Company Registration No. 2230064
Charity Registered No. 327512

THE WORKING HORSE TRUST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

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THE WORKING HORSE TRUST
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2017

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THE WORKING HORSE TRUST
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS

The company is limited by guarantee and was incorporated on 14 March 1988 and was registered as a charity on 28 March 1988.

CHAIR

J Ambrose

DIRECTORS (TRUSTEES)

J Ambrose
C Branscombe
B Pilson
A Ryan

SECRETARY

J Ambrose

REGISTERED/PRINCIPAL OFFICE

39 Berrylands Road
Surbiton
Surrey
KT5 8PA

COMPANY REGISTRATION NUMBER

2230064

CHARITY REGISTRATION NUMBER

327512

BANKERS

National Westminster Bank plc
PO Box 4
Maidstone
Kent
ME14 1XU

ACCOUNTANTS

Rowland Hall
Chartered Certified Accountants
Grovedell House
15 Knightswick Road
Canvey Island
Essex
SS8 9PA

THE WORKING HORSE TRUST LIMITED
(A company limited by guarantee)

REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2017

The trustees submit their report and the financial statements of the charity for the year ended 31st December 2017. The financial statements comply with the Charities Act 2011, The Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

Objectives of the Charity
The Working Horse Trust, which is a limited company and a registered charity, is committed to the preservation of the traditional, heavy working horse and, to this end, its principal activity is concerned with the demonstration and promotion of working horses in agriculture, environmental conservation, forestry and leisure as well as the breeding and training of horses and the training of people in the handling and working of them. The Trust's work encompasses a broad programme of external public events – workings, demonstrations and shows. The Trust is run entirely by volunteers.

Results
An excess of income over expenditure for the year of £117,511 was recorded. This included receipt of donations in the sum of £2,464 and legacy receipts of £117,922 from previous members.

Activities and Review of the year
The search for a new home for the Trust has again dominated our activities for the year. Our appeals were well supported by the media and supporters of the Trust and we had an excellent response from around the country but no potential new home was identified. The Nevill Estate granted a further tenancy period to the end of September 2017. The disruption and uncertainty caused by the termination of the Trust's tenancy and the short-term nature of the subsequent lease extensions has taken a heavy toll on fundraising ability and income generation. However, costs have been kept to an absolute minimum and the trustees are confident that, once the Trust is settled in a new location, its previously successful income generating activities can be resumed and further developed. Meanwhile we did still maintain a busy programme of external events and workings throughout the year and undertook some new jobs that we hope will become regular fixtures in our working calendar. At the time of writing, emergency steps have been taken to meet the September 30th 2017 deadline for the vacation of the farm at Eridge. All of our horses have been found temporary homes; storage facilities for vehicles and equipment has been secured; all office functions have been relocated back to the Trust's Registered Office. A renewed appeal through the media is planned once the upheaval of moving out of Eridge is over.

Risk Management
The trustees believe that the failure to find a new home for the Trust in the immediate future presents a major risk to the ongoing viability of the charity in its present form. Every effort has been, and continues to be, made to find new premises. A second major risk to the Trust in the short term would be the loss, through major disablement or death, of Miss Jo Ambrose who handles most of the Trust's administration, organisation and fundraising. Efforts are being made to document all policies and procedures and to find other volunteers to undertake some administrative duties so that there is greater chance of continuity should the need arise. Risks to volunteers and members of the public (accident and injury), as a direct result of our activities, are covered by Employers' and Public Liability Insurance respectively.

THE WORKING HORSE TRUST LIMITED
(A company limited by guarantee)

REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2017
continued

Reserves Policy
The Working Horse Trust is a small charity but the nature of its work, most specifically the keeping of live animals, creates high overheads. The Trust's foremost concern is that its horses and other farm animals are well cared for, thus costs such as feed, bedding, veterinary and farriery fees are treated as priority. Of equal import is rent for the farm, which is held under a Farm Business Tenancy, and insurance of its assets. Only after these costs have been covered can the Trust deploy funds for its conservation work, improvements to the farm infrastructure, the acquisition of new horses and equipment. Income generation has not reached a sufficient level to allow for investment, however an adequate sum is held in a Business Reserve account to cover unforeseen, major expenses – which would most likely relate to the horses and be, for example, for extensive veterinary treatment.

Public Benefit
The trustees have considered guidance published by the Charity Commission of public benefit, and are satisfied that the company activities meet all of the relevant criteria.

Statement of Trustees' Responsibilities
The trustees (who are also directors of The Working Horse Trust for the purposes of company law) are responsible for preparing the trustees' 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 of the incoming resources and application of resources, including the income and expenditure of the charitable company 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 of the Charities SORP
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees
And signed on behalf of the Board on 23.9.18

.....
J Ambrose, Director

THE WORKING HORSE TRUST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE WORKING HORSE TRUST

Independent Examiner's Report to the Trustees of The Working Horse Trust

I report on the accounts of the company for the year ended 31st December 2017 which are set out on pages to 5 to 10.

Respective responsibilities of trustees and examiner

The Trustees (who are also the Directors of the Company for the purposes of Company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....23/9/18.....

David Anthony Street (FCCA), Independent Examiner
Rowland Hall
Chartered Certified Accountants
Grovedell House,
15 Knightswick Road,
Canvey Island, Essex,
SS8 9PA

THE WORKING HORSE TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
YEAR ENDED 31 DECEMBER 2017

	Unrestricted General Fund 2017 £	Total General Funds 2017 £	Total Funds 2016 £
INCOME AND ENDOWMENTS			
Fundraising	2,471	2,471	7,047
Legacies	117,922	117,922	24,709
Adoption scheme	180	180	405
Membership and subscriptions	2,920	2,920	3,225
Donations	2,464	2,464	4,332
Bank interest received	19	19	53
Profit on Disposal of Barns Etc	30,000	30,000	-
Total income and endowments	155,976	155,976	39,771
EXPENDITURE			
Horses, sheep and pigs:-			
Opening valuation	15,500	15,500	17,250
Closing valuation	(13,500)	(13,500)	(15,500)
	2,000	2,000	1,750
Rent	2,960	2,960	1,560
Rates	293	293	535
Light and heat	299	299	2,865
Insurance	2,084	2,084	1,682
Hire of equipment (not operating lease)	8,573	8,573	8,718
Feed and straw	1,275	1,275	4,098
Repairs and renewals	2,055	2,055	1,383
Veterinary fees and farriery fees	7,794	7,794	13,936
Telephone	1,223	1,223	1,304
Printing, postage and stationary	56	56	38
Miscellaneous expenses	1,893	1,893	1,849
Travel expenses	4,631	4,631	8,856
Accountancy charges	1,040	1,040	1,116
Bank charges	149	149	-
Depreciation of farm equipment	2,140	2,140	2,455
Total resources expended	38,465	38,465	52,145

The notes on pages 8 to 10 form part of these Financial Statements.

THE WORKING HORSE TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
YEAR ENDED 31 DECEMBER 2017
CONTINUED

	Unrestricted General Fund 2017 £	Total General Funds 2017 £	Total Funds 2016 £
Net movement in funds for the year	117,511	117,511	(12,374)
Opening funds	268,773	268,773	281,147
Closing funds	386,284	386,284	268,773

The Statement of Financial Activities includes gains and losses recognised in the year.

All the charity's activities are derived from continuing operations for the above two financial periods.

Movements in funds are disclosed in note 6 to the financial statements.

Company Registration No. 2230064

THE WORKING HORSE TRUST
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BALANCE SHEET
31 DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS	3	9,311	7,365
CURRENT ASSETS			
Stock of livestock		13,500	15,500
Debtors	4	8,349	4,018
Cash at bank and in hand		358,229	245,312
		380,078	264,830
CREDITORS: amounts falling due within one year			
Other creditors	5	3,105	3,422
NET CURRENT ASSETS		376,973	261,408
NET ASSETS		386,284	268,773
FUNDS			
General funds	6	386,284	268,773
TOTAL FUNDS	6	386,284	268,773

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to the small companies' regime and in accordance with FRS 102 SORP.

Approved by the Trustees on 23.9.18 and signed on their behalf.

J Ambrose – Chair

A Ryan – Trustee

The notes on pages 8 to 10 form part of these Financial Statements.

THE WORKING HORSE TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

a) **Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these Financial Statements. The financial statements have been prepared in accordance with the Statement of Recognised Practice: Accounting and reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The Financial Statements are prepared in Sterling which is the functional currency of the entity. Monetary amounts in these Financial Statements are rounded to the nearest £.

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

b) **Going Concern**

The Trust's tenancy ended at September 30th 2017 and was not renewed, as anticipated. The search for new premises are ongoing with all horses and being fostered at third party premises.

Despite the ongoing efforts there is every likelihood now that a new home for the charity's activities may not be found and this will result in it ceasing to operate, with all funds being gifted to other charities.

Income Resources from Generated Funds

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

c) **Resources Expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

d) **Fund Accounting**

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

All funds raised by the charity are unrestricted in this financial year.

THE WORKING HORSE TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2017
(CONTINUED)

e) **Tangible Fixed Assets and Depreciation**

Depreciation is provided on tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Office, farm and show equipment	25% on reducing balance
Tractor and trailer	25% on reducing balance
Horse equipment	25% on reducing balance

f) **Consolidated Group Accounts**
The charity has a £2 investment of share capital in Horse and Harness Limited, a company which is a wholly owned subsidiary of the Working Horse Trust.

Consolidated accounts have not been prepared because, in the opinion of the directors, the group is a small group and is entitled to relevant consolidation exemptions under Companies Act 2006.

g) **Taxation**
As a charity, The Working Horse Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s.256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

h) **VAT**
The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

2. **CONSTITUTION**
The company is limited by guarantee and does not have share capital.

3. **TANGIBLE FIXED ASSETS**

	Unlisted Investments	Tractor and Trailer	Office, farm and show equipment	Horse equipment	Barn costs	Total
						£
Cost						
At 1 January 2017	2	34,636	15,607	20,267	25,270	95,782
Additions	-	-	4,086	-	-	4,086
Disposals	-	-	-	-	(25,270)	(25,270)
At 31 December 2017	2	34,636	19,693	20,267	-	74,598
Depreciation						
At 1 January 2017	-	29,050	14,775	19,322	25,270	88,417
Provision for the year	-	1,397	506	237	-	2,140
Withdrawn on Disposal	-	-	-	-	(25,270)	(25,270)
At 31 December 2017	-	30,447	15,281	19,559	-	65,287
Net book value						
At 31 December 2017	2	4,189	4,412	708	-	9,311
At 31 December 2016	2	5,586	832	945	-	7,365

The £2 investment is the share capital of Horse and Harness Limited, a company which is a wholly owned subsidiary of The Working Horse Trust.

THE WORKING HORSE TRUST
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NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2017
(CONTINUED)

4. DEBTORS

	2017	2016
	£	£
Amounts owing by group undertakings and undertakings in which the company has a participating interest	3,213	2,562
Other debtors	5,136	1,456
	8,349	4,018

5. CREDITORS

	2017	2016
	£	£
Other creditors	3,105	3,422
	3,105	3,422

6. UNRESTRICTED FUNDS

	At 1 January 2017	Incoming Resources	Outgoing Resources	At 31 December 2017
	£	£	£	£
Unrestricted funds				
General Fund	268,773	155,976	(38,465)	386,284
	268,773	155,976	(38,465)	386,284

7. RELATED PARTIES

Horse and Harness Limited is a wholly owned subsidiary of The Working Horse Trust.
All profits made by Horse and Harness Limited are passed to The Working Horse Trust under covenant. The share capital of Horse and Harness Limited of £2 is held as an investment by The Working Horse Trust.

At 31st December 2017 a current account existed between the two companies and £3,213 (2016- £2,562) was owed by Horse and Harness Limited to the Working Horse Trust.

Loans of £3,000 were paid out by the Working Horse Trust in the year to a serving Trustee. At 31st December 2017 the full balance of £3,000 was owed to the Working Horse Trust. Conversely the same Trustee was owed £1,563 by the Working Horse Trust at the 31st December 2017 for expenses yet to be reimbursed. The money loaned to the Trustee was on an interest free basis and is repayable on demand.