

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
<i>Failure to protect vulnerable and young people:</i> Failure may result in adverse publicity and risk to the charity's reputation as well as possible litigation.	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
<i>Non-compliance with electrical, gas and fire safety requirements:</i> Failure to comply with safety requirements could lead to serious harm to tenants and property	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.

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	431,445	383,183
		<u>1,280,269</u>	<u>1,252,731</u>
CURRENT ASSETS			
Debtors	8	3,573	3,438
Cash at bank and in hand		204,363	153,689
		<u>207,936</u>	<u>157,127</u>
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		40,000	40,000
		<u>609,306</u>	<u>535,619</u>
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.

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	546,000	330,000	103,564	11,044	990,608
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	58,240	52,800	25,288	5,456	141,784
Net book value					
At 31 December 2021	487,760	277,200	78,276	5,588	848,824
At 31 December 2020	495,040	283,800	83,858	6,850	869,548

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	431,445	383,183
Historical cost at 31 December	317,455	317,455
Listed investments are represented by:		
Investment trusts and unit trusts	431,445	383,183
	431,445	383,183

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 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
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 January 2020 £	Income £	Expenditure £	Investments Gains £	Transfers £	At 31 December 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>

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>

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>