

THE ROUS CHARITY

England & Wales · Charity number 1068581

Details

Status Registered

Legal form Other

Registered 1998-03-12

Register [View on the Charity Commission register](#)

Contact

Address Racing Welfare
20b Park Lane
Newmarket
CB8 8QD

Phone 01638560763

Email info@racingwelfare.co.uk

Website www.racingwelfare.co.uk

Activities

Objects: (1) TO MAINTAIN THE PROPERTY OF THE CHARITY (INCLUDING THE REPAIR AND INSURANCE OF ANY BUILDINGS THEREON) AND ALL OTHER CHANGES & OUTGOINGS PAYABLE IN RESPECT THEREOF AND ALL THE PROPER COSTS, CHANGES AND EXPENSES OF AND INCIDENTAL TO THE ADMINISTRATION AND MANAGEMENT OF THE CHARITY(2) TO APPLY THE INCOME OF THE CHARITY FOR THE BENEFIT OF THE RESIDENTS IN THE ALMSHOUSES OF THE CHARITY OR ANY OF THEM IN SUCH MANNER AS THE TRUSTEE THINKS FIT FROM TIME TO TIME

Activities: The Rous Charity provides almshouses for the benefit of pensioners who formerly worked in the horseracing industry.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Other Defined Groups

Geography

- Suffolk

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£87,245	£91,415	-	-
2023-12-31	£85,667	£84,357	-	-
2022-12-31	£68,436	£85,076	-	-
2021-12-31	£67,682	£62,981	-	-
2020-12-31	£66,803	£52,121	-	-

Trustees

Name	Role	Appointed
RACING HOMES		

THE ROUS CHARITY

England & Wales - Charity number 1068581

Accounts

THE ROUS CHARITY

Trustee's Report and Financial Statements

31 December 2024

Registered Charity Number 1068581

**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

REGISTERED CHARITY NUMBER: 1068581

TRUSTEE

Racing Homes (a company limited by guarantee)

DIRECTORS OF RACING HOMES

Simon Hope (Chair)
Nicholas Bannister (appointed 26 June 2024)
Sir William Barlow
Craig Glasper
Patrick Russell
Simon Stockley

KEY MANAGEMENT

Dawn Goodfellow - Chief Executive Officer
Gemma Waterhouse - Chief Operating Officer
Wendy Botterill - Director of Housing

REGISTERED OFFICE

Robin McAlpine House
20B Park Lane
Newmarket
Suffolk CB8 8QD

BANKERS

Barclays Bank PLC
High Street
Newmarket
Suffolk CB8 8NH

SOLICITORS

Mishcon de Reya
4 Station Square
Cambridge
CB1 2GE

INVESTMENT MANAGERS

Troy Asset Management Limited
Brookfield House
44 Davies Street
London W1K 5JA

Latitude Investment Management
6 Arlington Street
London
SW1A 1RE

AUDITORS

Price Bailey LLP
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rous Charity was formed on 24 September 1997 by a Charity Commissioners' Scheme, which combined the operations of the Rous Memorial Fund and the Rous Memorial and Almshouse Charity.

The sole Trustee is Racing Homes (Charity Commission registration number 1122961). Its trustees act as trustees of the charity.

Governance

The Charity is registered under the Charities Act 2011 (Charity Commission registration number 1068581). Racing Homes is itself a subsidiary undertaking of Racing Welfare (Charity Commission registration number 1084042). Day-to-day management of the Rous Charity is delegated to Racing Homes Director of Housing, overseen by the Chief Executive.

The Jockey Club is the charity's ultimate controlling party by virtue of being Racing Welfare's sole member, and provides HR, IT and capital projects support to the Racing Welfare Group.

Recruitment and appointment of trustees

The sole trustee of the charity is Racing Homes, whose own trustees act as trustees of the charity. A full description of Racing Homes recruitment process can be found in its financial statements.

Principal Risks and Uncertainties

The principal risks are identified as those with the highest likelihood of occurrence together with the highest potential impact. Also included are those risks that score highly and are fundamentally key to what we do and how we operate.

Set out in the table below are the principal risks that are specific to The charity. The trustee acknowledges that there are further, more generic risks, which are included on the charity and group risk register and may score highly but these risks are not listed here due to their generic nature or because they, by nature, are not within our power to control or mitigate e.g. changes in the economy.

Risk description	Risk mitigation
<p><i>Failure to protect vulnerable and young people:</i></p> <p>Failure may result in adverse publicity and risk to the charity's reputation as well as possible litigation.</p>	<p>All staff are appropriately vetted in accordance with law and current regulations. The charity adopts Racing Welfare's safeguarding policy which is regularly reviewed by dedicated safeguarding staff and is the recipient of the SafeCic Safe Award recognising excellence in safeguarding standards. Safeguarding training is undertaken by all staff. DBS checks are carried out on all trustees. All line managers undergo Safer Recruitment training</p>
<p><i>Non-compliance with electrical, gas and fire safety requirements:</i></p> <p>Failure to comply with safety requirements could lead to serious harm to tenants and property</p>	<p>Fire risk assessments are conducted at all schemes along with weekly alarm tests, along with staff regularly checking communal areas for good housekeeping. Annual PAT testing conducted along with five year fixed-wire testing. Contracts in place for electrical and gas safety. Central housing management software triggers compliance reminders.</p>

Principal Risks and Uncertainties (continued)

Risk description	Risk mitigation
<p><i>Stock deterioration</i></p> <p>Tenant and staff injury sustained from deterioration of housing stock as well as the reputation risk associated with sub-standard housing.</p>	<p>Racing Homes has committed to providing housing of a high standard and is in the process of refurbishing older units, as well as recently completing a full refurbishment of a block of young persons accommodation. A long-term maintenance programme has been produced by the charity's dedicated in-house property manager.</p>

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The risk register is regularly reviewed by Racing Welfare Senior Management and annually by Racing Welfare Trustees.

OBJECTS AND ACTIVITIES

The Charity exists to provide almshouses for the benefit of needy or aged persons employed or formerly employed or otherwise engaged in or in connection with the horse racing and thoroughbred industry or their dependants. The Trustee confirms that it has had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

CHARITY GOVERNANCE CODE

The Charity, in line with Racing Welfare, has fully adopted the Charity Governance code and is actively working on all seven pillars. Full details can be found in the consolidated financial statements of Racing Welfare.

ACHIEVEMENTS AND PERFORMANCE

The Charity continued to provide housing to its beneficiaries in 2024. The Charity owns eight bungalows at Rous Court, Newmarket, and five modern bungalows in Hamilton Road, Newmarket leased from The Jockey Club. These properties are managed by Racing Homes and provide housing and facilities at an affordable rent for pensioners from the horseracing industry.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

FINANCIAL REVIEW

In 2024, the Charity received income of £87,245 (2023: £85,667) and expended some £91,415 (2023: £84,357). The increase in income was due to our policy of letting to new tenants at local housing allowance rents, above our historic social rents. The increase in expenditure is due to planned maintenance costs. The Charity made fair value gains on investments of £16,065 (2023: £9,186) and has maintained a sound financial position with unrestricted funds at 31 December 2024 of £632,305 (2023: £599,763).

Reserves policy

The Trustee has reviewed the reserves of the Charity. This review encompassed the requirement to meet fixed commitments and the likelihood of receiving voluntary donations. The Charity aims to maintain general reserves equivalent to at least 6 months forward expenditure, estimated at £40,000. At 31 December 2024 general reserves were £489,311 (2023: £480,620). The trustee is of the opinion that these funds are sufficient to sustain the Charity's ongoing activities. Excess reserves will be kept under review by the trustee whilst assessing opportunities as they arise.

Under the terms of the 1997 Charity Commissioner's scheme, the land and buildings formerly belonging to the Rous Memorial and Almshouses charity should be held in the Rous Charity on the same terms as it was in the Rous Memorial and Almshouses charity. The properties have been classified as permanent endowments with the fund value representing the net book value of the land and buildings (2024: £787,543; 2023: £808,190).

The trustee maintained a designated extraordinary repairs fund to provide for any unexpected repairs and improvements. At 31 December 2024, the value of extraordinary repair fund was £40,000 (2023: £40,000).

Free reserves at 31 December 2024 were £219,642 (2023: £203,165), calculated as total unrestricted funds excluding those invested in shares and securities.

Investment policy

The Charity's investment portfolio is represented by investments in common funds, the Trojan Income Fund ('S' Income) and Latitude Horizon Fund. During the the year funds previously invested in the Trojan Fund were sold and invested in Latitude's Horizon Fund. The aim of the investment policy is to provide a balance between income and capital growth, measured on a total returns basis.

PLANS FOR FUTURE PERIODS

The Charity intends to sustain its current level of activities.

No activities are undertaken by the Charity or by any person on behalf of the Charity for the purpose of fundraising, and in particular no professional fundraiser or commercial participator have carried on any such activities.

Neither the Charity nor any person acting on behalf of the Charity was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising, in respect of activities on behalf of the Charity. In light of this, there was no failure to comply with a scheme or fundraising standard, and there was no requirement for any monitoring of activities carried on by any person on behalf of the Charity for the purpose of fundraising. No complaints have been received by the Charity or a person acting on its behalf about activities by the Charity or by a person on behalf of the Charity in connection with fundraising.

Whilst the trustees are aware and supportive of the need to protect vulnerable people and other members of the public from any fundraising activities that potentially puts people at risk, as the Charity does not undertake any fundraising, the trustees are confident that no one was put at risk from inappropriate fundraising activities of the Charity.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The Auditors, Price Bailey LLP, have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The trustees report was approved on 5 June 2025 and signed on its behalf:



Simon Hope (Chair of Racing Homes)

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

Opinion

We have audited the financial statements of The Rous Charity (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 Financial Reporting Standard 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 charity's affairs as at 31 December 2024, and of its 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees' 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.

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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the trustee's responsibilities statement set out on page 5, the trustees 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 trustee determines 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 trustee is responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection and financial reporting.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of a sample of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee Board meetings, correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.
- Assessing management bias in relation to the accounting policies adopted and in determining significant accounting estimates, including the valuation of investments and the depreciation policies of fixed assets.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of report

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Price Bailey LLP

Price Bailey LLP
Chartered Accountant and Statutory Auditor
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date 19 June 2025

Price Bailey LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds £	Endowment funds £	Total 2024 £	Total 2023 £ (note 14)
INCOME FROM:					
Investments	2	8,198	-	8,198	11,403
Charitable activities		79,047	-	79,047	74,264
TOTAL INCOME		<u>87,245</u>	<u>-</u>	<u>87,245</u>	<u>85,667</u>
EXPENDITURE ON:					
Charitable activities		70,768	20,647	91,415	84,357
TOTAL EXPENDITURE	3	<u>70,768</u>	<u>20,647</u>	<u>91,415</u>	<u>84,357</u>
NET INCOME / (EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS					
		16,477	(20,647)	(4,170)	1,310
Net gains on investments	7	16,065	-	16,065	9,186
NET INCOME / (EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS					
		<u>32,542</u>	<u>(20,647)</u>	<u>11,895</u>	<u>10,496</u>
Reconciliation of funds:					
Balances brought forward 1 January	10	599,763	808,190	1,407,953	1,397,457
Balances carried forward 31 December	10	<u>632,305</u>	<u>787,543</u>	<u>1,419,848</u>	<u>1,407,953</u>

The notes on pages 11 to 18 form part of these financial statements.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	6	795,329	808,190
Investments	7	412,663	396,598
		<u>1,207,992</u>	<u>1,204,788</u>
CURRENT ASSETS			
Debtors	8	146,889	5,428
Cash at bank and in hand		70,985	212,777
		<u>217,874</u>	<u>218,205</u>
LIABILITIES			
Creditors: amounts falling due within one year	9	(6,018)	(15,040)
NET CURRENT ASSETS		<u>211,856</u>	<u>203,165</u>
NET ASSETS		<u>1,419,848</u>	<u>1,407,953</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds:	10		
General fund		489,311	480,620
Revaluation Reserve		95,208	79,143
Designated funds		40,000	40,000
		<u>624,519</u>	<u>599,763</u>
Endowment funds		795,329	808,190
TOTAL CHARITY FUNDS	11	<u>1,419,848</u>	<u>1,407,953</u>

The financial statements of The Rous Charity were approved by the Trustee and authorised for issue on 5 June 2025 and signed on its behalf by:



Simon Hope
Chair of Racing Homes

The notes on pages 11 to 18 form part of these financial statements.

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling, which is the charity's functional currency and rounded to the nearest £1.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements of the Charity are consolidated in the financial statements of Racing Welfare. The consolidated financial statements of Racing Welfare are available from its registered office, whose address is the same as the Charity's.

Going concern

The directors have identified no material uncertainties and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, a period of at least 12 months from the date of approval of the financial statements, and the charity is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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

Income recognition

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee 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 Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment funds were established when the Rous Memorial and Almshouses charity and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

1. Accounting policies (continued)

Freehold and long leasehold almshouses

Depreciation is provided in equal annual instalments over the term of the lease or estimated lives of the assets at the rate of 2% per annum. Freehold land is not depreciated.

Freehold and leasehold improvements

Depreciation is provided on freehold and leasehold improvements at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Boilers, bathrooms and kitchens	10 years
Windows	20 years
Roof	50 years

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 reporting date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value (purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal value.

2. INVESTMENT INCOME

	2024	2023
	£	£
Interest receivable	1,285	1,726
Dividends receivable from investments and unit trusts	6,913	9,677
	<u>8,198</u>	<u>11,403</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support costs £	Total 2024 £
Housing	83,815	7,600	91,415
	<u>83,815</u>	<u>7,600</u>	<u>91,415</u>

Support Cost Allocation	£
Overheads and administration costs	4,000
Governance costs	3,600
	<u>7,600</u>

	Activities undertaken directly £	Support costs £	Total 2023 £
Housing	76,433	7,924	84,357
	<u>76,433</u>	<u>7,924</u>	<u>84,357</u>

Support Cost Allocation	£
Overheads and administration costs	4,000
Governance costs	3,924
	<u>7,924</u>

	2024 £	2023 £
Analysis of social housing costs		
Management costs	29,658	28,429
Service charges	4,587	6,251
Maintenance of properties	32,923	25,494
Governance costs	3,600	3,924
Depreciation of properties	13,880	13,880
Depreciation of fixtures and fittings	6,767	6,379
	<u>91,415</u>	<u>84,357</u>

The Charity does not employ staff directly. Staff are employed by Racing Homes, the charity's corporate trustee. Direct housing staff costs are apportioned to the Charity on the basis of properties managed. In 2024, the cost of housing staff time allocated to the Charity was £23,355 (2023: £23,089).

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. TRUSTEE'S REMUNERATION

No remuneration or out of pocket expenses were received by the trustee during the year (2023: £nil).

All staff are employed by Racing Homes and Racing Welfare, with costs allocated to the charity on the basis of the proportion of units owned. Therefore no employee or key management personnel remuneration was directly incurred.

5. GOVERNANCE

The auditors' remuneration constituted audit fees of £3,600 (2023: £2,750).

6. TANGIBLE FIXED ASSETS

	Freehold almshouses	Long leasehold almshouses	Freehold improvements	Leasehold Improvements	Totals
	£	£	£	£	£
Cost and deemed cost					
At 1 January 2024	546,000	330,000	103,564	11,044	990,608
Additions	-	-	2,243	5,543	7,786
At 31 December 2024	<u>546,000</u>	<u>330,000</u>	<u>105,807</u>	<u>16,587</u>	<u>998,394</u>
Depreciation					
At 1 January 2024	72,800	66,000	36,452	7,166	182,418
Charge for the year	7,280	6,600	5,638	1,129	20,647
At 31 December 2024	<u>80,080</u>	<u>72,600</u>	<u>42,090</u>	<u>8,295</u>	<u>203,065</u>
Net book value					
At 31 December 2024	<u>465,920</u>	<u>257,400</u>	<u>63,717</u>	<u>8,292</u>	<u>795,329</u>
At 31 December 2023	<u>473,200</u>	<u>264,000</u>	<u>67,112</u>	<u>3,878</u>	<u>808,190</u>

Freehold almshouses includes freehold land of £182,000 (2023: £182,000) that is not depreciated.

7. FIXED ASSET INVESTMENT

	2024	2023
	£	£
Listed investments:		
Market Value at 1 January	396,598	387,412
Additions	178,854	-
Disposals	(178,854)	-
Net investment gains	16,065	9,186
Market value at 31 December	<u>412,663</u>	<u>396,598</u>
Historical cost at 31 December	<u>317,455</u>	<u>317,455</u>
Listed investments are represented by:		
Investment trusts and unit trusts	<u>412,663</u>	<u>396,598</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. DEBTORS	2024	2023
	£	£
Due from Racing Welfare	144,772	-
Accrued income	2,117	5,428
Prepayments and accrued income	<u>146,889</u>	<u>5,428</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2024	2023
	£	£
Trade Creditors	419	-
Owed to Racing Welfare	-	3,357
Owed to Racing Homes	1,844	7,803
Accruals and deferred income	3,755	3,880
	<u>6,018</u>	<u>15,040</u>

10. STATEMENT OF FUNDS

	At 1 January 2024	Income	Expenditure	Investments Gains	Transfers	At 31 December 2024
	£	£	£	£	£	£
Unrestricted funds						
General reserve	480,620	87,245	(70,768)	-	(7,786)	489,311
Investment fund	79,143	-	-	16,065	-	95,208
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>599,763</u>	<u>87,245</u>	<u>(70,768)</u>	<u>16,065</u>	<u>(7,786)</u>	<u>624,519</u>
Endowment funds	808,190	-	(20,647)	-	7,786	795,329
	<u>1,407,953</u>	<u>87,245</u>	<u>(91,415)</u>	<u>16,065</u>	<u>-</u>	<u>1,419,848</u>

The £7,786 transfer represents additions to properties in the endowment fund that were funded by the general reserve.

	At 1 January 2023	Income	Expenditure	Investments Gains	Transfers	At 31 December 2023
	£	£	£	£	£	£
Unrestricted funds						
General reserve	459,051	85,667	(64,098)	-	-	480,620
Investment fund	69,957	-	-	9,186	-	79,143
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>569,008</u>	<u>85,667</u>	<u>(64,098)</u>	<u>9,186</u>	<u>-</u>	<u>599,763</u>
Endowment funds	828,449	-	(20,259)	-	-	808,190
Total unrestricted funds	<u>1,397,457</u>	<u>85,667</u>	<u>(84,357)</u>	<u>9,186</u>	<u>-</u>	<u>1,407,953</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. STATEMENT OF FUNDS (continued)

The general reserve represents the free funds of the Charity which are not designated for particular purposes, and are available to be spent for any of the purposes of the Charity.

The Investment Fund represents the net accumulated fair value gains on investments which would only be available for use if the investments were sold.

The extraordinary repair funds sets aside funds for unexpected maintenance costs.

The endowment funds were established when the Rous Memorial and Almshouses and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2024

	Endowment	Designated	Unrestricted	Total
	£	£	£	2024
				£
Tangible fixed assets	795,329	-	-	795,329
Investments	-	-	412,663	412,663
Current assets	-	40,000	177,874	217,874
Current liabilities	-	-	(6,018)	(6,018)
	<u>795,329</u>	<u>40,000</u>	<u>584,519</u>	<u>1,419,848</u>

As at 31 December 2023

	Endowment	Designated	Unrestricted	Total
	£	£	£	2023
				£
Tangible fixed assets	808,190	-	-	808,190
Investments	-	-	396,598	396,598
Current assets	-	40,000	178,205	218,205
Current liabilities	-	-	(15,040)	(15,040)
	<u>808,190</u>	<u>40,000</u>	<u>559,763</u>	<u>1,407,953</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. CONNECTED CHARITIES (continued)

The Rous Charity has its trustee representatives and administration in common with the following charities:

- Racing Welfare
- Racing Homes

The following amounts were due from/(to) connected charities as at 31 December 2024:

	2024	2023
	£	£
Racing Welfare	144,772	(3,357)
Racing Homes	<u>(1,844)</u>	<u>(7,803)</u>

Racing Homes manages the properties on behalf of The Rous Charity. During the year Racing Homes collected rents amounting to £79,045 (2023: £70,111) on behalf of the charity and paid shared costs attributable to the charity of £47,262 (2023: £51,421), including staff costs of £23,354 (2023: £23,089). During the year the charity received £1,530 in respect of an insurance claim settled through the group insurance policy (2023: £16,563).

During the year £4,000 (2023: £4,000) in respect of management and administration overheads were allocated to the Charity by Racing Homes.

Racing Welfare manages cash across the group. During the year £150,000 was transferred from the Rous Charity to Racing Welfare. During the year Racing Welfare incurred costs in relation to Rous Charity of £1,884.

Five bugalows in Newmarket are held on a 50 year lease from Jockey Club Estates. There is no annual charge.

Parent Company

Racing Homes, Charity Number 1122961, Company Registration 06489067 whose address is the same as the Rous Charity and whose charitable objects and activities are the provision of affordable housing to those in need. The parent company exercises control through its corporate trusteeship and its accounts can be obtained from Racing Welfare.

Ultimate Parent Company

Racing Welfare, Charity Number 1084042, Company registration Number 04116279, whose address is the same as the Rous Charity and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

The Ultimate Parent exercises control through its corporate trusteeship; its accounts can be obtained from Racing Welfare, 20b Park Lane, Newmarket Suffolk, CB8 8QD.

Ultimate Controlling Party

The Ultimate Controlling Party is The Jockey Club, Company Registration Number RC000287, governed by Royal Charter, whose address is 75 High Holborn, London, WC1V 6LS by virtue of being the sole member of Racing Welfare.

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. FINANCIAL INSTRUMENTS

	2024	2023
	£	£
Equity instruments measured at fair value	<u>412,663</u>	<u>396,598</u>

14. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted funds	Endowment funds	Total 2023
	£	£	£
INCOME FROM:			
Investments	11,403	-	11,403
Charitable activities	74,264	-	74,264
TOTAL INCOME	<u>85,667</u>	<u>-</u>	<u>85,667</u>
EXPENDITURE ON:			
Charitable activities	64,098	20,259	84,357
TOTAL EXPENDITURE	<u>64,098</u>	<u>20,259</u>	<u>84,357</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS	21,569	(20,259)	1,310
Net (losses) / gains on investments	9,186	-	9,186
NET (EXPENDITURE) / INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS	<u>30,755</u>	<u>(20,259)</u>	<u>10,496</u>
Reconciliation of funds:			
Balances brought forward 1 January	569,008	828,449	1,397,457
Balances carried forward 31 December	<u>599,763</u>	<u>808,190</u>	<u>1,407,953</u>

THE ROUS CHARITY

England & Wales - Charity number 1068581

Accounts

THE ROUS CHARITY

Trustee's Report and Financial Statements

31 December 2023

Registered Charity Number 1068581

**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

REGISTERED CHARITY NUMBER: 1068581

TRUSTEE

Racing Homes (a company limited by guarantee)

DIRECTORS OF RACING HOMES

Simon Hope (Chair)

Sir William Barlow

Craig Glasper

Patrick Russell

Simon Stockley (appointed June 2023)

CHIEF EXECUTIVE

Dawn Goodfellow

REGISTERED OFFICE

Robin McAlpine House

20B Park Lane

Newmarket

Suffolk CB8 8QD

BANKERS

Barclays Bank PLC

High Street

Newmarket

Suffolk CB8 8NH

SOLICITORS

Mishcon de Reya

4 Station Square

Cambridge

CB1 2GE

INVESTMENT MANAGER

Troy Asset Management Limited

Brookfield House

44 Davies Street

London W1K 5JA

AUDITORS

Price Bailey LLP

Tennyson House

Cambridge Business Park

Cambridge

CB4 0WZ

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rous Charity was formed on 24 September 1997 by a Charity Commissioners' Scheme, which combined the operations of the Rous Memorial Fund and the Rous Memorial and Almshouse Charity.

The sole Trustee is Racing Homes (Charity Commission registration number 1122961). Its trustees act as trustees of the charity.

Governance

The Charity is registered under the Charities Act 2011 (Charity Commission registration number 1068581). Racing Homes is itself a subsidiary undertaking of Racing Welfare (Charity Commission registration number 1084042). Day-to-day management of the Rous Charity is delegated to Racing Homes Head of Housing, overseen by the Chief Executive.

The Jockey Club is the charity's ultimate controlling party by virtue of being Racing Welfare's sole member, and provides HR, IT and capital projects support to the Racing Welfare Group.

Recruitment and appointment of trustees

The sole trustee of the charity is Racing Homes, whose own trustees act as trustees of the charity. A full description of Racing Homes recruitment process can be found in its financial statements.

Principal Risks and Uncertainties

The principal risks are identified as those with the highest likelihood of occurrence together with the highest potential impact. Also included are those risks that score highly and are fundamentally key to what we do and how we operate.

Set out in the table below are the principal risks that are specific to The charity. The trustee acknowledges that there are further, more generic risks, which are included on the charity and group risk register and may score highly but these risks are not listed here due to their generic nature or because they, by nature, are not within our power to control or mitigate e.g. changes in the economy.

Risk description	Risk mitigation
<p><i>Failure to protect vulnerable and young people:</i></p> <p>Failure may result in adverse publicity and risk to the charity's reputation as well as possible litigation.</p>	<p>All staff are appropriately vetted in accordance with law and current regulations. The charity adopts Racing Welfare's safeguarding policy which is regularly reviewed by dedicated safeguarding staff and is the recipient of the SafeCic Safe Award recognising excellence in safeguarding standards. Safeguarding training is undertaken by all staff. DBS checks are carried out on all trustees. All line managers undergo Safer Recruitment training</p>
<p><i>Non-compliance with electrical, gas and fire safety requirements:</i></p> <p>Failure to comply with safety requirements could lead to serious harm to tenants and property</p>	<p>Fire risk assessments are conducted at all schemes along with weekly alarm tests, along with staff regularly checking communal areas for good housekeeping. Annual PAT testing conducted along with five year fixed-wire testing. Contracts in place for electrical and gas safety. Central housing management software triggers compliance reminders.</p>

Principal Risks and Uncertainties (continued)

Risk description	Risk mitigation
<p><i>Stock deterioration</i></p> <p>Tenant and staff injury sustained from deterioration of housing stock as well as the reputation risk associated with sub-standard housing.</p>	<p>Racing Homes has committed to providing housing of a high standard and is in the process of refurbishing older units, as well as recently completing a full refurbishment of a block of young persons accommodation. A long-term maintenance programme has been produced by the charity's dedicated in-house property manager.</p>

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The risk register is regularly reviewed by Racing Welfare Senior Management and annually by Racing Welfare Trustees.

OBJECTS AND ACTIVITIES

The Charity exists to provide almshouses for the benefit of needy or aged persons employed or formerly employed or otherwise engaged in or in connection with the horse racing and thoroughbred industry or their dependants. The Trustee confirms that it has had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

CHARITY GOVERNANCE CODE

The Charity, in line with Racing Welfare, has fully adopted the Charity Governance code and is actively working on all seven pillars. Full details can be found in the consolidated financial statements of Racing Welfare.

ACHIEVEMENTS AND PERFORMANCE

The Charity continued to provide housing to its beneficiaries in 2023. The Charity owns eight bungalows at Rous Court, Newmarket, and five modern bungalows in Hamilton Road, Newmarket leased from The Jockey Club. These properties are managed by Racing Homes and provide housing and facilities at an affordable rent for pensioners from the horseracing industry.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

FINANCIAL REVIEW

In 2023, the Charity received income of £85,667 (2022: £68,436) and expended some £84,357 (2022: £85,076). The increase in income was due to our policy of letting to new tenants at local housing allowance rents, above our historic social rents. The Charity made fair value gains on investments of £9,186 (2022: £44,033 fair value losses) and has maintained a sound financial position with unrestricted funds at 31 December 2023 of £599,763 (2022: £569,008).

Reserves policy

The Trustee has reviewed the reserves of the Charity. This review encompassed the requirement to meet fixed commitments and the likelihood of receiving voluntary donations. The Charity aims to maintain general reserves equivalent to at least 6 months forward expenditure, estimated at £40,000. At 31 December 2023 general reserves were £480,620 (2022: £459,051). The trustee is of the opinion that these funds are sufficient to sustain the Charity's ongoing activities. Excess reserves will be kept under review by the trustee whilst assessing opportunities as they arise.

The trustee maintained a designated extraordinary repairs fund to provide for any unexpected repairs and improvements. At 31 December 2023, the value of extraordinary repair fund was £40,000 (2022: £40,000).

Under the terms of the 1997 Charity Commissioner's scheme, the land and buildings formerly belonging to the Rous Memorial and Almshouses charity should be held in the Rous Charity on the same terms as it was in the Rous Memorial and Almshouses charity. The properties have been classified as permanent endowments with the fund value representing the net book value of the land and buildings (2023: £808,190; 2022: £828,449).

Free reserves at 31 December 2023 were £203,165 (2021: £181,596), calculated as total unrestricted funds excluding those invested in shares and securities.

Investment policy

The Charity's investment portfolio is represented by investments in common funds, the Trojan Income Fund ('S' Income) and Trojan Fund ('S' Income). The aim of the investment policy is to provide a balance between income and capital growth, measured on a total returns basis.

PLANS FOR FUTURE PERIODS

The Charity intends to sustain its current level of activities.

No activities are undertaken by the Charity or by any person on behalf of the Charity for the purpose of fundraising, and in particular no professional fundraiser or commercial participator have carried on any such activities.

Neither the Charity nor any person acting on behalf of the Charity was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising, in respect of activities on behalf of the Charity. In light of this, there was no failure to comply with a scheme or fundraising standard, and there was no requirement for any monitoring of activities carried on by any person on behalf of the Charity for the purpose of fundraising. No complaints have been received by the Charity or a person acting on its behalf about activities by the Charity or by a person on behalf of the Charity in connection with fundraising.

Whilst the trustees are aware and supportive of the need to protect vulnerable people and other members of the public from any fundraising activities that potentially puts people at risk, as the Charity does not undertake any fundraising, the trustees are confident that no one was put at risk from inappropriate fundraising activities of the Charity.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The Auditors, Price Bailey LLP, have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The trustees report was approved on 4 June 2024 and signed on its behalf:



Simon Hope (Chair of Racing Homes)

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Opinion

We have audited the financial statements of The Rous Charity (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 Financial Reporting Standard 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 charity's affairs as at 31 December 2023, and of its 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees' 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.

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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the trustee's responsibilities statement set out on page 5, the trustees 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 trustee determines 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 trustee is responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection and financial reporting.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of a sample of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee Board meetings, correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.
- Assessing management bias in relation to the accounting policies adopted and in determining significant accounting estimates, including the valuation of investments and the depreciation policies of fixed assets.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of report

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Price Bailey LLP

Price Bailey LLP
Chartered Accountant and Statutory Auditor
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date 24 July 2024

Price Bailey LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds £	Endowment funds £	Total 2023 £	Total 2022 £ (note 14)
INCOME FROM:					
Investments	2	11,403	-	11,403	6,456
Charitable activities		74,264	-	74,264	61,980
TOTAL INCOME		<u>85,667</u>	<u>-</u>	<u>85,667</u>	<u>68,436</u>
EXPENDITURE ON:					
Charitable activities		64,098	20,259	84,357	85,076
TOTAL EXPENDITURE	3	<u>64,098</u>	<u>20,259</u>	<u>84,357</u>	<u>85,076</u>
NET INCOME / (EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS					
		21,569	(20,259)	1,310	(16,640)
Net gains / (losses) on investments	7	9,186	-	9,186	(44,033)
NET INCOME / (EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS					
		<u>30,755</u>	<u>(20,259)</u>	<u>10,496</u>	<u>(60,673)</u>
Reconciliation of funds:					
Balances brought forward 1 January	10	569,008	828,449	1,397,457	1,458,130
Balances carried forward 31 December	10	<u>599,763</u>	<u>808,190</u>	<u>1,407,953</u>	<u>1,397,457</u>

The notes on pages 11 to 18 form part of these financial statements.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	6	808,190	828,449
Investments	7	396,598	387,412
		<u>1,204,788</u>	<u>1,215,861</u>
CURRENT ASSETS			
Debtors	8	5,428	3,162
Cash at bank and in hand		212,777	208,568
		<u>218,205</u>	<u>211,730</u>
LIABILITIES			
Creditors: amounts falling due within one year	9	(15,040)	(30,134)
NET CURRENT ASSETS		<u>203,165</u>	<u>181,596</u>
NET ASSETS		<u>1,407,953</u>	<u>1,397,457</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds:	10		
General fund		480,620	459,051
Revaluation Reserve		79,143	69,957
Designated funds		40,000	40,000
		<u>599,763</u>	<u>569,008</u>
Endowment funds		808,190	828,449
TOTAL CHARITY FUNDS	11	<u>1,407,953</u>	<u>1,397,457</u>

The financial statements of The Rous Charity were approved by the Trustee and authorised for issue on 4 June 2024 and signed on its behalf by:



Simon Hope
Chair of Racing Homes

The notes on pages 11 to 18 form part of these financial statements.

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling, which is the charity's functional currency and rounded to the nearest £1.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements of the Charity are consolidated in the financial statements of Racing Welfare. The consolidated financial statements of Racing Welfare are available from its registered office, whose address is the same as the Charity's.

Going concern

The directors have identified no material uncertainties and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, a period of at least 12 months from the date of approval of the financial statements, and the charity is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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

Income recognition

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee 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 Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment funds were established when the Rous Memorial and Almshouses charity and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

1. Accounting policies (continued)

Freehold and long leasehold almshouses

Depreciation is provided in equal annual instalments over the term of the lease or estimated lives of the assets at the rate of 2% per annum. Freehold land is not depreciated.

Freehold and leasehold improvements

Depreciation is provided on freehold and leasehold improvements at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Boilers, bathrooms and kitchens	10 years
Windows	20 years
Roof	50 years

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 reporting date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value (purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal value.

2. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	1,726	175
Dividends receivable from investments and unit trusts	9,677	6,281
	<u>11,403</u>	<u>6,456</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support costs £	Total 2023 £
Housing	76,433	7,924	84,357
	<u>76,433</u>	<u>7,924</u>	<u>84,357</u>

Support Cost Allocation	£
Overheads and administration costs	4,000
Governance costs	3,924
	<u>7,924</u>

	Activities undertaken directly £	Support costs £	Total 2022 £
Housing	78,681	6,395	85,076
	<u>78,681</u>	<u>6,395</u>	<u>85,076</u>

Support Cost Allocation	£
Overheads and administration costs	4,000
Governance costs	2,395
	<u>6,395</u>

	2023 £	2022 £
Analysis of social housing costs		
Management costs	28,429	28,497
Service charges	6,251	2,551
Maintenance of properties	25,494	31,258
Governance costs	3,924	2,395
Depreciation of properties	13,880	13,880
Depreciation of fixtures and fittings	6,379	6,495
	<u>84,357</u>	<u>85,076</u>

The Charity does not employ staff directly. Staff are employed by Racing Homes, the charity's corporate trustee. Direct housing staff costs are apportioned to the Charity on the basis of properties managed. In 2023, the cost of housing staff time allocated to the Charity was £23,089 (2022: £22,232).

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. TRUSTEE'S REMUNERATION

No remuneration or out of pocket expenses were received by the trustee during the year (2022: £nil).

All staff are employed by Racing Homes and Racing Welfare, with costs allocated to the charity on the basis of the proportion of units owned. Therefore no employee or key management personnel remuneration was directly incurred.

5. GOVERNANCE

The auditors' remuneration constituted audit fees of £2,750 (2022: £1,800).

6. TANGIBLE FIXED ASSETS

	Freehold almshouses £	Long leasehold almshouses £	Freehold improvements £	Leasehold improvements £	Totals £
Cost and deemed cost At 1 January 2023	546,000	330,000	103,564	11,044	990,608
At 31 December 2023	<u>546,000</u>	<u>330,000</u>	<u>103,564</u>	<u>11,044</u>	<u>990,608</u>
Depreciation At 1 January 2023	65,520	59,400	30,870	6,369	162,159
Charge for the year	7,280	6,600	5,582	797	20,259
At 31 December 2023	<u>72,800</u>	<u>66,000</u>	<u>36,452</u>	<u>7,166</u>	<u>182,418</u>
Net book value At 31 December 2023	<u>473,200</u>	<u>264,000</u>	<u>67,112</u>	<u>3,878</u>	<u>808,190</u>
At 31 December 2022	<u>480,480</u>	<u>270,600</u>	<u>72,694</u>	<u>4,675</u>	<u>828,449</u>

Freehold almshouses includes freehold land of £182,000 (2022: £182,000) that is not depreciated.

7. FIXED ASSET INVESTMENT

	2023 £	2022 £
Listed investments:		
Market Value at 1 January	387,412	431,445
Net investment gains / (losses)	9,186	(44,033)
Market value at 31 December	<u>396,598</u>	<u>387,412</u>
Historical cost at 31 December	<u>317,455</u>	<u>317,455</u>
Listed investments are represented by:		
Investment trusts and unit trusts	<u>396,598</u>	<u>387,412</u>

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. DEBTORS	2023	2022
	£	£
Accrued income	5,428	3,162
Prepayments and accrued income	<u>5,428</u>	<u>3,162</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Owed to Racing Welfare	3,357	1,500
Owed to Racing Homes	7,803	15,966
Accruals and deferred income	3,880	12,668
	<u>15,040</u>	<u>30,134</u>

10. STATEMENT OF FUNDS

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2023	£	£	£	£	2023
	£					£
Unrestricted funds						
General reserve	459,051	85,667	(64,098)	-	-	480,620
Investment fund	69,957	-	-	9,186	-	79,143
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>569,008</u>	<u>85,667</u>	<u>(64,098)</u>	<u>9,186</u>	<u>-</u>	<u>599,763</u>
Endowment funds	828,449	-	(20,259)	-	-	808,190
	<u>1,397,457</u>	<u>85,667</u>	<u>(84,357)</u>	<u>9,186</u>	<u>-</u>	<u>1,407,953</u>

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2022	£	£	£	£	2022
	£					£
Unrestricted funds						
General reserve	455,316	68,436	(64,701)	-	-	459,051
Investment fund	113,990	-	-	(44,033)	-	69,957
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>609,306</u>	<u>68,436</u>	<u>(64,701)</u>	<u>(44,033)</u>	<u>-</u>	<u>569,008</u>
Endowment funds	848,824	-	(20,375)	-	-	828,449
Total unrestricted funds	<u>1,458,130</u>	<u>68,436</u>	<u>(85,076)</u>	<u>(44,033)</u>	<u>-</u>	<u>1,397,457</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. STATEMENT OF FUNDS (continued)

The general reserve represents the free funds of the Charity which are not designated for particular purposes, and are available to be spent for any of the purposes of the Charity.

The Investment Fund represents the net accumulated fair value gains on investments which would only be available for use if the investments were sold.

The extraordinary repair funds sets aside funds for unexpected maintenance costs.

The endowment funds were established when the Rous Memorial and Almshouses and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2023

	Endowment	Designated	Unrestricted	Total
	£	£	£	2023
				£
Tangible fixed assets	808,190	-	-	808,190
Investments	-	-	396,598	396,598
Current assets	-	40,000	178,205	218,205
Current liabilities	-	-	(15,040)	(15,040)
	<u>808,190</u>	<u>40,000</u>	<u>559,763</u>	<u>1,407,953</u>

As at 31 December 2022

	Endowment	Designated	Unrestricted	Total
	£	£	£	2022
				£
Tangible fixed assets	828,449	-	-	828,449
Investments	-	-	387,412	387,412
Current assets	-	40,000	171,730	211,730
Current liabilities	-	-	(30,134)	(30,134)
	<u>828,449</u>	<u>40,000</u>	<u>529,008</u>	<u>1,397,457</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. CONNECTED CHARITIES (continued)

The Rous Charity has its trustee representatives and administration in common with the following charities:

- Racing Welfare
- Racing Homes

The following amounts were due (to)/from connected charities as at 31 December 2023:

	2023	2022
	£	£
Racing Welfare	(3,357)	-
Racing Homes	(7,803)	(15,966)
	<u>(11,160)</u>	<u>(15,966)</u>

Racing Homes manages the properties on behalf of The Rous Charity. During the year Racing Homes collected rents amounting to £70,111 (2022: £64,404) on behalf of the charity and paid shared costs attributable to the charity of £51,421 (2022: £48,407), including staff costs of £23,089 (2022: £22,232). During the year the charity received £16,563 in respect of an insurance claim settled through the group insurance policy (2022: £nil).

During the year £4,000 (2022: £4,000) in respect of management and administration overheads were allocated to the Charity by Racing Homes.

Five bugalows in Newmarket are held on a 50 year lease from Jockey Club Estates. There is no annual charge.

During the year Racing Welfare paid costs of £nil attributable to Rous Charity (2022: £1,500).

Parent Company

Racing Homes, Charity Number 1122961, Company Registration 06489067 whose address is the same as the Rous Charity and whose charitable objects and activities are the provision of affordable housing to those in need. The parent company exercises control through its corporate trusteeship and its accounts can be obtained from Racing Welfare.

Ultimate Parent Company

Racing Welfare, Charity Number 1084042, Company registration Number 04116279, whose address is the same as the Rous Charity and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

The Ultimate Parent exercises control through its corporate trusteeship; its accounts can be obtained from Racing Welfare, 20b Park Lane, Newmarket Suffolk, CB8 8QD.

Ultimate Controlling Party

The Ultimate Controlling Party is The Jockey Club, Company Registration Number RC000287, governed by Royal Charter, whose address is 75 High Holborn, London, WC1V 6LS by virtue of being the sole member of Racing Welfare.

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Equity instruments measured at fair value	<u>396,598</u>	<u>387,412</u>

14. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE YEAR ENDED 31 DECEMBER 2022

	Unrestricted funds	Endowment funds	Total 2022
	£	£	£
INCOME FROM:			
Investments	6,456	-	6,456
Charitable activities	61,980	-	61,980
TOTAL INCOME	<u>68,436</u>	<u>-</u>	<u>68,436</u>
EXPENDITURE ON:			
Charitable activities	64,701	20,375	85,076
TOTAL EXPENDITURE	<u>64,701</u>	<u>20,375</u>	<u>85,076</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS	3,735	(20,375)	(16,640)
Net (losses) / gains on investments	(44,033)	-	(44,033)
NET (EXPENDITURE) / INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS	<u>(40,298)</u>	<u>(20,375)</u>	<u>(60,673)</u>
Reconciliation of funds:			
Balances brought forward 1 January	609,306	848,824	1,458,130
Balances carried forward 31 December	<u>569,008</u>	<u>828,449</u>	<u>1,397,457</u>

THE ROUS CHARITY

England & Wales - Charity number 1068581

Accounts

THE ROUS CHARITY

Trustee's Report and Financial Statements

31 December 2022

Registered Charity Number 1068581

**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

REGISTERED CHARITY NUMBER: 1068581

TRUSTEE

Racing Homes (a company limited by guarantee)

DIRECTORS OF RACING HOMES

Simon Hope (Chair)

William Barlow

Craig Glasper

Patrick Russell

CHIEF EXECUTIVE

Dawn Goodfellow

REGISTERED OFFICE

Robin McAlpine House

20B Park Lane

Newmarket

Suffolk CB8 8QD

BANKERS

Barclays Bank PLC

High Street

Newmarket

Suffolk CB8 8NH

SOLICITORS

Taylor Vinters

Merlin Place

Milton Road

Cambridge

CB4 0DP

INVESTMENT MANAGER

Troy Asset Management Limited

Brookfield House

44 Davies Street

London W1K 5JA

AUDITORS

Price Bailey LLP

Tennyson House

Cambridge Business Park

Cambridge

CB4 0WZ

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rous Charity was formed on 24 September 1997 by a Charity Commissioners' Scheme, which combined the operations of the Rous Memorial Fund and the Rous Memorial and Almshouse Charity.

The sole Trustee is Racing Homes (Charity Commission registration number 1122961), its trustees act as trustees of the charity.

Governance

The Charity is registered under the Charities Act 2011 (Charity Commission registration number 1068581). Racing Homes is itself a subsidiary undertaking of Racing Welfare (Charity Commission registration number 1084042). Day-to-day management of the Rous Charity is delegated to Racing Homes Head of Housing, overseen by the Chief Executive.

The Jockey Club is the charity's ultimate controlling party by virtue of being Racing Welfare's sole member, and provides HR, IT and capital projects support to the Racing Welfare Group.

Recruitment and appointment of trustees

The sole trustee of the charity is Racing Homes, whose own trustees act as trustees of the charity. A full description of Racing Homes recruitment process can be found in its financial statements.

Principal Risks and Uncertainties

The principal risks are identified as those with the highest likelihood of occurrence together with the highest potential impact. Also included are those risks that score highly and are fundamentally key to what we do and how we operate.

Set out in the table below are the principal risks that are specific to The charity. The trustee acknowledges that there are further, more generic risks, which are included on the charity and group risk register and may score highly but these risks are not listed here due to their generic nature or because they, by nature, are not within our power to control or mitigate e.g. changes in the economy.

Risk description	Risk mitigation
<p><i>Failure to protect vulnerable and young people:</i></p> <p>Failure may result in adverse publicity and risk to the charity's reputation as well as possible litigation.</p>	<p>All staff are appropriately vetted in accordance with law and current regulations. The charity adopts Racing Welfare's safeguarding policy which is regularly reviewed by dedicated safeguarding staff and is the recipient of the SafeCic Safe Award recognising excellence in safeguarding standards. Safeguarding training is undertaken by all staff. DBS checks are carried out on all trustees. All line managers undergo Safer Recruitment training</p>
<p><i>Non-compliance with electrical, gas and fire safety requirements:</i></p> <p>Failure to comply with safety requirements could lead to serious harm to tenants and property</p>	<p>Fire risk assessments are conducted at all schemes along with weekly alarm tests, along with staff regularly checking communal areas for good housekeeping. Annual PAT testing conducted along with five year fixed-wire testing. Contracts in place for electrical and gas safety. Central housing management software triggers compliance reminders.</p>

Principal Risks and Uncertainties (continued)

Risk description	Risk mitigation
<p><i>Stock deterioration</i></p> <p>Tenant and staff injury sustained from deterioration of housing stock as well as the reputation risk associated with sub-standard housing.</p>	<p>Racing Homes has committed to providing housing of a high standard and is in the process of refurbishing older units, as well as recently completing a full refurbishment of a block of young persons accommodation. A stock condition survey will be undertaken in 2022 from which an updated long-term maintenance programme will be produced by a dedicated in-house property manager.</p>

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The risk register is regularly reviewed by Racing Welfare Senior Management and annually by Racing Welfare Trustees.

OBJECTS AND ACTIVITIES

The Charity exists to provide almshouses for the benefit of needy or aged persons employed or formerly employed or otherwise engaged in or in connection with the horse racing and thoroughbred industry or their dependants. The Trustee confirms that it has had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

CHARITY GOVERNANCE CODE

The Charity, in line with Racing Welfare, has fully adopted the Charity Governance code and is actively working on all seven pillars. Full details can be found in the consolidated financial statements of Racing Welfare.

ACHIEVEMENTS AND PERFORMANCE

The Charity continued to provide housing to its beneficiaries in 2022. The Charity owns eight bungalows at Rous Court, Newmarket, and five modern bungalows in Hamilton Road, Newmarket leased from The Jockey Club. These properties are managed by Racing Homes and provide housing and facilities at an affordable rent for pensioners from the horseracing industry.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

In 2022, the Charity received income of £68,436 (2021: £67,682) and expended some £85,076 (2021: £62,981). The increase in expenditure was due to additional staff costs recharged and increased maintenance costs. The Charity made fair value losses on investments of £44,033 (2021: £48,262 fair value gains) and has maintained a sound financial position with unrestricted funds at 31 December 2022 of £569,008 (2021: £609,306).

Reserves policy

The Trustee has reviewed the reserves of the Charity. This review encompassed the requirement to meet fixed commitments and the likelihood of receiving voluntary donations. The Charity aims to maintain general reserves equivalent to at least 6 months forward expenditure, estimated at £40,000. At 31 December 2022 general reserves were £459,051 (2021: £455,316). The trustee is of the opinion that these funds are sufficient to sustain the Charity's ongoing activities. Excess reserves will be kept under review by the trustee whilst assessing opportunities as they arise.

The trustee maintained a designated extraordinary repairs fund to provide for any unexpected repairs and improvements. At 31 December 2022, the value of extraordinary repair fund was £40,000 (2021: £40,000).

Under the terms of the 1997 Charity Commissioner's scheme, the land and buildings formerly belonging to the Rous Memorial and Almshouses charity should be held in the Rous Charity on the same terms as it was in the Rous Memorial and Almshouses charity. The properties have been classified as permanent endowments with the fund value representing the net book value of the land and buildings (2022: £828,449; 2021: £848,824).

Free reserves at 31 December 2022 were £181,596 (2021: £177,861), calculated as total unrestricted funds excluding those invested in shares and securities.

Investment policy

Historically the Charity's investment portfolio has been represented by a single investments in a common funds, the Trojan Income Fund ('S' Income). During 2020 the investment was split with a proportion now invested in the Trojan Fund ('S' Income). The aim of the investment policy is to provide a balance between income and capital growth, measured on a total returns basis.

PLANS FOR FUTURE PERIODS

The Charity intends to sustain its current level of activities.

No activities are undertaken by the Charity or by any person on behalf of the Charity for the purpose of fundraising, and in particular no professional fundraiser or commercial participator have carried on any such activities.

Neither the Charity nor any person acting on behalf of the Charity was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising, in respect of activities on behalf of the Charity. In light of this, there was no failure to comply with a scheme or fundraising standard, and there was no requirement for any monitoring of activities carried on by any person on behalf of the Charity for the purpose of fundraising. No complaints have been received by the Charity or a person acting on its behalf about activities by the Charity or by a person on behalf of the Charity in connection with fundraising.

Whilst the trustees are aware and supportive of the need to protect vulnerable people and other members of the public from any fundraising activities that potentially puts people at risk, as the Charity does not undertake any fundraising, the trustees are confident that no one was put at risk from inappropriate fundraising activities of the Charity.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Bailey LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The trustees report was approved on 22 May 2023 and signed on its behalf:



Simon Hope (Chair of Racing Homes)

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion

We have audited the financial statements of The Rous Charity (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 Financial Reporting Standard 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 charity's affairs as at 31 December 2022, and of its 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees' 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.

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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection and financial reporting.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of a sample of journal entries and other adjustments for appropriateness.
- We reviewed minutes of Trustee Board meetings, correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.
- Assessing management bias in relation to the accounting policies adopted and in determining significant accounting estimates, including the valuation of investments and the depreciation policies of fixed assets.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Price Bailey LLP
Chartered Accountant and Statutory Auditor
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date 19 September 2023

Price Bailey LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds £	Endowment funds £	Total 2022 £	Total 2021 £ (note 14)
INCOME FROM:					
Investments	2	6,456	-	6,456	6,769
Charitable activities		61,980	-	61,980	60,913
TOTAL INCOME		<u>68,436</u>	<u>-</u>	<u>68,436</u>	<u>67,682</u>
EXPENDITURE ON:					
Charitable activities		64,701	20,375	85,076	62,981
TOTAL EXPENDITURE	3	<u>64,701</u>	<u>20,375</u>	<u>85,076</u>	<u>62,981</u>
NET (EXPENDITURE)/INCOME BEFORE GAINS AND LOSSES ON INVESTMENTS		3,735	(20,375)	(16,640)	4,701
Net (losses)/gains on investments	7	(44,033)	-	(44,033)	48,262
NET (EXPENDITURE)/INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS		<u>(40,298)</u>	<u>(20,375)</u>	<u>(60,673)</u>	<u>52,963</u>
Reconciliation of funds:					
Balances brought forward 1 January	10	609,306	848,824	1,458,130	1,405,167
Balances carried forward 31 December	10	<u>569,008</u>	<u>828,449</u>	<u>1,397,457</u>	<u>1,458,130</u>

The notes on pages 11 to 18 form part of these financial statements.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	6	828,449	848,824
Investments	7	387,412	431,445
		<u>1,215,861</u>	<u>1,280,269</u>
CURRENT ASSETS			
Debtors	8	3,162	3,573
Cash at bank and in hand		208,568	204,363
		<u>211,730</u>	<u>207,936</u>
LIABILITIES			
Creditors: amounts falling due within one year	9	(30,134)	(30,075)
NET CURRENT ASSETS		<u>181,596</u>	<u>177,861</u>
NET ASSETS		<u>1,397,457</u>	<u>1,458,130</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds:	10		
General fund		459,051	455,316
Revaluation Reserve		69,957	113,990
Designated funds		40,000	40,000
		<u>569,008</u>	<u>609,306</u>
Endowment funds		828,449	848,824
TOTAL CHARITY FUNDS	11	<u>1,397,457</u>	<u>1,458,130</u>

The financial statements on pages 11 to 18 of The Rous Charity were approved by the Trustee and authorised for issue on 22 May 2023 and signed on its behalf by:



Simon Hope
Chair of Racing Homes

The notes on pages 11 to 18 form part of these financial statements.

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling, which is the charity's functional currency and rounded to the nearest £1.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements of the Charity are consolidated in the financial statements of Racing Welfare. The consolidated financial statements of Racing Welfare are available from its registered office, whose address is the same as the Charity's.

Going concern

The directors have identified no material uncertainties and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, a period of at least 12 months from the date of approval of the financial statements, and the charity is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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

Income recognition

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee 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 Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment funds were established when the Rous Memorial and Almshouses charity and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

Freehold and long leasehold almshouses

Depreciation is provided in equal annual instalments over the term of the lease or estimated lives of the assets at the rate of 2% per annum. Freehold land is not depreciated.

Freehold and leasehold improvements

Depreciation is provided on fixtures and fittings at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Fixtures and fittings range from 10 years to 20 years

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 reporting date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value (purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal value.

2. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	175	12
Dividends receivable from investments and unit trusts	6,281	6,757
	<u>6,456</u>	<u>6,769</u>

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support costs £	Total 2022 £
Housing	78,681	6,395	85,076
	<u>78,681</u>	<u>6,395</u>	<u>85,076</u>

Support Cost Allocation

Overheads and administration costs			£ 4,000
Governance costs			2,395
			<u>6,395</u>

	Activities undertaken directly £	Support costs £	Total 2021 £
Housing	56,617	6,364	62,981
	<u>56,617</u>	<u>6,364</u>	<u>62,981</u>

Support Cost Allocation

Overheads and administration costs			£ 4,000
Governance costs			2,236
			<u>6,236</u>

Analysis of social housing costs	2022 £	2021 £
Management costs	28,497	19,069
Service charges	2,551	5,283
Maintenance of properties	31,258	15,541
Governance costs	2,395	2,364
Bad debts	-	-
Depreciation of properties	13,880	13,880
Depreciation of fixtures and fittings	6,495	6,844
	<u>85,076</u>	<u>62,981</u>

The Charity does not employ staff directly. Staff are employed by Racing Homes, the charity's corporate trustee. Direct housing staff costs are apportioned to the Charity on the basis of properties managed. In 2022, the cost of housing staff time allocated to the Charity was £22,232 (2021: £14,380).

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. TRUSTEE'S REMUNERATION

No remuneration or out of pocket expenses were received by the trustee during the year (2021: £nil).

All staff are employed by Racing Homes and Racing Welfare, with costs allocated to the charity on the basis of the proportion of units owned. Therefore no employee or key management personnel remuneration was directly incurred.

5. GOVERNANCE

The auditors' remuneration constituted audit fees of £1,800 (2021: £1,700).

6. TANGIBLE FIXED ASSETS

	Freehold almshouses £	Long leasehold almshouses £	Freehold improvements £	Leasehold Improvements £	Totals £
Cost and deemed cost At 1 January 2022	546,000	330,000	103,564	11,044	990,608
At 31 December 2022	<u>546,000</u>	<u>330,000</u>	<u>103,564</u>	<u>11,044</u>	<u>990,608</u>
Depreciation At 1 January 2022	58,240	52,800	25,288	5,456	141,784
Charge for the year	7,280	6,600	5,582	913	20,375
At 31 December 2022	<u>65,520</u>	<u>59,400</u>	<u>30,870</u>	<u>6,369</u>	<u>162,159</u>
Net book value At 31 December 2022	<u>480,480</u>	<u>270,600</u>	<u>72,694</u>	<u>4,675</u>	<u>828,449</u>
At 31 December 2021	<u>487,760</u>	<u>277,200</u>	<u>78,276</u>	<u>5,588</u>	<u>848,824</u>

Freehold almshouses includes freehold land of £182,000 (2021: £182,000) that is not depreciated.

7. FIXED ASSET INVESTMENT

	2022 £	2021 £
Listed investments:		
Market Value at 1 January	431,445	383,183
Net investment (losses) / gains	(44,033)	48,262
Market value at 31 December	<u>387,412</u>	<u>431,445</u>
Historical cost at 31 December	<u>317,455</u>	<u>317,455</u>
Listed investments are represented by:		
Investment trusts and unit trusts	<u>387,412</u>	<u>431,445</u>

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. DEBTORS	2022 £	2021 £
Prepayments and accrued income	<u>3,162</u>	<u>3,573</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022 £	2021 £
Owed to Racing Welfare	1,500	-
Owed to Racing Homes	15,966	26,888
Accruals and deferred income	12,668	3,187
	<u>30,134</u>	<u>30,075</u>

10. STATEMENT OF FUNDS

	At 1 January 2022 £	Income £	Expenditure £	Investments Gains £	Transfers £	At 31 December 2022 £
Unrestricted funds						
General reserve	455,316	68,436	(64,701)	-	-	459,051
Investment fund	113,990	-	-	(44,033)	-	69,957
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>609,306</u>	<u>68,436</u>	<u>(64,701)</u>	<u>(44,033)</u>	<u>-</u>	<u>569,008</u>
Endowment funds	848,824	-	(20,375)	-	-	828,449
	<u>1,458,130</u>	<u>68,436</u>	<u>(85,076)</u>	<u>(44,033)</u>	<u>-</u>	<u>1,397,457</u>

	At 1 January 2021 £	Income £	Expenditure £	Investments Gains £	Transfers £	At 31 December 2021 £
Unrestricted funds						
General reserve	413,891	67,682	(42,257)	-	16,000	455,316
Investment fund	81,728	-	-	48,262	(16,000)	113,990
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>535,619</u>	<u>67,682</u>	<u>(42,257)</u>	<u>48,262</u>	<u>-</u>	<u>609,306</u>
Endowment funds	869,548	-	(20,724)	-	-	848,824
Total unrestricted funds	<u>1,405,167</u>	<u>67,682</u>	<u>(62,981)</u>	<u>48,262</u>	<u>-</u>	<u>1,458,130</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. STATEMENT OF FUNDS (continued)

The general reserve represents the free funds of the Charity which are not designated for particular purposes, and are available to be spent for any of the purposes of the Charity.

The Investment Fund represents the net accumulated fair value gains on investments which would only be available for use if the investments were sold.

The extraordinary repair funds sets aside funds for unexpected maintenance costs.

The endowment funds were established when the Rous Memorial and Almshouses and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

In 2021 a transfer of £16,000 was made from the Investment Fund to the General reserve to correct an historical error on the Investment Fund.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2022

	Endowment	Designated	Unrestricted	Total
	£	£	£	2022
				£
Tangible fixed assets	828,449	-	-	828,449
Investments	-	-	387,412	387,412
Current assets	-	40,000	171,730	211,730
Current liabilities	-	-	(30,134)	(30,134)
	<u>828,449</u>	<u>40,000</u>	<u>529,008</u>	<u>1,397,457</u>

As at 31 December 2021

	Endowment	Designated	Unrestricted	Total
	£	£	£	2021
				£
Tangible fixed assets	848,824	-	-	848,824
Investments	-	-	431,445	431,445
Current assets	-	40,000	167,936	207,936
Current liabilities	-	-	(30,075)	(30,075)
	<u>848,824</u>	<u>40,000</u>	<u>569,306</u>	<u>1,458,130</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. CONNECTED CHARITIES (continued)

The Rous Charity has its trustee and administration in common with the following charities:

- Racing Welfare
- Racing Homes

The following amounts were due (to)/from connected charities as at 31 December 2022:

	2022	2021
	£	£
Racing Welfare	(1,500)	-
Racing Homes	<u>(15,966)</u>	<u>(26,888)</u>

Racing Homes manages the properties on behalf of The Rous Charity. During the year Racing Homes collected rents amounting to £64,404 (2021: £60,913) on behalf of the charity and paid shared costs attributable to the charity of £48,407 (2021: £38,447), including staff costs of £22,232 (2021: £14,380). During the year the charity received £Nil (2021: £47,000) from Racing Homes in settlement of the inter-charity loan account.

During the year £4,000 (2021: £4,000) in respect of management and administration overheads were allocated to the Charity by Racing Homes.

Five bugalows in Newmarket are held on a 50 year lease from Jockey Club Estates. There is no annual charge.

During the year Racing Welfare paid costs of £1,500 attributable to Rous Charity (2021: £Nil).

Parent Company

Racing Homes, Charity Number 1122961, Company Registration 06489067 whose address is the same as the Rous Charity and whose charitable objects and activities are the provision of affordable housing to those in need. The parent company exercises control through its corporate trusteeship and its accounts can be obtained from Racing Welfare.

Ultimate Parent Company

Racing Welfare, Charity Number 1084042, Company registration Number 04116279, whose address is the same as the Rous Charity and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

The Ultimate Parent exercises control through its corporate trusteeship; its accounts can be obtained from Racing Welfare, 20b Park Lane, Newmarket Suffolk, CB8 8QD.

Ultimate Controlling Party

The Ultimate Controlling Party is The Jockey Club, Company Registration Number RC000287, governed by Royal Charter, whose address is 75 High Holborn, London, WC1V 6LS by virtue of being the sole member of Racing Welfare.

13. FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Equity instruments measured at fair value	<u>387,412</u>	<u>431,445</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds £	Endowment funds £	Total 2021 £
INCOME FROM:			
Investments	6,769	-	6,769
Charitable activities	60,913	-	60,913
TOTAL INCOME	<u>67,682</u>	<u>-</u>	<u>67,682</u>
EXPENDITURE ON:			
Charitable activities	42,257	20,724	62,981
TOTAL EXPENDITURE	<u>42,257</u>	<u>20,724</u>	<u>62,981</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS	25,425	(20,724)	4,701
Net gains/(losses) on investments	48,262	-	48,262
NET INCOME/(EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS	<u>73,687</u>	<u>(20,724)</u>	<u>52,963</u>
Reconciliation of funds:			
Balances brought forward 1 January	535,619	869,548	1,405,167
Balances carried forward 31 December	<u>609,306</u>	<u>848,824</u>	<u>1,458,130</u>

THE ROUS CHARITY

England & Wales - Charity number 1068581

Accounts

THE ROUS CHARITY

Trustee's Report and Financial Statements

31 December 2021

Registered Charity Number 1068581

**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

REGISTERED CHARITY NUMBER: 1068581

TRUSTEE

Racing Homes (a company limited by guarantee)

DIRECTORS OF RACING HOMES

Simon Hope (Chair)

William Barlow

Craig Gasper

Patrick Russell

CHIEF EXECUTIVE

Dawn Goodfellow

REGISTERED OFFICE

Robin McAlpine House

20B Park Lane

Newmarket

Suffolk CB8 8QD

BANKERS

Barclays Bank PLC

High Street

Newmarket

Suffolk CB8 8NH

SOLICITORS

Taylor Vinters

Merlin Place

Milton Road

Cambridge

CB4 0DP

INVESTMENT MANAGER

Troy Asset Management Limited

Brookfield House

44 Davies Street

London W1K 5JA

AUDITORS

RSM UK Audit LLP

Blenheim House

Newmarket Road

Bury St Edmunds

IP33 3SB

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rous Charity was formed on 24 September 1997 by a Charity Commissioners' Scheme, which combined the operations of the Rous Memorial Fund and the Rous Memorial and Almshouse Charity.

The sole Trustee is Racing Homes (Charity Commission registration number 1122961), its trustees act as trustees of the charity.

Governance

The Charity is registered under the Charities Act 2011 (Charity Commission registration number 1068581). Racing Homes is itself a subsidiary undertaking of Racing Welfare (Charity Commission registration number 1084042). Day-to-day management of the Rous Charity is delegated to Racing Homes Head of Housing, overseen by the Chief Executive.

The Jockey Club is the charity's ultimate controlling party by virtue of being Racing Welfare's sole member, and provides HR, IT and capital projects support to the Racing Welfare Group.

Recruitment and appointment of trustees

The sole trustee of the charity is Racing Homes, whose own trustees act as trustees of the charity. A full description of Racing Homes recruitment process can be found in its financial statements.

Principal Risks and Uncertainties

The principal risks are identified as those with the highest likelihood of occurrence together with the highest potential impact. Also included are those risks that score highly and are fundamentally key to what we do and how we operate.

Set out in the table below are the principal risks that are specific to The charity. The trustee acknowledges that there are further, more generic risks, which are included on the charity and group risk register and may score highly but these risks are not listed here due to their generic nature or because they, by nature, are not within our power to control or mitigate e.g. changes in the economy.

Risk description	Risk mitigation
<p><i>Failure to protect vulnerable and young people:</i></p> <p>Failure may result in adverse publicity and risk to the charity's reputation as well as possible litigation.</p>	<p>All staff are appropriately vetted in accordance with law and current regulations. The charity adopts Racing Welfare's safeguarding policy which is regularly reviewed by dedicated safeguarding staff and is the recipient of the SafeCic Safe Award recognising excellence in safeguarding standards. Safeguarding training is undertaken by all staff. DBS checks are carried out on all trustees. All line managers undergo Safer Recruitment training</p>
<p><i>Non-compliance with electrical, gas and fire safety requirements:</i></p> <p>Failure to comply with safety requirements could lead to serious harm to tenants and property</p>	<p>Fire risk assessments are conducted at all schemes along with weekly alarm tests, along with staff regularly checking communal areas for good housekeeping. Annual PAT testing conducted along with five year fixed-wire testing. Contracts in place for electrical and gas safety. Central housing management software triggers compliance reminders.</p>

Principal Risks and Uncertainties (continued)

Risk description	Risk mitigation
<p><i>Stock deterioration</i></p> <p>Tenant and staff injury sustained from deterioration of housing stock as well as the reputation risk associated with sub-standard housing.</p>	<p>Racing Homes has committed to providing housing of a high standard and is in the process of refurbishing older units, as well as recently completing a full refurbishment of a block of young persons accommodation. A stock condition survey will be undertaken in 2022 from which an updated long-term maintenance programme will be produced by a dedicated in-house property manager.</p>
<p><i>Cost of living</i></p> <p>The financial impact of increased cost of living may push up arrears and bad debts.</p>	<p>The eight units of Rous Cottages are let to retirees, whose income is anticipated to be largely unaffected. Racing Welfare's Welfare Officers are available to assist other tenants with applications for benefits and grants should they fall into financial difficulties.</p>

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The risk register is regularly reviewed by Racing Welfare Senior Management and annually by Racing Welfare Trustees.

OBJECTS AND ACTIVITIES

The Charity exists to provide almshouses for the benefit of needy or aged persons employed or formerly employed or otherwise engaged in or in connection with the horse racing and thoroughbred industry or their dependants. The Trustee confirms that it has had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

CHARITY GOVERNANCE CODE

The Charity, in line with Racing Welfare, has fully adopted the Charity Governance code and is actively working on all seven pillars. Full details can be found in the consolidated financial statements.

ACHIEVEMENTS AND PERFORMANCE

The Charity continued to provide housing to its beneficiaries in 2021. The Charity owns eight bungalows at Rous Court, Newmarket, and five modern bungalows in Hamilton Road, Newmarket leased from The Jockey Club. These properties are managed by Racing Homes and provide housing and facilities at an affordable rent for pensioners from the horseracing industry.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

FINANCIAL REVIEW

In 2021, the Charity received income of £67,682 (2020: £66,803) and expended some £62,981 (2020: £52,121). The increase in expenditure was due to electrical works carried out at the Hamilton Road properties in 2021. The Charity made fair value gains on investments of £48,262 (2020: £49,912 fair value losses) and has maintained a sound financial position with unrestricted funds at 31 December 2021 of £609,306 (2020: £535,619).

Reserves policy

The Trustee has reviewed the reserves of the Charity. This review encompassed the requirement to meet fixed commitments and the likelihood of receiving voluntary donations. The Charity aims to maintain general reserves equivalent to at least 6 months forward expenditure, estimated at £20,000. At 31 December 2021 general reserves were £455,316 (2020: £413,891). The trustee is of the opinion that these funds are sufficient to sustain the Charity's ongoing activities. Excess reserves will be kept under review by the trustee whilst assessing opportunities as they arise.

The trustee maintained a designated extraordinary repairs fund to provide for any unexpected repairs and improvements. At 31 December 2021, the value of extraordinary repair fund was £40,000 (2020: £40,000).

Under the terms of the 1997 Charity Commissioner's scheme, the land and buildings formerly belonging to the Rous Memorial and Almshouses charity should be held in the Rous Charity on the same terms as it was in the Rous Memorial and Almshouses charity. The properties have been classified as permanent endowments with the fund value representing the net book value of the land and buildings (2021: £848,824; 2020: £869,548).

Free reserves at 31 December 2021 were £177,821 (2020: £152,436), calculated as total unrestricted funds excluding those invested in shares and securities.

Investment policy

Historically the Charity's investment portfolio has been represented by a single investments in a common funds, the Trojan Income Fund ('S' Income). During 2020 the investment was split with a proportion now invested in the Trojan Fund ('S' Income). The aim of the investment policy is to provide a balance between income and capital growth, measured on a total returns basis.

PLANS FOR FUTURE PERIODS

On 7 December 2020 the Trustee passed a resolution to transfer the assets of the Charity to Racing Homes, subject to approval from the Charity Commission for which an application was submitted to the in February 2020. In March 2022 the Charity Commission denied permission for the assets to be transferred. The Charity does not plan to appeal the decision.

The Charity intends to sustain its current level of activities.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 1993, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

RSM UK Audit LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The trustees report was approved on ...26 May 2022..... and signed on its behalf:



Simon Hope (Chair of Racing Homes)

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of The Rous Charity (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 charity's affairs as at 31 December 2021 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 charity'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 Trustees Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees Report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, the trustees 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 charity'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 charity 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 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 audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is 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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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), Charities Act 2011, the charity'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 any new or unusual transactions which may not be in accordance with the governing documents.

The 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 any significant, unusual transactions and transactions entered into outside the normal course of business.

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 report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Sutherland

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

Date 15/06/22

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

**THE ROUS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds £	Endowment funds £	Total 2021 £	Total 2020 £ (note 14)
INCOME FROM:					
Investments	2	6,769	-	6,769	7,898
Charitable activities		60,913	-	60,913	58,905
TOTAL INCOME		<u>67,682</u>	<u>-</u>	<u>67,682</u>	<u>66,803</u>
EXPENDITURE ON:					
Charitable activities		42,257	20,724	62,981	52,121
TOTAL EXPENDITURE	3	<u>42,257</u>	<u>20,724</u>	<u>62,981</u>	<u>52,121</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		25,425	(20,724)	4,701	14,682
Net (losses)/gains on investments	7	48,262	-	48,262	(49,912)
NET INCOME/(EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS		<u>73,687</u>	<u>(20,724)</u>	<u>52,963</u>	<u>(35,230)</u>
Reconciliation of funds:					
Balances brought forward 1 January	10	535,619	869,548	1,405,167	1,440,397
Balances carried forward 31 December	10	<u>609,306</u>	<u>848,824</u>	<u>1,458,130</u>	<u>1,405,167</u>

The notes on pages 11 to 17 form part of these financial statements.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	6	848,824	869,548
Investments	7	<u>431,445</u>	<u>383,183</u>
		<u>1,280,269</u>	<u>1,252,731</u>
CURRENT ASSETS			
Debtors	8	3,573	3,438
Cash at bank and in hand		<u>204,363</u>	<u>153,689</u>
		207,936	157,127
LIABILITIES			
Creditors: amounts falling due within one year	9	(30,075)	(4,691)
NET CURRENT ASSETS		<u>177,861</u>	<u>152,436</u>
NET ASSETS		<u>1,458,130</u>	<u>1,405,167</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds:	10		
General fund		455,316	413,891
Revaluation Reserve		113,990	81,728
Designated funds		<u>40,000</u>	<u>40,000</u>
		609,306	535,619
Endowment funds		848,824	869,548
TOTAL CHARITY FUNDS	11	<u>1,458,130</u>	<u>1,405,167</u>

The financial statements on pages 9 to 17 of The Rous Charity were approved by the Trustee and authorised for issue on26.May.2022..... and signed on its behalf by:



Simon Hope
Chair of Racing Homes

The notes on pages 11 to 16 form part of these financial statements.

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements of the Charity are consolidated in the financial statements of Racing Welfare. The consolidated financial statements of Racing Welfare are available from its registered office, whose address is the same as the Charity's.

Going concern

The directors have identified no material uncertainties and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, a period of at least 12 months from the date of approval of the financial statements, and the charity is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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

Income recognition

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee 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 Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment funds were established when the Rous Memorial and Almshouses charity and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

Freehold and long leasehold almshouses

Depreciation is provided in equal annual instalments over the term of the lease or estimated lives of the assets at the rate of 2% per annum.

Freehold and leasehold improvements

Depreciation is provided on fixtures and fittings at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Fixtures and fittings range from 10 years to 20 years

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 reporting date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value (purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal value.

2. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable	12	16
Dividends receivable from investments and unit trusts	6,757	7,882
	<u>6,769</u>	<u>7,898</u>

3. CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total 2021	Total 2020
	£	£	£	£
Housing	56,617	6,364	62,981	52,121
	<u>56,617</u>	<u>6,364</u>	<u>62,981</u>	<u>52,121</u>
Support Cost Allocation	<u>4,000</u>	<u>2,364</u>	<u>6,364</u>	<u>6,236</u>

The Charity does not employ staff directly. Staff are employed by Racing Homes, the charity's corporate trustee. Direct housing staff costs are apportioned to the Charity on the basis of properties managed. In 2021, the cost of housing staff time allocated to the Charity was £14,380 (2020: £13,957).

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. TRUSTEE'S REMUNERATION

No remuneration or out of pocket expenses were received by the trustee during the year (2020: £nil).

All staff are employed by Racing Homes and Racing Welfare, with costs allocated to the charity on the basis of the proportion of units owned. Therefore no employee or key management personnel remuneration was directly incurred.

5. GOVERNANCE

The auditors' remuneration constituted audit fees of £1,700 (2020: £1,545) and other non-audit fees of £nil (2020: £nil).

6. TANGIBLE FIXED ASSETS

	Freehold almshouses £	Long leasehold almshouses £	Freehold improvements £	Leasehold Improvements £	Totals £
Cost and deemed cost					
At 1 January 2021	546,000	330,000	103,564	11,044	990,608
At 31 December 2021	<u>546,000</u>	<u>330,000</u>	<u>103,564</u>	<u>11,044</u>	<u>990,608</u>
Depreciation					
At 1 January 2021	50,960	46,200	19,706	4,194	121,060
Charge for the year	7,280	6,600	5,582	1,262	20,724
At 31 December 2021	<u>58,240</u>	<u>52,800</u>	<u>25,288</u>	<u>5,456</u>	<u>141,784</u>
Net book value					
At 31 December 2021	<u>487,760</u>	<u>277,200</u>	<u>78,276</u>	<u>5,588</u>	<u>848,824</u>
At 31 December 2020	<u>495,040</u>	<u>283,800</u>	<u>83,858</u>	<u>6,850</u>	<u>869,548</u>

Freehold almshouses includes freehold land of £182,000 (2020: £182,000) that is not depreciated.

7. FIXED ASSET INVESTMENT

	2021 £	2020 £
Listed investments:		
Market Value at 1 January	383,183	433,095
Additions	-	152,864
Disposals	-	(152,864)
Net investment (losses) / gains	48,262	(49,912)
Market value at 31 December	<u>431,445</u>	<u>383,183</u>
Historical cost at 31 December	<u>317,455</u>	<u>317,455</u>
Listed investments are represented by:		
Investment trusts and unit trusts	431,445	383,183
	<u>431,445</u>	<u>383,183</u>

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. DEBTORS	2021	2020
	£	£
Prepayments and accrued income	3,573	3,253
Other debtors	-	185
	<u>3,573</u>	<u>3,438</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Owed to Racing Homes	26,888	2,039
Accruals and deferred income	3,187	2,652
	<u>30,075</u>	<u>4,691</u>

10. STATEMENT OF FUNDS

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2021	£	£	£	£	2021
	£					£
Unrestricted funds						
General reserve	413,891	67,682	(42,257)	-	16,000	455,316
Revaluation Reserve	81,728	-	-	48,262	(16,000)	113,990
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>535,619</u>	<u>67,682</u>	<u>(42,257)</u>	<u>48,262</u>	<u>-</u>	<u>609,306</u>
Endowment funds	869,548	-	(20,724)	-	-	848,824
	<u>1,405,167</u>	<u>67,682</u>	<u>(62,981)</u>	<u>48,262</u>	<u>-</u>	<u>1,458,130</u>

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2020	£	£	£	£	2020
	£					£
Unrestricted funds						
General reserve	378,485	66,803	(31,397)	-	-	413,891
Revaluation Reserve	131,640	-	-	(49,912)	-	81,728
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>550,125</u>	<u>66,803</u>	<u>(31,397)</u>	<u>(49,912)</u>	<u>-</u>	<u>535,619</u>
Endowment funds	890,272	-	(20,724)	-	-	869,548
Total unrestricted funds	<u>1,440,397</u>	<u>66,803</u>	<u>(52,121)</u>	<u>(49,912)</u>	<u>-</u>	<u>1,405,167</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. STATEMENT OF FUNDS (continued)

The general reserve represents the free funds of the Charity which are not designated for particular purposes, and are available to be spent for any of the purposes of the Charity.

The revaluation reserve represents the net accumulated fair value gains on investments which would only be available for use if the investments were sold.

The extraordinary repair funds sets aside funds for unexpected maintenance costs.

The endowment funds were established when the Rous Memorial and Almshouses and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

A transfer of £16,000 was made from the Revaluation reserve to the General reserve to correct an historical error on the Revaluation Reserve.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2021

	Endowment	Designated	Unrestricted	Total
	£	£	£	2021
				£
Tangible fixed assets	848,824	-	-	848,824
Investments	-	-	431,445	431,445
Current assets	-	40,000	167,936	207,936
Current liabilities	-	-	(30,075)	(30,075)
	<u>848,824</u>	<u>40,000</u>	<u>569,306</u>	<u>1,458,130</u>

As at 31 December 2020

	Endowment	Designated	Unrestricted	Total
	£	£	£	2020
				£
Tangible fixed assets	869,548	-	-	869,548
Investments	-	-	383,183	383,183
Current assets	-	40,000	117,127	157,127
Current liabilities	-	-	(4,691)	(4,691)
	<u>869,548</u>	<u>40,000</u>	<u>495,619</u>	<u>1,405,167</u>

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. CONNECTED CHARITIES (continued)

The Rous Charity has its trustee and administration in common with the following charities:

- Racing Welfare
- Racing Homes

The following amounts were due (to)/from connected charities as at 31 December 2021:

	2021	2020
	£	£
Racing Homes	<u>(26,888)</u>	<u>(2,039)</u>

Racing Homes manages the properties on behalf of The Rous Charity. During the year Racing Homes collected rents amounting to £60,913 (2020: £58,905) on behalf of the charity and paid shared costs attributable to the charity of £38,447 (2020: £22,868), including staff costs of £14,380 (2020: £13,957). During the year the charity received £47,000 (2020: £122,561) from Racing Homes in settlement of the inter-charity loan account.

During the year £4k (2020: £4k) in respect of management and administration overheads were allocated to the Charity by Racing Homes.

Parent Company

Racing Homes, Charity Number 1122961, Company Registration 06489067 whose address is the same as the Rous Charity and whose charitable objects and activities are the provision of affordable housing to those in need. The parent company exercises control through its corporate trusteeship and its accounts can be obtained from Racing Welfare.

Ultimate Parent Company

Racing Welfare, Charity Number 1084042, Company registration Number 04116279, whose address is the same as the Rous Charity and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

The Ultimate Parent exercises control through its corporate trusteeship; its accounts can be obtained from Racing Welfare, 20b Park Lane, Newmarket Suffolk, CB8 8QD.

Ultimate Controlling Party

The Ultimate Controlling Party is The Jockey Club, Company Registration Number RC000287, governed by Royal Charter, whose address is 75 High Holborn, London, WC1V 6LS by virtue of being the sole member of Racing Welfare.

13. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Equity instruments measured at fair value	<u>431,445</u>	<u>383,183</u>

THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds £	Endowment funds £	Total 2020 £
INCOME FROM:			
Investments	7,898	-	7,898
Charitable activities	58,905	-	58,905
TOTAL INCOME	<u>66,803</u>	<u>-</u>	<u>66,803</u>
EXPENDITURE ON:			
Charitable activities	31,397	20,724	52,121
TOTAL EXPENDITURE	<u>31,397</u>	<u>20,724</u>	<u>52,121</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS	35,406	(20,724)	14,682
Net gains/(losses) on investments	(49,912)	-	(49,912)
NET INCOME/(EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS	<u>(14,506)</u>	<u>(20,724)</u>	<u>(35,230)</u>
Reconciliation of funds:			
Balances brought forward 1 January	550,125	890,272	1,440,397
Balances carried forward 31 December	<u>535,619</u>	<u>869,548</u>	<u>1,405,167</u>

THE ROUS CHARITY

England & Wales - Charity number 1068581

Accounts

THE ROUS CHARITY

Trustee's Report and Financial Statements

31 December 2020

Registered Charity Number 1068581

**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**THE ROUS CHARITY
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

REGISTERED CHARITY NUMBER: 1068581

TRUSTEE

Racing Homes (a company limited by guarantee)

DIRECTORS OF RACING HOMES

Simon Hope (Chair)

William Barlow

Craig Gasper

Gary Middlebrook (resigned 9 June 2020)

Patrick Russell

CHIEF EXECUTIVE

Dawn Goodfellow

REGISTERED OFFICE

Robin McAlpine House

20B Park Lane

Newmarket

Suffolk CB8 8QD

BANKERS

Barclays Bank PLC

High Street

Newmarket

Suffolk CB8 8NH

SOLICITORS

Taylor Vinters

Merlin Place

Milton Road

Cambridge

CB4 0DP

INVESTMENT MANAGER

Troy Asset Management Limited

Brookfield House

44 Davies Street

London W1K 5JA

AUDITORS

RSM UK Audit LLP

Abbotsgate House

Hollow Road

Bury St Edmunds

IP32 7FA

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rous Charity was formed on 24 September 1997 by a Charity Commissioners' Scheme, which combined the operations of the Rous Memorial Fund and the Rous Memorial and Almshouse Charity.

The sole Trustee is Racing Homes (formerly The Stable Lads Welfare Trust Housing Association Limited) (Charity Commission registration number 1122961), its trustees act as trustees of the charity. Full details of Racing Homes trustee recruitment policy can be found in its financial statements.

Governance

The Charity is registered under the Charities Act 2011 (Charity Commission registration number 1068581). Racing Homes is itself a subsidiary undertaking of Racing Welfare (Charity Commission registration number 1084042). Day-to-day management of the Rous Charity is delegated to Racing Homes Head of Housing, overseen by the Chief Executive.

The Jockey Club is the charity's ultimate controlling party by virtue of being Racing Welfare's sole member, and provides HR, IT and capital projects support to the Racing Welfare Group.

Recruitment and appointment of trustees

The sole trustee of the charity is Racing Homes, whose own trustees act as trustees of the charity. A full description of Racing Homes recruitment process can be found in its financial statements.

Principal Risks and Uncertainties

The principal risks identified by the trustee together with the actions taken to mitigate these risks are set out below:

Risk description	Risk mitigation
<i>Stock Market volatility:</i> Market volatility may impact upon both levels of investment income generated and the real value of the funds held.	The Finance, Investment and Audit Committee has responsibility for maintaining an investment portfolio that is robust to external changes in the economy, with professional advice sought. Consequently the investment portfolio is closely aligned to the conservative investment policy.
<i>Failure to comply with GDPR:</i> Failure to comply may result in a data breach causing reputational damage and financial losses to the Charity.	The Charity has ensured all policies and procedures are updated regularly to comply with GDPR. IT security is maintained by The Jockey Club's skilled IT professionals with all sensitive data stored and transmitted securely. All staff undertake comprehensive training on an annual basis with new staff undertaking this as part of their induction.

Principal Risks and Uncertainties (continued)

Risk description	Risk mitigation
<p><i>Breach of Health and Safety Regulations:</i></p> <p>A breach of H&S regulation may result in injury to tenants, beneficiaries or staff or damage to property resulting in financial losses and reputational damage.</p>	<p>The Charity sits within the Jockey Club's Health and Safety Management System. The Head of Housing holds H&S qualifications and all staff undertake comprehensive training on an annual basis with new staff undertaking this as part of their induction. Key staff are given responsibility for identifying and reporting H&S issues. Regular Fire alarm testing is carried out at all properties and all equipment PAT tested. The introduction of a new housing management system in 2020 has aided compliance monitoring.</p>
<p><i>COVID-19:</i></p> <p>The financial impact of COVID-19 may increase arrears and bad debts, as well as causing practical difficulties in carrying out essential maintenance.</p>	<p>The eight units of Rous Cottages are let to retirees, whose income is anticipated to be largely unaffected. Racing Welfare's Welfare Officers are available to assist other tenants with applications for benefits and grants should they fall into financial difficulties. The Housing Team work closely with residents to ensure social distancing is adhered to whilst essential repairs are carried out.</p>

The Trustee has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The risk register is regularly reviewed by Racing Welfare Senior Management and annually by Racing Welfare Trustees.

OBJECTS AND ACTIVITIES

The Charity exists to provide almshouses for the benefit of needy or aged persons employed or formerly employed or otherwise engaged in or in connection with the horse racing and thoroughbred industry or their dependants. The Trustee confirms that it has had regard to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

CHARITY GOVERNANCE CODE

The Charity, in line with Racing Welfare, has fully adopted the Charity Governance code and is actively working on all seven pillars. Full details can be found in the consolidated financial statements.

ACHIEVEMENTS AND PERFORMANCE

The Charity continued to provide housing to its beneficiaries in 2020. The Charity owns eight bungalows at Rous Court, Newmarket, and five modern bungalows in Hamilton Road, Newmarket leased from The Jockey Club. These properties are managed by Racing Homes and provide housing and facilities at an affordable rent for pensioners from the horseracing industry.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL REVIEW

In 2020, the Charity received income of £66,803 (2019: £73,181) and expended some £52,121 (2019: £63,650). The decrease in expenditure was due to extensive asbestos removal works on Hamilton Road in 2019. The Charity made fair value losses on investments of £49,912 (2019: £58,636 fair value gains) and has maintained a sound financial position with unrestricted funds at 31 December 2020 of £535,619 (2019: £550,125).

Reserves policy

The Trustee has reviewed the reserves of the Charity. This review encompassed the requirement to meet fixed commitments and the likelihood of receiving voluntary donations. The Charity aims to maintain general reserves equivalent to at least 6 months forward expenditure, estimated at £20,000. At 31 December 2020 general reserves were £414,485 (2019: £378,485). The trustee is of the opinion that these funds are sufficient to sustain the Charity's ongoing activities. Excess reserves will be kept under review by the trustee whilst assessing opportunities as they arise.

The trustee maintained a designated extraordinary repairs fund to provide for any unexpected repairs and improvements. At 31 December 2020, the value of extraordinary repair fund was £40,000 (2019: £40,000).

Under the terms of the 1997 Charity Commissioner's scheme, the land and buildings formerly belonging to the Rous Memorial and Almshouses charity should be held in the Rous Charity on the same terms as it was in the Rous Memorial and Almshouses charity. The properties have been classified as permanent endowments with the fund value representing the net book value of the land and buildings (2020: £869,548; 2019: £890,272).

Free reserves at 31 December 2020 were £112,436 (2019: £77,030), calculated as total unrestricted funds excluding those invested in shares and securities.

Investment policy

Historically the Charity's investment portfolio has been represented by a single investments in a common funds, the Trojan Income Fund ('S' Income). During the year the investment was split with a proportion now invested in the Trojan Fund ('S' Income). The aim of the investment policy is to provide a balance between income and capital growth, measured on a total returns basis.

PLANS FOR FUTURE PERIODS

On 7 December 2020 the Trustee passed a resolution to transfer the assets of the Charity to Racing Homes, subject to approval from the Charity Commission for which an application was submitted to the in February 2021. The move is part of a wider restructure of the Racing Welfare group that will bring the benefit of improved services offered to beneficiaries through greater integration of services and reduction of associated costs allied with ensuring greater efficiencies in terms of both staff time, administration and management costs.

**THE ROUS CHARITY
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing the financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 1993, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

RSM UK Audit LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The trustees report was approved on ..1st.June.2021and signed on its behalf:



Simon Hope (Chairman of Racing Homes)

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of The Rous Charity (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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.

Emphasis of matter – Non-going concern basis of accounting

We draw attention to note 1 of the financial statements which describes the preparation of the financial statements on a basis other than going concern. As described in note 1, on 7 December 2020 the trustees passed a resolution to transfer the operations, assets and liabilities of the Charity to Racing Homes and have therefore concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns;
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, the trustees 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 charity'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 charity 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 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 audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is 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.

**THE ROUS CHARITY
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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), Charities Act 2011, the parent charity'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 audit engagement team identified the risk of management override of controls and 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 any significant, unusual transactions and transactions entered into outside the normal course of business, and challenging any 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 report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Date 30 June 2021

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

**THE ROUS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds £	Endowment funds £	Total 2020 £	Total 2019 £ (note 15)
INCOME FROM:					
Investments	2	7,898	-	7,898	15,938
Charitable activities		58,905	-	58,905	57,243
TOTAL INCOME		<u>66,803</u>	<u>-</u>	<u>66,803</u>	<u>73,181</u>
EXPENDITURE ON:					
Charitable activities		31,397	20,724	52,121	63,650
TOTAL EXPENDITURE	3	<u>31,397</u>	<u>20,724</u>	<u>52,121</u>	<u>63,650</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		35,406	(20,724)	14,682	9,531
Net (losses)/gains on investments	7	(49,912)	-	(49,912)	58,636
NET INCOME/(EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS		<u>(14,506)</u>	<u>(20,724)</u>	<u>(35,230)</u>	<u>68,167</u>
Reconciliation of funds:					
Balances brought forward 1 January	10	550,125	890,272	1,440,397	1,372,230
Balances carried forward 31 December	10	<u>535,619</u>	<u>869,548</u>	<u>1,405,167</u>	<u>1,440,397</u>

The notes on pages 11 to 17 form part of these financial statements.

**THE ROUS CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	6	869,548	890,272
Investments	7	383,183	433,095
		<u>1,252,731</u>	<u>1,323,367</u>
CURRENT ASSETS			
Debtors	8	3,438	95,888
Cash at bank and in hand		153,689	24,213
		<u>157,127</u>	<u>120,101</u>
LIABILITIES			
Creditors: amounts falling due within one year	9	(4,691)	(3,071)
NET CURRENT ASSETS		<u>152,436</u>	<u>117,030</u>
NET ASSETS		<u>1,405,167</u>	<u>1,440,397</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds:	10		
General fund		413,891	378,485
Revaluation Reserve		81,728	131,640
Designated funds		40,000	40,000
		<u>535,619</u>	<u>550,125</u>
Endowment funds		869,548	890,272
TOTAL CHARITY FUNDS	11	<u>1,405,167</u>	<u>1,440,397</u>

The financial statements on pages 9 to 17 of The Rous Charity were approved by the Trustee and authorised for issue on1st.June.2021..... and signed on its behalf by:



Simon Hope
Chairman of Racing Homes

The notes on pages 11 to 17 form part of these financial statements.

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:-

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosure

The financial statements of the Charity are consolidated in the financial statements of Racing Welfare. The consolidated financial statements of Racing Welfare are available from its registered office, whose address is the same as the Charity's.

Going concern

On 7 December 2020 the Trustee passed a resolution approving transfer the assets of the charity to Racing Homes subject to the necessary consents from the Charity Commission following the application made in February 2021. Should the Charity Commission approve the application the Trustee intends to deregister the charity therefore the financial statements are prepared on the basis that the charity is no longer a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

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

Income recognition

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee 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 Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment funds were established when the Rous Memorial and Almshouses charity and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

**THE ROUS CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

Freehold and long leasehold almshouses

Depreciation is provided in equal annual instalments over the term of the lease or estimated lives of the assets at the rate of 2% per annum.

Freehold and leasehold improvements

Depreciation is provided on fixtures and fittings at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Fixtures and fittings range from 10 years to 20 years

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 reporting date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value (purchase date if later). Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the period. However, the nature of the estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal value.

2. INVESTMENT INCOME

	2020	2019
	£	£
Interest receivable	16	91
Dividends receivable from investments and unit trusts	7,882	15,847
	<u>7,898</u>	<u>15,938</u>

3. CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	Total 2020	Total 2019
	£	£	£	£
Housing	45,885	6,236	52,121	63,650
	<u>45,885</u>	<u>6,236</u>	<u>52,121</u>	<u>63,650</u>
Support Cost Allocation	<u>4,000</u>	<u>2,236</u>	<u>6,236</u>	<u>6,446</u>

The Charity does not employ staff directly. Staff are employed by Racing Homes, the charity's corporate trustee. Direct housing staff costs are apportioned to the Charity on the basis of hours worked. In 2020, the cost of housing staff time allocated to the Charity was £13,957 (2019: £11,956).

**THE ROUS CHARITY
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4. TRUSTEE'S REMUNERATION

No remuneration or out of pocket expenses were received by the trustee during the year (2019: £nil).

All staff are employed by Racing Homes and Racing Welfare, with costs allocated to the charity on the basis of the proportion of units owned. Therefore no employee or key management personnel remuneration was directly incurred.

5. GOVERNANCE

The auditors' remuneration constituted audit fees of £1,545 (2019: £1,500) and other non-audit fees of £nil (2019: £nil).

6. TANGIBLE FIXED ASSETS

	Freehold almshouses £	Long leasehold almshouses £	Freehold improvements £	Leasehold Improvements £	Totals £
Cost and deemed cost					
At 1 January 2020	546,000	330,000	103,564	11,044	990,608
At 31 December 2020	<u>546,000</u>	<u>330,000</u>	<u>103,564</u>	<u>11,044</u>	<u>990,608</u>
Depreciation					
At 1 January 2020	43,680	39,600	14,124	2,932	100,336
Charge for the year	7,280	6,600	5,582	1,262	20,724
At 31 December 2020	<u>50,960</u>	<u>46,200</u>	<u>19,706</u>	<u>4,194</u>	<u>121,060</u>
Net book value					
At 31 December 2020	<u>495,040</u>	<u>283,800</u>	<u>83,858</u>	<u>6,850</u>	<u>869,548</u>
At 31 December 2019	<u>502,320</u>	<u>290,400</u>	<u>89,440</u>	<u>8,112</u>	<u>890,272</u>

Freehold almshouses includes freehold land of £182,000 that is not depreciated.

7. FIXED ASSET INVESTMENT

	2020 £	2019 £
Listed investments:		
Market Value at 1 January	433,095	374,459
Additions	152,864	-
Disposals	(152,864)	-
Net investment (losses) / gains	(49,912)	58,636
Market value at 31 December	<u>383,183</u>	<u>433,095</u>
Historical cost at 31 December	<u>317,455</u>	<u>301,455</u>
Listed investments are represented by:		
Investment trusts and unit trusts	383,183	433,095
	<u>383,183</u>	<u>433,095</u>

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8. DEBTORS	2020	2019
	£	£
Due from Racing Homes	-	88,362
Prepayments and accrued income	3,253	7,526
Other debtors	185	-
	<u>3,438</u>	<u>95,888</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Owed to Racing Homes	2,039	-
Accruals and deferred income	2,652	3,071
	<u>4,691</u>	<u>3,071</u>

10. STATEMENT OF FUNDS

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2020	£	£	£	£	2020
	£					£
Unrestricted funds						
General reserve	378,485	66,803	(31,397)	-	-	413,891
Revaluation Reserve	131,640	-	-	(49,912)	-	81,728
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>550,125</u>	<u>66,803</u>	<u>(31,397)</u>	<u>(49,912)</u>	<u>-</u>	<u>535,619</u>
Endowment funds	890,272	-	(20,724)	-	-	869,548
	<u>1,440,397</u>	<u>66,803</u>	<u>(52,121)</u>	<u>(49,912)</u>	<u>-</u>	<u>1,405,167</u>

	At 1			Investments		At 31
	January	Income	Expenditure	Gains	Transfers	December
	2019	£	£	£	£	2019
	£					£
Unrestricted funds						
General reserve	348,230	73,181	(42,926)	-	-	378,485
Revaluation Reserve	73,004	-	-	58,636	-	131,640
Designated funds						
Extraordinary Repair Fund	40,000	-	-	-	-	40,000
Total unrestricted funds	<u>461,234</u>	<u>73,181</u>	<u>(42,926)</u>	<u>58,636</u>	<u>-</u>	<u>550,125</u>
Endowment funds	910,996	-	(20,724)	-	-	890,272
Total unrestricted funds	<u>1,372,230</u>	<u>73,181</u>	<u>(63,650)</u>	<u>58,636</u>	<u>-</u>	<u>1,440,397</u>

**THE ROUS CHARITY
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10. STATEMENT OF FUNDS (continued)

The general reserve represents the free funds of the Charity which are not designated for particular purposes, and are available to be spent for any of the purposes of the Charity.

The revaluation reserve represents the net accumulated fair value gains on investments which would only be available for use if the investments were sold.

The extraordinary repair funds sets aside funds for unexpected maintenance costs.

The endowment funds were established when the Rous Memorial and Almshouses and the Rous Memorial Fund were combined to form the Rous Charity and represents the net book value of the properties.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2020

	Endowment	Designated	Unrestricted	Total
	£	£	£	2020
				£
Tangible fixed assets	869,548	-	-	869,548
Investments	-	-	383,183	383,183
Current assets	-	40,000	117,127	157,127
Current liabilities	-	-	(4,691)	(4,691)
	<u>869,548</u>	<u>40,000</u>	<u>495,619</u>	<u>1,405,167</u>

As at 31 December 2019

	Endowment	Designated	Unrestricted	Total
	£	£	£	2019
				£
Tangible fixed assets	890,272	-	-	890,272
Investments	-	-	433,095	433,095
Current assets	-	40,000	80,101	120,101
Current liabilities	-	-	(3,071)	(3,071)
	<u>890,272</u>	<u>40,000</u>	<u>510,125</u>	<u>1,440,397</u>

12. CONNECTED CHARITIES

The Rous Charity has its trustee and administration in common with the following charities:

- Racing Welfare
- The Bentinck, Beresford and Rendlesham Charity
- Racing Homes

The following amounts were due (to)/from connected charities as at 31 December 2020:

	2020	2019
	£	£
Racing Homes	<u>(2,039)</u>	<u>88,362</u>

**THE ROUS CHARITY
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12. CONNECTED CHARITIES (continued)

Racing Homes manages the properties on behalf of The Rous Charity. During the year Racing Homes collected rents amounting to £58,905 (2019: £57,243) on behalf of the charity and paid shared costs attributable to the charity of £22,868 (2019: £22,847), including staff costs of £13,957 (2019: £11,956). During the year the charity received £122,561 from Racing Homes in settlement of the inter-charity loan account.

During the year £4k (2019: £5k) in respect of management and administration overheads were allocated to the Charity by Racing Homes.

Parent Company

Racing Homes (formerly The Stable Lads Welfare Trust Housing Association Limited), Charity Number 1122961, Company Registration 06489067 whose address is the same as the Rous Charity and whose charitable objects and activities are the provision of affordable housing to those in need. The parent company exercises control through its corporate trusteeship and its accounts can be obtained from Racing Welfare.

Ultimate Parent Company

Racing Welfare, Charity Number 1084042, Company registration Number 04116279, whose address is the same as the Rous Charity and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

The Ultimate Parent exercises control through its corporate trusteeship; its accounts can be obtained from Racing Welfare, 20b Park Lane, Newmarket Suffolk, CB8 8QD.

Ultimate Controlling Party

The Ultimate Controlling Party is The Jockey Club, Company Registration Number RC000287, governed by Royal Charter, whose address is 75 High Holborn, London, WC1V 6LS by virtue of being the sole member of Racing Welfare.

13. POST BALANCE SHEET EVENTS

Following the year end an application was submitted to the Charity Commission on behalf of the Trustee seeking approval to merge The Rous Charity with Racing Homes. The Trustee passed a resolution on 7 December 2020 approving the process.

14. FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Equity instruments measured at fair value	<u>383,183</u>	<u>433,095</u>

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15. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR THE YEAR ENDED 31 DECEMBER 2019

	Unrestricted funds £	Endowment funds £	Total 2019 £
INCOME FROM:			
Investments	15,938	-	15,938
Charitable activities	57,243	-	57,243
TOTAL INCOME	<u>73,181</u>	<u>-</u>	<u>73,181</u>
EXPENDITURE ON:			
Charitable activities	42,926	20,724	63,650
TOTAL EXPENDITURE	<u>42,926</u>	<u>20,724</u>	<u>63,650</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS	30,255	(20,724)	9,531
Net gains/(losses) on investments	58,636	-	58,636
NET INCOME/(EXPENDITURE) FOR THE YEAR	<u>88,891</u>	<u>(20,724)</u>	<u>68,167</u>
Transfers between funds	-	-	-
AND NET MOVEMENT IN FUNDS	<u>88,891</u>	<u>(20,724)</u>	<u>68,167</u>
Reconciliation of funds:			
Balances brought forward 1 January	461,234	910,996	1,372,230
Balances carried forward 31 December	<u>550,125</u>	<u>890,272</u>	<u>1,440,397</u>