,374	2,336,182
	<u>8,473,360</u>	<u>8,313,223</u>
Financial liabilities		
Measured at amortised cost	<u>908,508</u>	<u>990,277</u>

18. Financial instruments - charity

	2018 £	2017 £
Financial assets		
Debt instruments measured at amortised cost	4,477,419	5,978,141
Instruments measured at fair value through SOFA	3,995,374	2,336,182
	<u>8,472,793</u>	<u>8,314,323</u>
Financial liabilities		
Measured at amortised cost	<u>939,013</u>	<u>1,059,296</u>

19. Subsidiary company

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

	2018 £	2017 £
Turnover	391,851	432,439
Cost of sales and administration	(425,680)	(381,238)
Interest payable	(3,750)	(3,440)
(Loss)/profit for the period	<u>(37,579)</u>	<u>47,761</u>
The aggregate of assets, liabilities and funds was:		
Current assets	129,759	172,931
Creditors: amounts falling due within one year	(149,747)	(158,340)
Total net (liabilities)/assets	<u>(19,988)</u>	<u>14,591</u>

REDWINGS HORSE SANCTUARY

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

20. Funds

	Opening Balance	Income	Funds Movements Expenditure	Transfers Gains & Losses	Closing Balance	Represented by Fixed assets	Net current assets
	£	£	£	£	£	£	£
Endowment							
WJ Turner Settlement	20,372	-	-	-	20,372	-	20,372
Restricted							
Recovery shelter	304,798	-	-	-	304,798	304,798	-
New farm & grazing	205,822	-	-	-	205,822	205,822	-
Reception & Assessment Centre	94,500	-	-	-	94,500	94,500	-
Ada Cole Memorial Stables	1,930	2,000	(3,930)	-	-	-	-
Mountains field shelters/repairs	6,000	-	-	-	6,000	-	6,000
Mountains fencing	14,004	-	(6,704)	-	7,300	-	7,300
Mountains general	-	294,389	(294,389)	-	-	-	-
Caldecott	-	700	(700)	-	-	-	-
Vets, vet care, vet treatment	-	740	(740)	-	-	-	-
Stable for horse wintering	-	-	-	-	-	-	-
Oxhill riding arena	82,115	-	(82,115)	-	-	-	-
Horse Food	-	-	-	-	-	-	-
Oxhill rehoming facility	-	178,559	(178,559)	-	-	-	-
Fencing at Ada Cole	68,091	-	(14,995)	(53,096)	-	-	-
Caldecott Field Shelter	5,000	-	(5,000)	-	-	-	-
Digital X Ray machine	40,000	-	(8,000)	-	32,000	32,000	-
Ada Cole	-	1,030	(1,030)	-	-	-	-
Aylsham	-	3,700	(3,700)	-	-	-	-
Oxhill	-	20,161	(20,161)	-	-	-	-
Donkeys	-	51,961	(51,961)	-	-	-	-
Red Shed	-	250	(250)	-	-	-	-
Oliver Twist Memorial	-	1,000	(1,000)	-	-	-	-
Tinkerbelle	-	100	(100)	-	-	-	-
Care of Horses Hapton	-	10,010	(10,010)	-	-	-	-
H K D Animal Welfare Trust	201,355	-	(139,261)	-	62,094	-	62,094
Total restricted	1,023,615	564,600	(822,605)	(53,096)	712,514	637,120	75,394
Total endowment & restricted	1,043,987	564,600	(822,605)	(53,096)	732,886	637,120	95,766
Designated							
Planned capital expenditure	5,670,147	-	(635,324)	(754,188)	4,280,635	-	4,280,635
Revaluation reserve	183,283	-	-	43,667	226,950	226,950	-
General reserve	28,819,155	10,655,098	(9,939,084)	443,687	29,978,856	23,277,630	6,701,226
Total unrestricted	34,672,585	10,655,098	(10,574,408)	(266,834)	34,486,441	23,504,580	10,981,861
Group Total	35,716,572	11,219,698	(11,397,013)	(319,930)	35,219,327	24,141,700	11,077,627

Purpose of funds

Name	Primary use of funds and designated
Recover Shelter	Originally for the building of specially designed shelters in which equines can recover from illness, now associated with land at Hapton.
New farm & grazing	Purchase of additional land suitable for equine grazing and care.
Reception & assessment Centre	Site local to main operations for incoming animals to be checked before going to Sanctuary farms.
Mountains General	For general running of Redwings Mountains Sanctuary.
Caldecott	To help horses at Caldecott.
Oxhill riding facility	For Oxhill riding arena project.
Oxhill rehoming facility	For Oxhill rehoming project.
Fencing at Ada Cole	For fencing at Ada Cole Memorial Stables.
Digital X Ray machine	For a digital X ray machine.
Oxhill	Care at Oxhill
Donkeys	To help care for the Donkeys.
Care of Horses Hapton	To help care for the horses at Hapton including "Bobby".
HKD Animal Welfare Trust	For use in Scotland only.

REDWINGS HORSE SANCTUARY

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

The movement under designated funds, planned capital expenditure closing balance represent the Capital project for 2019. The expenditure in 2018 represents the amount less items that were fixed assets the total Capital spend for 2018 was £3,750,956.

The transfer from restricted funds is with respect of expenditure against projects restricted in previous years for which have not been fully met.

21. Funds – comparative 2017

	Opening Balance	Income	Funds Movements Expenditure	Transfers Gains & Losses	Closing Balance	Represented by Fixed assets	Net current assets
	£	£	£	£	£	£	£
Endowment							
WJ Turner Settlement	20,372	-	-	-	20,372	-	20,372
Restricted							
Recovery shelter	304,798	-	-	-	304,798	304,798	-
New farm & grazing	205,822	-	-	-	205,822	205,822	-
Reception & Assessment Centre	94,500	-	-	-	94,500	94,500	-
Ada Cole Memorial Stables	1,930	-	-	-	1,930	1,930	-
Mountains field shelters/repairs	-	6,000	-	-	6,000	-	6,000
Mountains fencing	-	14,004	-	-	14,004	-	14,004
Mountains general	-	11,000	(11,000)	-	-	-	-
Caldecott	-	580	(580)	-	-	-	-
Vets, vet care, vet treatment	-	200	(200)	-	-	-	-
Stable for horse wintering	-	1,000	(1,000)	-	-	-	-
Oxhill riding arena	-	100,000	(17,886)	-	82,115	-	82,115
Horse Food	-	25	(25)	-	-	-	-
Oxhill rehoming facility	-	21,000	(21,000)	-	-	-	-
Fencing at Ada Cole	68,090	-	-	-	68,090	-	68,090
Caldecott Field Shelter	-	5,000	-	-	5,000	-	5,000
Digital X Ray machine	-	40,000	-	-	40,000	40,000	-
Ada Cole	-	135	(135)	-	-	-	-
Aylsham	-	-	-	-	-	-	-
Donkeys	-	200	(200)	-	-	-	-
Care of Horses Hapton	-	10,000	(10,000)	-	-	-	-
H K D Animal Welfare Trust	298,045	-	(96,690)	-	201,355	-	201,355
Total restricted	973,185	209,144	(158,716)	-	1,023,614	647,050	376,563
Total endowment & restricted	993,558	209,144	(158,716)	-	1,043,986	647,050	396,935
Designated							
Planned capital expenditure	3,546,993	-	-	2,123,153	5,670,147	-	5,670,147
Revaluation reserve	286,321	(103,039)	-	-	183,283	183,283	-
General reserve	29,485,025	11,783,838	(10,326,554)	(2,123,153)	28,819,157	19,275,750	9,543,406
Total unrestricted	33,318,340	11,680,799	(10,326,554)	-	34,672,586	19,459,033	15,213,553
Group Total	34,311,898	11,889,943	(10,485,270)	-	35,716,572	20,106,084	15,610,488

22. Financial Commitment

The Group and Charity have the following commitments:

- Rent of barns under 3-year operating leases, now subject to a rolling lease

Group and Charity
2018 2017
£ £

The total remaining commitments under these contracts at 31 December were:

Payable within one year

- 13,250

REDWINGS HORSE SANCTUARY

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

23. Operating leases receivable

The Charity as lessee, holds the following commitments

	31 Dec 2018 £	31 Dec 2017 £
Within one year	19,000	22,542
Within two to five years	14,836	14,836

24. Related party transactions

- No remuneration was paid to any member of the board during the period.
- A Trustee was reimbursed £621 (2017: one trustee £777) in respect of travel expenses to attend Board of Trustee meetings.
- Fees totalling £12,791 (2017: £25,032) have been paid to Savills PLC in Norwich in which Mr M Little is a director. The fees were in respect of estate management and farm purchase.
- An amount of £76,609 (2017: £24,665) has been paid to Town and Country Floors of whom Mrs T Whistlecraft (Executive Director Resources at Redwings) is related. These costs relate to flooring for various projects including Caldecott Hall.

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

In 2018 the following transaction took place between the Charity and its wholly owned subsidiary Redwings Enterprises Limited:

Management charge of £203,163 (2017: £163,324)

Rental charge of £3,000 (2017: £3,000)

Interest charge of £3,750 (2017: £3,440)

At 31 December 2018 £65,685 was due from the Charity to Redwings Enterprises Limited (2017: £75,257 was due from the Charity to Redwings Enterprises Limited). In addition to this, the Charity had provided a loan of £150,000 to Redwings Enterprises Limited. The loan is due for repayment in one year from the balance sheet date. Interest is charged on the loan at 2% above NatWest Bank plc's base rate.

25. Members Guarantee

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

26. Ada Cole Memorial Stables

By an agreement made between the Trustee Boards of Redwings Horse Sanctuary and Ada Cole Memorial Stables the two charities merged operations on 1 October 2005.

27. Post balance sheet event – SWHP merger

On 1st February 2019, The Charity merged with SWHP all the assets and liabilities were gifted to the Charity.