

A company limited by guarantee

Registered in England No. 03524502

Registered charity No. 1068911

SC No. 045070



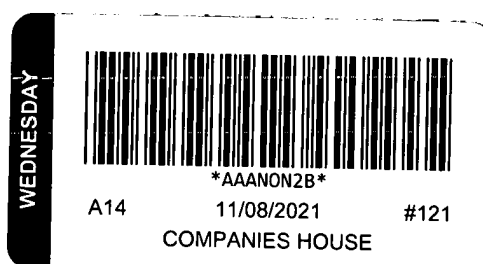
Annual Report and Group Accounts

of

Redwings Horse Sanctuary

for the year ended

31st December 2020



REDWINGS HORSE SANCTUARY

CONTENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

Page(s)	Detail
3	Legal & Administrative Information
4 - 14	Report of the Trustees
18 - 21	Independent Auditors' report
22	Consolidated statement of financial activities
23	Parent company statement of financial activities
24	Balance Sheet
25 - 26	Cash flow statement
27 - 37	Notes to the accounts

REDWINGS HORSE SANCTUARY

LEGAL & ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31ST DECEMBER 2020

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 (retired 14 th October 2020) Andrew Fryer, Treasurer Mark Little FRICS FAAV, Chair from 14 th October 2020 (Vice Chair until 14 th October 2020) Ann Polley David Buckton Paul Fileman (Vice Chair from 14 th October 2020) Tom Sharpe (from 26 th February 2020) Joanne Wilkes (from 26 th February 2020) 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
Bankers	NatWest Bank plc, 45 London Street, Norwich, NR2 1HX
Auditors	RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk, IP33 3SB
Investment managers	Quilter Cheviot, One Kingsway, London, WC2B 6AN Smith & Williamson, 206 St Vincent Street, Glasgow, G2 5SG

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

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 12 sites of owned grazing land in Norfolk, Essex, Warwickshire, Monmouthshire and Angus (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 and donkeys 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 Management Board of a minimum of five 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 Committee has specific responsibility for scrutinising and approving an annual capital and revenue budget and reviewing the Annual Accounts and Audit. Trustees make provision and time, if 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 compliance, finance, equine care, communications & campaigning, fundraising and veterinary.

Governance Policies

The Management Board 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. There is a governance section on the Redwings' website which includes the Code of Conduct for Trustees, and the Management Board keeps the Charity Governance Code under review as well as key policies on their Redwings Management Board's portal.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

Recruitment, induction and training of Trustees

Trustees have been chosen for the experience, skills and interests thought necessary and relevant to ensure effective management of the Charity. New Trustees receive an induction during their initial months, including seeing our work, explaining our policies and taking part in Safeguarding training. Trustees are subject to a regular Skills Audit to ensure the knowledge is there to lead the Charity, including having one Trustee who acts also as Treasurer.

Should a vacancy arise, a review and Skills Audit (using Reach Volunteering's model) is carried out before advertising. In 2019 we conducted a recruitment campaign to find a Trustee with legal experience through advertising on our website, Reach Volunteering and a media campaign; the result was a strong pool of candidates. In January 2020, interviews were held; the two people selected will further strengthen the existing skills of our committed Trustees and they joined in February 2020. Our Chair, Steve Clark, retired in October 2020 after more than 25 years of voluntary service and we cannot thank him enough for his contribution to the Charity. A new Chair was appointed and a new Vice Chair. The trustee vacancy from Steve's retirement will be filled in 2021, along with a continued review on Board diversity.

We maintain a high level of attendance at Board of Management meetings which continued in person in the first quarter of 2020, prior to the impact of Covid-19. Since then, these meetings have been held virtually as permitted under our governing document.

Fundraising

Trustees are fully 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 Institute of Fundraising, is registered with the Fundraising Regulator and The Gambling Commission. 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 best practice, 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 and will follow the guidance of the Institute of Fundraising and Fundraising Regulator. Trustees are aware of their responsibilities with regard to Fundraising, including viewing the guidelines from the Regulator and keeping a copy on the trustee portal.

Redwings has a robust complaints process that reviews and learns from any complaints received. The operational team meet to review complaints and the Board of Management monitors complaints received and how they were addressed. A significant amount of our fundraising is through appeals and newsletters; during 2020 there were three complaints related to fundraising administration, two of which were about non-actioned requests to remove supporters from a mailing list, which were then addressed by internal investigation and subsequent swift action.

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

Covid-19's resulting national lockdowns had a significant impact through having to close our centres. We were extremely grateful for the generosity of our supporters, many of whom had been adversely affected financially by Covid-19. We were also appreciative of the respectful and supportive approach taken by several grant-making trusts, enabling us to prioritise our spend within the constraints of Covid-19.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Strategic Report

Rescue and admissions

Where possible we try to help horses remain in the care of their owners through providing advice. National lockdowns and restrictions had an impact on reporting and how we could carry out our work. During 2020 our Welfare & Horse Care Helpline gave advice 690 times (a 41% decrease from 2019), responded to 290 comprehensive email and written enquiries, and investigated 211 concerns (a 11% decrease, largely due to more partnership working with other equine welfare charities). There were 19% fewer rehoming checks on loan homes, due to the Covid-19 pandemic, but through innovation we promptly established a process for virtual home checks and engaged with new and established loan homes, including some of those who transferred from the 2019 merger with SWHP. The welfare team's workload continued to be particularly demanding in the late Winter when we found that the complexity of calls and time spent per call remained high due to the wet weather and increased costs of keeping horses.

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. Due to our farms being full we continue to have to fund keeping horses in external boarding awaiting admissions; this puts additional demands on our welfare and veterinary teams but enables the rescue to take place.

In 2020, despite being full for over a decade, admissions increased slightly (3%) for the second year running (31% in 2019). We had less formal admission requests with 548 requests for admission however we supported several smaller charities with admissions and veterinary caseloads. We are conscious of the continued pressure beyond-capacity admissions put on our facilities and funds and that we need to find more sustainable models for horse owners to deliver good welfare. We collaborated with other National Equine Welfare charities including donating to promptly establish the Equine Rescues Emergency Fund, so that a co-ordinated approach could be run through the Pet Plan Trust, supporting smaller charities during Covid-19. In addition, we contributed and participated in discussions with DEFRA and directly with the Minister, to ensure they were appraised of the impact of Covid-19 on equine rescue centres.

By October 2020, legislation meant that horse owners in England had to have their horses microchipped. For us that meant we had to extend our microchipping programme to include backdating for those horses who have been with us for years prior to microchipping was introduced and for those from SWHP. Horses in our ownership, including those on loan, were microchipped despite lockdowns for Covid-19, largely to the considerable commitment to this project early on as part of our support of advancing equine ID in support of our welfare work.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Rehabilitation and 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 rounding up 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. Despite Covid-19, this work and support was adapted internally and continued through admissions.

Sanctuary – a home for life

Redwings provides everyday sanctuary care to over 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 2020, 19% of our resident horses were veterans (aged 15 to 19) and 16% were geriatrics (aged 20 and over). Included in the younger population are special care case horses 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. Our veterinary time remains in demand, despite having increased the number of veterinary surgeons, and we are aware that veterinary students need support to encourage them to go into practice, so we support a programme of in-practice experience through the Royal Veterinary College, currently suspended due to Covid-19.

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 c100 staff attending each full day seminar. Due to the pandemic and needing to keep our horse care teams in bubbles we adapted; our staff focussed on our virtual campaigning and communications activities, including engaging in the innovative work on Strangles Action Week and our digital work with the gypsy and traveller community through Best in Show.

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, and then be found a suitable foster home. In 2019 we had completed an ambitious programme to create rehoming facilities and increase our reach – at our existing visitor centres at Caldecott (Norfolk) and Oxhill (Warwickshire). 2020 was a mixed year for these and our established rehoming centre, with periods of lockdown between an increased interest in taking a rehomed horse or pony, in particular an increase in interest for horses that needed time to bring on. At the close of 2020

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

we had 637 horses in Guardian homes. Our new virtual checking process was well-received and will be reviewed as a support tool for Guardians, even when lockdowns cease.

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 a staggering 517 checks on rehomed horses in 2020, including supporting checks on some horses rehomed by other charities. 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 them, 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; attendees meet 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 Cushing's disease, Strangles, hoof care and farriery, and donkey care. We also 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, 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.

The people behind Redwings

The value and commitment of the people behind Redwings was phenomenal during Covid-19.

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.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

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. Due to the pandemic, most of our volunteering ceased until it is safe for both parties to recommence.

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 invest in training our staff and developing them to take part in our work; we have increased the number and diversity of mentors across the Charity. Our prior training and development investment in wellbeing, including the creation of Wellbeing Champions supporting our mental health programme, was put to full use in 2020 and supplemented by a focussed internal communications programme, supporting our staff sharing uplifting photographs and stories about the horses in our care, and wellbeing tips.

The Covid-19 pandemic impacted on our staff in many ways including an initial suspension of recruiting to vacancies leading to more work for those remaining in post, having to adapt to new ways of working, and the impacts resulting from the Charity needing to use the Coronavirus Job Retention Scheme, for our visitor teams and those roles lost or diverted by the pandemic.

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 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.

On 5th April 2020 Redwings employed 364 people, 82% of which are female.

Redwings' 2020 mean and median pay gap in favour of women is strongly influenced by the number of females in supervisory, managerial and senior management roles (84% of females compared to 13% of males in similar roles).

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

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 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 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 materials on our website, 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.
- **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.**

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

Streamlined Energy and Carbon Reporting (SECR)

Redwings is the largest horse sanctuary in the UK. The assessment period coincides with the financial calendar year covering 1st January 2020 – 31st December 2020. This is the first year of Greenhouse Gases (GHG) reporting.

The scope of our energy assessment covers all charitable operations including administrative buildings, 12 operational farms caring for over 1,500 horses predominantly living out naturally in fields, internal veterinary services, five visitor centres, welfare operations, and the trading subsidiary Redwings Enterprises Limited.

Our emission calculations are broken down into three areas: Scope 1 - Direct GHG Emissions, Scope 2 - Energy Indirect GHG Emissions, and Scope 3 - Other Indirect Emissions.

Methodology: GHG Reporting Protocol – Corporate Standard.

EMISSIONS BREAKDOWN BY SCOPE	2020 UK Emissions	Base Year UK Emissions
	tCO ₂ e	tCO ₂ e
Scope 1	367.56	367.56
Scope 2	100.14	100.14
Scope 3	8.61	8.61
Total Gross Scope 1 & 2	467.70	467.70
Total Scope 1, 2 & 3 (tCO ₂ e)	476.31	476.31
Total kgCO ₂ e	476,310.42	476,310.42
Intensity Metric tCO ₂ e/ Equine	314.81	314.81
Intensity Metric tCO ₂ e/ FTE Employee	1,826.34	1,826.34
Scope 1 & 2 UK Energy Consumption (kWh)	1,883.49	1,883.49
Scope 3 Energy Consumption (kWh)	0.00	0.00
Total UK Energy Consumption (kWh)	1,883,492.83	1,883,492.83

Redwings Energy Efficiency Activities during reporting year

In 2020 many of our administrative based employees worked from home. We restricted internal movements between our sites to essential journeys only and switched meetings to a virtual setting. The use of bicycles is encouraged on some of our sites instead of a vehicle to reduce emissions and to boost employee wellbeing. The development of our environmental policies are in conjunction with our Staff Forum and we continue to engage our staff on environmental considerations via our Environmental Policy and initiatives and through our internal communications.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Our Strategy

Our Strategic Plan has four sections:

- Horses: To help more horses in need of care and sanctuary
- People: To enable the people behind Redwings to deliver our work and apply our Values
- Resources: To value the resources needed to deliver our work
- Communications: To share our knowledge and make a positive impact on horse welfare.

We continued at capacity, including having to fund horses in external boarding centres. As the UK's largest horse sanctuary and a leader in specialist care, horse behaviour and geriatric horse care, our plan continued with many of the initiatives started before this current strategic plan aiming to address the welfare challenges resulting from the UK Equine Welfare Crisis.

The strategy included 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 15 years we 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. Despite Pre-Planning-advice before the purchase, the Planning process is still ongoing (at preparation of Conditions stage at the time of publishing) with the compliance levels needing to be high. In February 2019, we formally merged with SWHP, and the new Redwings site became home to SWHP's horses and staff, with interim facilities. Throughout 2020 we committed significant time and resources on reports and compliance commissions for the local authority; the authority was affected by the pandemic and at year end we were still awaiting discharge before our works could commence. This has been a significant frustration during Covid-19, but we have continued to progress the works as far as we can.

We completed the investment expanding our Caldecott visitor facilities, including an events venue and new visitor building with a separate café and gift shop at Caldecott Hall. This popular venue is home to many of our long-standing adoption herds and is accessible for new supporters of our work.

The major associated works in creating a rehoming facility at our Oxhill site continued, including a new muck clamp and major fencing works.

Our *Stamp Out Strangles* campaign remained a dominant aspect of our work, the successful 2019 Speak out on Strangles Day aimed at the horse owner and a conference with vets and industry leaders, was due to be following in 2020 with Strangles Awareness Week; this was launched at the National Equine Forum by a presentation from a large equestrian centre who boldly case-studied how they had overcome their strangles outbreak through using our material and processes. The launch was at a difficult time for one of our major partners, the Animal Health Trust, and whilst we adjusted our campaign in the light of their news of forthcoming closure, days later we heard of Covid-19. We innovated and switched to a digital campaign and continued to work to deliver this next stage of our campaign. The team included a topical comparison of strangles with Covid-19 in a webinar discussion and grid form, both of which were well-received and shared by industry partners, despite it being a demanding time.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Our Plans for the Future

During a respite between lockdowns, the Board of Management were able to meet to review the impact of Covid-19 on our strategic plan and future plans for 2021-2023.

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 are mindful of the constraints on our land and horse-per-acre. We will need to continue a programme of major works, some of which seek to reduce the pressures on our grazing, including seeking Planning Permission to increase our grazing acreage on our largest farm. The timing and order of these works will be reviewed.

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 in the interests of expanding good welfare and horse care. In particular, we acknowledge the demands on qualified vets and the challenge in undergraduate and newly-qualified vets in gaining experience; once a new-normal returns post-Covid-19, we will establish formal support in these areas, making the most of our significant experience and passion from our in-house surgeons.

The commitment to our campaign to Stamp Out Strangles was reviewed after five years of dedicating our campaigning efforts; it will continue to be invested in whilst we work towards our goal to make good biosecurity at the heart of everyday horse care. We will also commence the development of a second campaign, one that would lead to a positive and practical impact on horse care and welfare.

Financial Review

As a charity in receipt of donations from supporters, income is unpredictable. As a substantial provider of long-term care, we rely on and appreciate income from legacies to fund a large percentage of our work. Legacy income in 2020 saw a substantial (36%) decrease from 2019 and accounted for 59% of our income for the year. After setting revised budgets due to Covid-19, despite reducing expenditure, we ended the year with a deficit of over £1m.

We care for over 1,500 horses and donkeys and with the demands on the welfare and veterinary teams, our biggest spend is on staffing despite welcomed support from volunteers. In 2020 staff costs accounted for over £7.1m (2019: £7m) of our annual spend; this included statutory increases in the National Living Wage and pension, but the increased cost was less than prior years due to a recruitment freeze for part of 2020. Included in our income were funds received from the Government's Coronavirus Job Retention Scheme (CJRS) which we applied to visitor centres, some of trading and operations and support for some of our staff who had to shield and stay away from the workplace. As an employer of more than 250 staff, even from the initial CJRS we had to meet the costs of National Insurance and pension, but the grants were a lifeline.

There was continued increased direct charitable spend in equipment/farm running in part due to staff needing more vehicles and increased vehicle usage in order to maintain distance due to Covid-19; we were also impacted by additional spend on personal protective equipment due to increase costs of gloves and disinfectant as well as changes to operating practices. Forage costs continue to be significant, including planning for extended foraging during continued challenging weather patterns and a need to ensure the equines in our care have the right forage mix (which included increasing the number of horses fed straw or a straw/hay mix).

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

We are always aware of how much we spend on generating funds; despite increasing our mailing list after the 2019 merger with SWHP, we managed to reduce our standard mailing spend by 11% in 2020.

Reserves Policy

The balance sheet shows the Charity's reserves as at 31st December 2020. To quantify the funds which are freely available for general purposes, it is necessary to consider how the reserves are applied.

Total charity unrestricted reserves at the balance sheet date	£35,060,676
Less: tangible & intangible fixed assets	(£19,175,664)
Excluding restricted tangible fixed assets	<u>£660,120</u>
	<u>£16,545,132</u>

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. We have helped other sanctuaries when they faced closure, but due to our size, we would be unable to receive similar help.
- 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 held 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. 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 expenditure during the year under review, this reserve would amount to approximately 16.67 months. Free reserves shown are therefore over 90% of the target.

In addition to these running costs, Trustees continue to review spending on maintenance, improvements or replacement facilities and capital works, in particular the next phase at Oxhill. When we complete the planning process for our centre in Chepstow, it will need funding. Total works for 2021 across our sites are expected to cost £2.1m. These works continue to be phased in the light of available funds, and factor in post-Covid-19 variations including sourcing contractors and materials at a fair price for the works.

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.

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

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-to-higher risk basis due to the need for our reserves to grow above inflation. Despite an initial plummet in the markets in 2020, the main investment portfolio achieved a small increase of £133k at year end.

The Charity also continues to hold some funds in interest-earning bank accounts ensuring monies are readily available, but we recognise that those accounts are unable to achieve interest above inflation. With our forecast needs, this policy is expected to be maintained, but with a reduced sum and more movement to increase (even by a little) 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 at Fellowship level. We have policies for Financial Procedures, Reserves and Investments. There are usually separate meetings of a Finance Sub Committee but due to Covid-19's significant impact on resources, in 2020 these meetings were merged with Board of Management meetings and Finance put as the first agenda item, so that all trustees could support the Treasurer in prioritising financial review and strategy.

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 with our mail order operation. Despite a strong performance for the first 10 weeks of 2020 and bookings for weddings/events later that year, and an increase in mail order during lockdowns, Covid-19 had a significant impact on our trading activities as our centres closed and resulted in a loss of £54k in REL at year end. Our periods of opening gave us the opportunity to review how we operate and will result in increased profitability when we can reopen in quarter two 2021 and return to profit.

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, responsibilities, controls and monitoring processes and the need for new risks to be added. With controls and monitoring in place, the biggest 'primary' operational retained risks was 'Infectious disease throughout the centres' despite our significant investment in vaccinations, training, time, testing and prompt response systems with regard to equine influenza.

The next biggest risk score was shared by four risks across three categories – equine (resistance to dewormers or other treatments), financial (loss of income from a number of socio/economic factors) and

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

operational (inadequate/failure of IT systems and loss of data/funds from cyber breach). A number of projects are in place with regard to these risks, in particular our worming programme. Due to Covid-19 the original 2020 operational income and expenditure budgets were reviewed with reduced income and reduced expenditure; at year end these came in under reforecast thanks to budget-management, use of the Government Coronavirus Job Retention Scheme, and the generosity of our supporters.

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. Disease control, be it influenza or strangles, will remain at the forefront of our work as a responsible keeper of horses.

At year end we had to review our insurances in the light of being faced with the challenge of a loss in including flood risk within our standard policies and the prohibitive costs of specific flood cover. After a specific meeting about this risk, it was concluded that this could not be mitigated by insurance and would have to be addressed by a number of measures including setting aside funds and prevention works.

As part of our risk management process, the potential impact on obtaining goods that could result from leaving the EU was factored into operational risk management but not considered to be significant.

Covid-19's continued impact

The Trustees and the operational team continue to review and respond when considering the impact of Covid-19 on our operational delivery and funding. Trustee meetings have subsequently been re-ordered and additional meetings held to consider the material impact of this human pandemic in order to maintain a robust financial and realistic operational plan for our work and the horses in our direct care.

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).

REDWINGS HORSE SANCTUARY

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2020

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 9th June 2021.



.....
M Little

Chair

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

Opinion

We have audited the financial statements of Redwings Horse Sanctuary (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements and notes to the financial statements, including 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 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. 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.

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, 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' 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 or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient 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 page 16, 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.

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

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

Use of our report

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. 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 auditor's report and for no other purpose. To the fullest

REDWINGS HORSE SANCTUARY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Blenheim House
Newmarket Road
Bury St Edmunds
Suffolk
IP33 3SB

Date *21 July 2021*

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 2020

		Unrestricted Funds	Endowment	Restricted Funds	Total Year Ended 31 December 2020	Total Year Ended 31 December 2019
	Notes	£	£	£	£	£
Income and endowment from:						
Donations and legacies	2	8,151,640	-	579,037	8,730,678	12,775,908
Acquisition of SWHP						189,744
Other trading activities:				-		
Merchandising income	3	339,928	-	-	339,928	526,682
Lottery income		390,942	-	-	390,942	331,904
Estate grants & other income		649,877	-	-	649,877	183,497
Investments	4	209,122	-	-	209,122	235,522
Total income		9,741,509	-	579,037	10,320,546	14,243,257
Expenditure on:						
Raising funds:						
Fundraising and publicity		1,989,752	-	-	1,989,752	2,206,667
Merchandising		374,821	-	-	374,821	481,972
Charitable activities:						
Sanctuary operations		8,744,953	-	1,021,296	9,766,249	9,666,428
Education		160,621	-	-	160,621	226,994
Total expenditure	5	11,270,148	-	1,021,296	12,291,444	12,582,061
Net income/(expenditure) and net movement in funds before gains and losses on investments		(1,528,639)	-	(442,259)	(1,970,898)	1,661,196
Net gains/(losses) on investments		223,086	-	-	223,086	767,690
Net transfers between funds						
Net movement in funds		(1,305,554)	-	(442,259)	(1,747,811)	2,428,886
Reconciliation of funds:						
Funds brought forward		36,366,228	20,372	1,261,612	37,648,212	35,219,327
Total funds carried forward		35,060,674	20,372	819,353	35,900,402	37,648,213

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

All of the 2019 income was unrestricted with the exception of £1,069,952 of donations and gifts classed as restricted funds. All of 2019 expenditure was unrestricted with the exception of £508,985 Sanctuary Operations Expenditure classed as restricted funds.

REDWINGS HORSE SANCTUARY

PARENT COMPANY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2020

		Unrestricted Funds	Endowment	Restricted Funds	Total Year Ended 31 December 2020	Total Year Ended 31 December 2019
	Notes	£	£	£	£	£
Income and endowment from:						
Donations and legacies	2	8,151,640	-	579,037	8,730,678	12,775,908
Acquisition of SWHP			-			189,744
Other trading activities:						
Merchandising income	3	15,846	-	-	15,846	35,660
Lottery income		390,942	-	-	390,942	331,905
Estate Grants & other income		649,877	-	-	649,877	183,497
Investments	4	212,460	-	-	212,460	239,649
Total income		9,420,766	-	579,037	9,999,803	13,756,364
Expenditure on:						
Raising funds:						
Fundraising and publicity		1,989,752	-	-	1,989,752	2,206,667
Charitable activities:						
Sanctuary operations		8,744,953	-	1,021,296	9,766,249	9,666,428
Education		160,621	-	-	160,621	226,994
Total expenditure	5	10,895,326	-	1,021,296	11,916,623	12,100,089
Net income/(expenditure) and net movement in funds before gains and losses on investments		(1,474,560)	-	(442,259)	(1,916,820)	1,656,274
Net gains/(losses) on investments		223,086	-	-	223,086	767,690
Net transfers between funds		-	-	-	-	-
Net movement in funds		(1,251,474)	-	(442,259)	(1,693,734)	2,423,964
Reconciliation of funds:						
Funds brought forward		34,506,429	20,372	1,261,612	37,663,279	35,239,315
Total funds carried forward		33,254,955	20,372	819,353	35,969,546	37,663,279

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

All of the 2019 income was unrestricted with the exception of £1,069,952 of donations and gifts classed as restricted funds. All of 2019 expenditure was unrestricted with the exception of £508,985 Sanctuary Operations Expenditure classed as restricted funds.

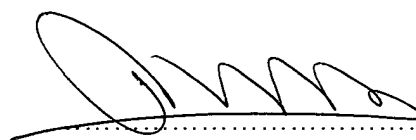
REDWINGS HORSE SANCTUARY
BALANCE SHEET
AS AT 31ST DECEMBER 2020

	Notes	CONSOLIDATED BALANCE SHEET		PARENT COMPANY BALANCE SHEET	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
		£	£	£	£
Fixed assets					
Tangible assets	10	19,175,664	19,836,756	19,175,664	19,836,756
Intangible assets	11	-	9,825	-	9,825
Investments	12	6,546,650	6,413,499	6,546,652	6,413,501
Total Fixed Assets		25,722,314	26,260,080	25,722,316	26,260,082
Current assets					
Investments	13	-	-	150,000	150,000
Stocks	14	291,634	269,489	222,611	197,755
Debtors	15	5,008,038	6,042,630	5,018,223	6,035,785
Cash at bank and in hand		5,317,916	5,641,255	5,272,806	5,598,134
Total Current Assets		10,617,587	11,953,374	10,663,640	11,981,674
Liabilities					
Creditors falling due within one year	16	439,500	565,241	416,410	578,477
Net Current Assets		10,178,087	11,388,133	10,247,229	11,403,197
Net Assets		35,900,402	37,648,213	35,969,546	37,663,279
Funds	17				
Endowment fund		20,372	20,372	20,372	20,372
Restricted funds		819,353	1,261,612	819,353	1,261,612
Designated funds		2,111,879	810,059	2,111,879	810,059
Revaluation reserve		863,944	968,553	863,944	968,553
General reserve		32,084,854	34,587,618	32,153,998	34,602,683
Total Unrestricted Funds		35,060,676	36,366,229	35,129,820	36,381,294
Total Funds		35,900,402	37,648,213	35,969,546	37,663,279

The financial statements of pages 18-33 were approved by the Trustees on 9th June 2021.



M Little
Chair



A Fryer
Treasurer

Company Registration Number 03524502

REDWINGS HORSE SANCTUARY

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities	a	(433,625)	564,087
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest and rents from investments		180,478	241,340
Proceeds from the sale of property, plant and equipment		1,550	19,987
Purchase of property, plant and equipment		(161,676)	(1,283,658)
Proceeds from sale of investments		2,140,886	501,344
Purchase of investments		(2,050,950)	(1,468,918)
Net cash used in investing activities		110,288	(1,989,905)
Change in cash and cash equivalents in the reporting period		(323,337)	(1,425,818)
Cash and cash equivalents at the beginning of the reporting period	b	5,641,255	7,067,073
Cash and cash equivalents at the end of the reporting period	b	5,317,916	5,641,255
a) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net Income/(expenditure) for the reporting period before gains and losses on investments		(1,970,898)	1,661,196
Adjustments for:			
Depreciation/amortisation charges		837,479	1,022,088
Transfer of investment portfolio from SWHP		-	(132,860)
Dividends, interest and rents from investments		(209,122)	(235,522)
Loss/(Profit) on the sale of fixed assets		(1,550)	6,526
Increase in stocks		(22,145)	(1,345)
Decrease in debtors		1,047,107	(1,343,132)
Decrease in creditors		(114,498)	(412,864)
Net cash provided by operating activities		(433,625)	564,087
b) Analysis of cash and cash equivalents			
		2020 £	2019 £
Cash in hand		4,317,916	4,641,255
Notice deposits (less than 3 months)		1,000,000	1,000,000
Total cash and cash equivalents		5,317,916	5,641,255

A reconciliation of net debt is required per the Charities SORP (FRS102)

There was no debt within the group during 2019 and 2018, and there were no non-cash flows to reflect.

REDWINGS HORSE SANCTUARY

PARENT STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities	a	(438,953)	542,490
Net cash provided by operating activities			
Cash flows from investing activities:			
Dividends, interest and rents from investments		183,816	245,467
Proceeds from the sale of property, plant and equipment		1,550	19,987
Purchase of property, plant and equipment		(161,676)	(1,283,658)
Proceeds from sale of investments		2,140,886	501,344
Purchase of investments		(2,050,950)	(1,468,918)
Net cash used in investing activities		113,626	(1,985,778)
Change in cash and cash equivalents in the reporting period		(325,327)	(1,443,287)
Cash and cash equivalents at the beginning of the reporting period	b	5,598,134	7,041,422
Cash and cash equivalents at the end of the reporting period	b	5,272,806	5,598,134
c) Reconciliation of net (expenditure)/income to net cash flow from operating activities			
Net Income/ (expenditure) for the reporting period before gains and losses on investments		(1,916,820)	1,656,274
Adjustments for:			
Depreciation/amortisation charges		837,479	1,022,088
Transfer of investment portfolio from SWHP		-	(132,860)
Dividends, interest and rents from investments		(212,460)	(239,649)
Loss/(Profit) on the sale of fixed assets		(1,550)	6,526
Increase in stocks		(24,856)	(2,904)
Decrease in debtors		1,046,306	(1,336,853)
Decrease in creditors		(167,053)	(430,132)
Net cash provided by operating activities		(438,953)	542,490
d) Analysis of cash and cash equivalents			
		2020 £	2019 £
Cash in hand		4,272,806	4,598,134
Notice deposits (less than 3 months)		1,000,000	1,000,000
Total cash and cash equivalents		5,272,806	5,598,134

A reconciliation of net debt is required per the Charities SORP (FRS102)

There was no debt within the group during 2019 and 2018, and there were no non-cash flows to reflect.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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. The budgeted income and expenditure are sufficient with the levels of reserves for the charity to be able to continue as a going concern. Covid 19 was considered by the Trustees when making this assessment. Budgets and cashflows have been prepared (twelve months from the date of signing these financial statements) considering the reduction in legacy income during 2020 and 2021 and a general increase in donations in the first quarter of 2021, whilst our cash flow has been effected, we anticipate being able to continue our day to day operations without the need to sell our investments. With our current level of liquid reserves, we will be able to provide adequate resources to cover our commitments. The Trustees of Redwings Horse Sanctuary have confirmed to the Directors of Redwings Enterprises Limited that it is not their intention to recall the loan in place during the twelve months from the date of signing these financial statements.

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, and estate grants & 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, this includes CJRS monies.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

Income from government grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

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 until the work is complete.

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
----------	--------------

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 includes the net gains and losses arising on revaluation and disposals through the year. Gains and loss on investment disposals is based on the previous months market value and the consideration received on disposal.

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.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

m. 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.

n. 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.

o. 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.

p. 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 31st 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 15 for the legacy receivable debtor at the year end. "Pecuniary legacies are recognised once the charity has been formally notified that a gift is payable. Residuary legacies are recognised once confirmation has been received that the charity will benefit and sufficient information has been made available by the Personal Representatives to estimate the charity's entitlement with reasonable certainty. Estimates are calculated based on experience with previous Estates and knowledge of the likely deductions to be incurred."

2. Income from donations and legacies

	2020	2019
	£	£
Donations	2,683,862	3,288,210
Legacies	6,046,816	9,487,698
	<u>8,730,678</u>	<u>12,775,908</u>

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

3. Merchandising income

	Sale of Donated Goods	Redwings Enterprises Ltd Sales	Total Year Ended 31 December 2020	Total Year Ended 31 December 2019
	£	£	£	£
Parent company	15,846	-	15,846	35,660
Subsidiary company	-	324,081	324,081	491,022
Total income	15,846	324,081	339,928	526,682
Merchandising costs				
Subsidiary company costs of sales	-	188,425	188,425	247,350
Administration expenses	-	186,396	186,396	234,622
Total costs	-	374,821	374,821	481,972
Merchandising surplus	15,846	(50,740)	(34,894)	44,710

4. Income from investments

	2020 £	2019 £
Interest	62,370	113,630
Dividends	132,090	122,149
Rent	18,000	3,870
	212,460	239,649

Charity only interest reported in the above figures is £59,032 (2019: £109,503)

5. Analysis of expenditure

	Staff Costs	Direct Charitable Costs	Other Costs	Total Year Ended 31 Dec 2020	Total Year Ended 31 Dec 2019
	£	£	£	£	£
Fundraising and publicity	608,608	-	1,381,145	1,989,752	2,206,667
Sanctuary operations	6,779,581	2,986,668	-	9,766,249	9,666,428
Education	19,272	141,350	-	160,621	226,994
Expenses - charity	7,407,460	3,128,018	1,381,145	11,916,623	12,100,089
Merchandising costs	67,224	-	307,597	374,821	481,972
Expenditure - group	7,474,684	3,128,018	1,688,742	12,291,444	12,582,061

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 31ST DECEMBER 2020

6. Support costs

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2020 £	Total 2019 £
Human resources	25,350	69,183	365	7,822	102,719	109,349
Health & Safety	13,264	61,104	-	453	74,821	74,470
Finance/IT	179,009	164,351	-	9,196	352,556	424,823
Premises/Office costs	112,188	6,715	6,375	3,558	128,836	172,674
Central Services	65,655	585,011	1,432	153,111	805,210	900,694
Depreciation/amortisation	172,542	663,811	-	1,126	837,479	1,022,089

Support costs - group	568,008	1,550,175	8,172	175,266	2,301,620	2,704,099
------------------------------	----------------	------------------	--------------	----------------	------------------	------------------

	Fundraising And publicity £	Sanctuary Operations £	Education £	Merchandising Costs £	Total 2020 £	Total 2019 £
Human resources	27,256	75,061	402	-	102,719	109,349
Health & Safety	13,264	61,104	-	-	74,368	73,950
Finance/IT	179,009	164,351	-	-	343,360	416,714
Premises/Office costs	112,188	6,715	6,375	-	125,278	168,433
Central Services	52,361	561,832	1,432	-	615,626	698,175
Depreciation/amortisation	172,542	663,811	-	-	836,352	1,019,802

Support costs - charity	556,621	1,532,874	8,209	-	2,097,704	2,486,423
--------------------------------	----------------	------------------	--------------	----------	------------------	------------------

7. Staff costs

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Wages and salaries	6,345,309	6,171,135
Social security costs	439,490	418,587
Pension costs	332,099	309,608
	7,116,899	6,899,330

Number of employees by function

Sanctuary and welfare	284	276
Fundraising and administration	83	90
	367	366

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

£60,000 - £70,000	3	2
£90,000 - £100,000	1	1

Remuneration for the nine (2019: nine) Senior Management Team members totalled £538,837 (2019: £496,259). The Senior Management Team are considered to be the key management personnel of the Charity and Group.

8. Pension costs

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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 £332,099 (2019: £309,608). No contributions (2019: Nil) were payable to the fund at the year end and are included in other creditors. This includes a contribution of £25,300 (2019: £18,224) made on behalf of the employees earning above £60,000.

9. Net income for the year

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Net income for the year is stated after charging/(crediting)		
Remuneration of the Charity auditors		
- Audit of these accounts	16,070	13,950
- Audit of subsidiary undertakings	3,700	2,575
- Taxation compliance services	4,405	1,775
Depreciation of tangible owned assets	827,654	977,056
Amortisation	9,825	45,032
Operating leases		
- Land and buildings	26,500	26,500
Loss/(Profit) on sales of assets	(1,550)	6,214

10. Tangible fixed assets

	Group and Charity				
	Freehold Property £	Assets under Construction £	Wasting Structure £	Plant & Equipment £	Total £
Costs					
01 January 2020	16,915,740	84,979	6,707,529	4,090,412	27,798,660
Additions	-	20,322	100,333	45,905	166,560
Disposals	-	-	-	(15,604)	(15,604)
31 December 2020	16,915,740	105,302	6,807,864	4,120,713	27,949,620
Depreciation					
01 January 2020	1,779,010	-	2,734,806	3,448,088	7,961,904
Charge in year	138,731	-	426,518	262,406	827,654
Eliminated on disposal	-	-	-	(15,604)	(15,604)
31 December 2020	1,917,742	-	3,161,323	3,694,891	8,773,957
Net book value					
31 December 2020	14,997,999	105,302	3,646,542	425,822	19,175,664
31 December 2019	15,136,730	84,979	3,972,723	642,324	19,836,756

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 £9,812,307 (2019: £9,812,307).

11. Intangible assets

	2020 £
Cost	
At 1 January	225,169
At 31 December	225,169
Amortisation	
At 1 January	215,344
Charge for the year	9,825

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

At 31 December	225,169
Net book value at 31 December 2020	-
Net book value at 31 December 2019	9,825

12. Fixed asset investments

	Group		Charity	
	31 Dec 2020 £	31 Dec 2019 £	31 Dec 2020 £	31 Dec 2019 £
Quoted Investments				
Market value at start of period	5,863,499	3,995,374	5,863,499	3,995,374
Transfer in from SWHP	-	132,861	-	132,861
Additions at cost	2,050,950	1,468,918	2,050,950	1,468,918
Disposal proceeds	(2,140,886)	(501,344)	(2,140,886)	(501,344)
Net investment gains/(losses)	223,086	767,690	223,086	767,690
Market value at end of period	5,996,650	5,863,499	5,996,650	5,863,499
Investment property				
Investment property at start of period	550,000	550,000	550,000	550,000
Revaluation	-	-	-	-
Market value at end of period	550,000	550,000	550,000	550,000
Un-quoted investments				
Shares in Redwings Enterprises Limited	-	-	2	2
Total fixed asset investments	6,546,650	6,413,499	6,546,652	6,413,501
Historical Cost at 31 December	5,682,705	5,444,946	5,682,705	5,444,946
Analysis of Quoted Investments at 31 December 2020 between funds:				
Fixed Interest UK	698,316	734,757	698,316	734,757
Fixed Interest Overseas	341,702	112,320	341,702	112,320
Equities UK	1,511,151	2,030,557	1,511,151	2,030,557
Equities Europe	315,731	274,960	315,731	274,960
Equities Other	2,202,015	1,963,732	2,202,015	1,963,732
Property Funds	8,627	205,567	8,627	205,567
Hedge/Absolute Return Funds	919,105	541,607	919,105	541,607
	5,996,646	5,863,499	5,996,646	5,863,499

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 main risk from the charity's investment portfolio is uncertainty in the investment markets.

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

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	31 Dec 2020 £	31 Dec 2019 £	31 Dec 2020 £	31 Dec 2019 £
Loan to Redwings enterprises Limited (see note below)	-	-	150,000	150,000
	-	-	150,000	150,000

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

14. Stock

	Group		Charity	
	31 Dec 2020 £	31 Dec 2019 £	31 Dec 2020 £	31 Dec 2019 £
Stock of fees and consumables	150,164	136,446	150,164	136,446
Stock of veterinary supplies	72,447	61,309	72,447	61,309
Merchandising goods for resale	69,023	71,734	-	-
	291,634	269,489	222,611	197,755

15. Debtors

	Group		Charity	
	31 Dec 2020 £	31 Dec 2019 £	31 Dec 2020 £	31 Dec 2019 £
Gift Aid & recoverable tax	44,919	49,126	44,919	49,126
Legacies receivable	4,736,605	5,756,302	4,736,605	5,756,302
Accrued income	21,732	36,800	21,732	36,800
Amount owed to subsidiary	-	-	16,229	-
Prepayments and other debtors	119,935	182,111	114,360	176,004
Trade debtors	84,847	18,291	84,378	17,553
	5,008,038	6,042,630	5,018,223	6,035,785

16. Creditors amounts falling due within one year

	Group		Charity	
	31 Dec 2020 £	31 Dec 2019 £	31 Dec 2020 £	31 Dec 2019 £
Trade creditors	323,639	444,158	309,120	432,217
Amount owed to subsidiary	-	-	-	30,350
Amount re merged Charity	-	-	100	100
Other creditors	16,413	15,529	16,415	15,531
VAT and social security	13,537	3,137	13,537	3,137
Accruals	85,911	102,417	77,238	97,142
	439,500	565,241	416,410	578,477

17. 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.

	2020 £	2019 £
Income	324,081	491,022
Expenditure	(374,821)	(481,972)
Interest payable	(3,338)	(4,127)
Profit for the period retained by the subsidiary	(54,078)	4,923

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

The aggregate of assets, liabilities and funds was:

Current assets	120,278	152,150
Creditors: amounts falling due within one year	(189,421)	(167,216)

Total net liabilities

(69,144) (15,066)

18. 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	7,000	(7,000)	-	94,500	94,500	-
Ada Cole Memorial Stables	-	100,940	(100,940)	-	-	-	-
Mountains field shelters/repairs	6,000	-	(6,000)	-	-	-	-
Oxhill donkey barn and windbreak	-	5,570	(2,655)	-	2,915	-	2,915
Mountains general	-	4,290	(4,290)	-	-	-	-
Caldecott	-	50,256	(50,256)	-	-	-	-
Horse Hospital	20,000	30,000	-	-	50,000	50,000	-
SOS Campaign thermometers	-	1,000	(1,000)	-	-	-	-
Feed	-	3,000	(3,000)	-	-	-	-
Servicing vet equipment	-	3,100	(3,100)	-	-	-	-
Treatment room	-	500	-	-	500	-	500
Vet equipment for welfare	-	2,000	(2,000)	-	-	-	-
Oxhill rehoming facility	-	120,650	(120,650)	-	-	-	-
Mountains Special Care Barn	-	5,000	-	-	5,000	5,000	-
Hapton	-	10,000	(10,000)	-	-	-	-
Animal Welfare	-	160,000	(160,000)	-	-	-	-
SWHP fencing & Field Shelters	-	20,000	(20,000)	-	-	-	-
Dog bins at Aylsham	-	150	(150)	-	-	-	-
Donkeys	-	200	(200)	-	-	-	-
Oxhill	-	5,348	(5,348)	-	-	-	-
SWHP	-	50,034	(50,034)	-	-	-	-
H K D Animal Welfare Trust	630,492	-	(474,674)	-	155,818	-	155,818
Total restricted	1,261,613	579,037	(1,021,296)	-	819,353	660,120	159,233
Total endowment & restricted	1,281,984	579,037	(1,021,296)	-	839,725	660,120	179,605
Designated							
Planned capital expenditure	810,059	-	-	1,301,820	2,111,879	-	2,111,879
Revaluation reserve	968,553	-	-	(104,609)	863,944	863,944	-
General reserve	34,587,617	9,741,509	(11,270,148)	(974,124)	32,084,854	24,198,250	7,886,604
Total unrestricted	36,366,228	9,741,509	(11,270,148)	223,088	35,060,676	25,062,194	9,998,482
Group Total	37,648,212	10,320,546	(12,291,444)	223,088	35,900,402	25,722,314	10,178,087

Purpose of funds

Name	
Recover Shelter	- Primary use of funds and designated
New farm & grazing	- Originally for the building of specially designed shelters in which equines can recover from illness, now associated with land at Hapton.
Reception & assessment Centre	- Purchase of additional land suitable for equine grazing and care.
Ada Cole Memorial Stables	- Site local to main operations for incoming animals to be checked before going to Sanctuary farms.
Caldecott	- For general running of Redwings Ada Cole.
Horse Hospital	- For general running of Redwings Caldecott.
Oxhill rehoming Facility	- Treatment room renovations and flooring.
Hapton	- For Oxhill Rehoming Facility.
Animal Welfare	- For general running of Redwings Hapton.
SWHP	- For general running of Animal Welfare.
	- For general running of Redwings SWHP.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

HKD Animal Welfare Trust - For use in Scotland only.

The movement under designated funds, planned capital expenditure closing balance represent the Capital project for 2020. The expenditure in 2019 represents the amount less items that were fixed assets the total Capital spend for 2020 was £602,225.

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

19. Funds – comparative 2019

	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	-	4,060	(4,060)	-	-	-	-
Mountains field shelters/repairs	6,000	-	-	-	6,000	-	6,000
Mountains fencing	7,300	-	(7,300)	-	-	-	-
Mountains general	-	20,800	(20,800)	-	-	-	-
Caldecott Rehoming	-	680	(680)	-	-	-	-
Horse Hospital	-	20,000	-	-	20,000	20,000	-
Caldecott	-	683	(683)	-	-	-	-
Caldecott Memorial Garden	-	5,000	(5,000)	-	-	-	-
Oxhill rehoming facility	-	1,000	(1,000)	-	-	-	-
Digital X Ray Machine	32,000	-	(32,000)	-	-	-	-
Hapton	-	10,000	(10,000)	-	-	-	-
Nurses Training	-	2,000	(2,000)	-	-	-	-
Donkeys	-	2,922	(2,922)	-	-	-	-
Oxhill	-	500	(500)	-	-	-	-
SHWP	-	2,025	(2,025)	-	-	-	-
H K D Animal Welfare Trust	62,094	1,000,282	(420,016)	(11,868)	630,492	-	630,492
Total restricted	712,514	1,069,952	(508,986)	(11,868)	1,261,613	625,120	636,493
Total endowment & restricted	732,886	1,069,952	(508,986)	(11,868)	1,281,984	625,120	656,864
Designated							
Planned capital expenditure	4,280,635	-	-	3,470,576	810,059	-	2,644,086
Revaluation reserve	226,950	-	-	741,603	968,553	968,553	-
General reserve	29,978,856	13,173,305	(12,073,076)	3,508,531	34,587,617	24,666,407	8,087,182
Total unrestricted	34,486,441	13,173,305	(12,073,076)	779,558	36,366,228	25,634,960	10,731,268
Group Total	35,219,327	14,243,257	(12,582,062)	767,690	37,684,212	26,260,080	11,388,132

20. Operating leases receivable

The Charity as lessee, holds the following commitments

	31 Dec 2020 £	31 Dec 2019 £
Within one year	58,496	56,880
Within two to five years	-	-

21. Related party transactions

a) No remuneration was paid to any member of the board during the period.

REDWINGS HORSE SANCTUARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

- b) A Trustee was reimbursed £465 (2019: one trustee £402) in respect of travel expenses to attend Board of Trustee meetings.
- c) Fees totalling £13,272 (2019: £9,795) 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.
- d) An amount of £4,700 (2019: £20,483) 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.
- e) Fees totalling £9,845 (2019: £62,876) have been paid to Birketts LLP in which Mr T Sharp is a director. The fees were in respect of legal fees.

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 2020 the following transaction took place between the Charity and its wholly owned subsidiary Redwings Enterprises Limited:

Management charge of £167,496 (2019: £217,675)
Rental charge of £3,000 (2019: £3,000)
Interest charge of £3,338 (2019: £4,127)

At the 31 December 2020 £16,229 was due from Redwings Enterprises Limited to the Charity (2019: £30,350 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.

22. 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.

23. 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.

24. Financial instruments

	31 Dec 2020	31 Dec 2019
	£	£
Financial assets measured at fair value	5,996,650	5,863,499