

# **Retraining of Racehorses**

Annual report

Registered charity number 1084787

Registered number 4089376

OSCR Registered number SC043339

Year ended 31 December 2023

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## Legal and administrative details

### Name of charity

Retraining of Racehorses Ltd, also known as “RoR”.

### Registered charity numbers

England and Wales: 1084787

Scotland: SC043339

### Registered company number

4089376

### Registered company address

7<sup>th</sup> Floor, Holborn Gate  
26 Southampton Buildings  
London  
WC2A 1AN

### Trustees and Directors

The Board of Trustees for RoR are as follows:

	<u>Appointed by</u>	<u>Initial Appointment</u>	<u>Term expiry</u>
Philip Freedman (Chair)	BHA	January 2021	December 2024
Rupert Arnold**	NTF	February 2023	May 2024****
Charles Barnett	RCA	January 2019	December 2023
Celia Djivanovic	ROA	November 2020	November 2024
Kyrsten Halley	BHA	July 2023	June 2025
Paul Johnson	NTF	June 2024	August 2024
Andrew Merriam*	BHA	September 2016	February 2023
Victoria Murrell	TBA	October 2023	October 2025
Kate Sigsworth	TBA	September 2022	September 2024
David Thorpe	RCA	January 2024	December 2025

The charity has also appointed two Independent Trustees:

The Hon Lucinda Cavendish initially appointed August 2019 with current term expiring July 2025 and  
\*Andrew Merriam initially appointed March 2023 following a period as a member nominated trustee, with a term expiring March 2025.

\*\*Rupert Arnold stepped down from the position on Trustee in May 2024 in order to take up a short-term executive consultant position with the charity.

Patrons: Clare Balding CBE (stepped down January 2023), Sir Anthony McCoy OBE  
Zara Tindall MBE appointed March 2024  
Chief Executive: Di Arbuthnot resigned January 2023  
Managing Director: David Catlow  
Company secretary: Catherine Beloff

## Legal and administrative details

### Professional advisers

#### Bankers

Weatherbys Bank  
Sanders Road  
Wellingborough  
Northampton  
NN8 4BX

#### Solicitors

Royds Withy King  
Cross Keys House  
27 The Parade  
Marlborough  
SN8 1NE

#### Auditors

James Cowper Kreston Audit  
2 Communications Road  
Greenham Business Park  
Greenham  
Newbury  
Berkshire  
RG19 6AB

### Restrictions on operations and investment powers

There are no material restrictions on the operations and investment powers of the charity in pursuance of its charitable obligations.

## Trustees' report

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act) present their annual report together with the audited financial statements of Retraining of Racehorses (the company) for the year ended 31 December 2023. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### Structure governance and management

#### Governing instrument

Retraining of Racehorses ("RoR") is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 9 October 2000, as amended by special resolutions dated 10 January 2001, 29 April 2003 and 11 November 2004.

#### Appointment of Trustees

Under the Articles of Association, the Trustees are appointed to serve a 2 year period, which is renewable. The Trustees of the charitable company are also the directors of the company for the purposes of the Companies Act 2006. RoR is governed by a Board of six Trustees, one each nominated by the National Trainers Federation ("NTF"), the Racecourse Association Limited ("RCA"), the Racehorse Owners Association Limited ("ROA"), the Thoroughbred Breeders Association ("TBA") and two by the British Horseracing Authority Limited ("BHA"). The charity is also able to appoint up to two non-voting independent trustees. The BHA has responsibility for appointing the Chairman.

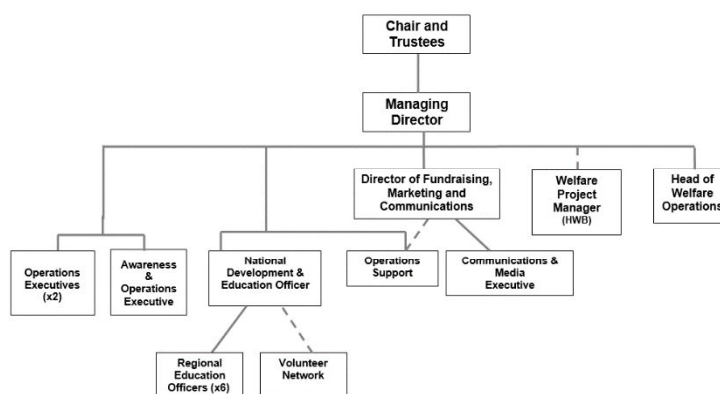
The Trustees at 31 December 2023, who are also members of the company, have undertaken to contribute a sum not exceeding £1 each to meet the liabilities of the company in the event that it is wound up.

New Trustees are fully briefed by the Chairman on their responsibilities as a Trustee under charity law and as a director under company law. They receive an induction pack including copies of the following: the Memorandum and Articles of Association; the latest Trustees' meeting minutes; the most recent statutory accounts and management accounts, including the current budget; the current Trustees' Handbook; and the Charity Commission publication CC3 The Essential Trustee: What You Need to Know. During their first year, all new Trustees visit at least one of the RoR-supported racehorse rehabilitation centres.

#### Organisational structure

The Board of Trustees delegate the day to day management of the charity to its administrative team.

The organisational chart below reflects the structure of the charity in 2023 following the departure of the Chief Executive. The Managing Director is supported by a small team of one full time member of staff and a number of part time staff who all have clearly defined responsibilities as detailed in the 2023 organisation chart below. In addition, Fiona Carlin and Lorna Ewens provide Executive Assistance and accounting services respectively to the Trustee Board. RoR is grateful to the BHA for the donation of their services. The charity's Trustees also give considerable time to RoR and its activities at no cost to the charity.



### **Remuneration policy**

The Trustees are responsible for the charity's pay policy as well as deciding on the salary of the Managing Director and Chief Executive. In setting the overall pay levels for staff, RoR considers the prevailing pay practice in the wider economy and takes external counsel from the BHA.

### **Relationship between the charity and related parties**

The relationship between RoR and other racing industry organisations is outlined under the appointment of Trustees above.

### **Risk management**

In order to achieve and maintain best practice in corporate governance and acknowledging responsibility for safeguarding the assets in the charity's ownership, the Trustees have appointed senior staff members to be responsible for the areas in which the charity may be exposed to risk. The charity maintains a risk register of the operational, business and environmental risks that might impact on RoR's income and its expenditure plans. This is regularly monitored and reviewed by the Trustees. Key risks for the charity include an economic downturn which would put pressure on RoR's income streams at the same time as potentially leading to an increase in ex-racehorses requiring assistance from RoR. Also, any outbreak of equine disease could result in a cessation of racing with a major impact on the sport and associated equine activities. Cognisant of these risks, the charity keeps a prudent level of reserves which are held in a wide spread of leading Bond and Equity Funds, although they may be subject to market fluctuation and downturns. The charity relies on income and capital growth generated from the investment of its reserves and has adopted a policy of using reserves to support activity, whilst aiming to maintain the long-term real capital value to generate a continual income stream.

The Trustees are responsible for keeping proper accounting records which 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 Companies Act 2006. 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 controls over the key financial systems have operated effectively throughout the year. Details of the financial procedures are reproduced in the Trustees' Handbook.

### **Charity Governance**

In 2017, following a review of its governance in order to comply with the principles of the Charity Governance Code (July 2017), the Trustees agreed a Board Code of Conduct and policies for Conflicts of Interest, Safeguarding, Whistleblowing, and Complaints which are reviewed on a regular basis. As a matter of good practice review of all aspects of the charity's governance will be undertaken in 2024.

### **Objectives and Activities for the public benefit**

The charity's Objects as stated in its Memorandum of Association are "to promote the welfare and rehabilitation of racehorses and former racehorses which are unwanted or vulnerable to abandonment, abuse, misuse or neglect, or otherwise in need of care and attention, in particular (but without prejudice to the generality of the foregoing) by means of retraining and rehousing".

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

### **Aims and objectives**

Established in 2000, RoR is dedicated to safeguarding the welfare of all former racehorses through various preventative measures, including:

- Setting industry standards for retraining former racehorses
- Providing training and education to new owners to nurture lifelong partnerships with their retired racehorses
- Increasing demand by promoting the versatility of these horses in various equestrian activities and facilitating their participation in competitions
- Maintaining a robust tracking system for former racehorses through RoR membership.

RoR also extends support to former racehorses in times of need through its welfare programmes.

### **Grant-making policy**

In 2023 RoR maintained its support of the various accredited charitable centres. The charity's Head of Welfare is responsible for the assessment of all horses in relation to requests for vulnerability grants with grants awarded for horses assessed as meeting RoR's vulnerability criteria.

All grants are subject to the Trustees being satisfied that the organisations' activities continue to further the charitable objectives of RoR.

The charity will also consider programme related investments on a case-by-case basis when these are in accordance with the charity's objectives.

Working with the Horse Welfare Board, the Retraining Assessment Programme (RAP) was launched in October of 2022. The RAP is designed to provide structured retraining for horses that may be more difficult to rehome due to behavioural or physical concerns. The programme was developed further in 2023 to ensure owner responsibility and now includes a donation from the racing owners to help support the horse's initial assessment and its potential for a second career as a leisure horse. In partnership with HEROS, further research was carried out with a sample number of trainers to identify the need and to develop a support programme for the horses that provided the necessary support to racing owners when transitioning horses that had either physical or temperamental challenges.

### **Strategic report**

#### **Review of charitable activities**

##### **Education**

In 2023, the National Development Officer, in conjunction with six Regional Development Officers (RDO), significantly influenced the RoR education landscape. A total of 1879 members actively engaged in 731 educational events held nationwide. Notably, traditional activities such as camps garnered considerable participation among members. Recognising the logistical challenges of horse-related training, a variety of demonstrations and online webinars were introduced, receiving positive feedback for their cost-effectiveness and accessibility.

The establishment of regional Facebook pages in 2023 under RDO management has fostered a stronger sense of community among members. Furthermore, insights gathered from the 2023 membership survey will steer the direction of the RDO team in 2024, aligning efforts with member preferences rather than assumptions.

##### **Welfare**

In 2023, 54 horses were supported through RoR's welfare safety net. These horses were supported either through the Vulnerable Horse Scheme with up to £8000 of grant funding available per horse, the first step support provided through the Retraining Assessment Programme or the Emergency Relief for Thoroughbreds in cases where immediate intervention was deemed necessary.

##### **Competitions**

In 2023 RoR ran 39 RoR competition series across 14 disciplines, with 2421 horses held competition Membership. The National Championships held at Aintree was a great success with 971 entries across 74 classes.

An external consultant was appointed to undertake a comprehensive review focusing on enhancing sporting opportunities for former racehorses competing in a wide range of disciplines.

## Promotional and fundraising activities

RoR continued to run the RoR Parades at racedays. During 2023 RoR held eight, with 80 former racehorses taking part. RoR also launched an exciting new initiative, Horses for Courses, generously supported by Godolphin. In 2023 there were 11 Horses for Courses horse ambassadors across nine racecourses. Each racecourse uses their communications channels to actively promote their ambassador's story and the horse serves as an important link between the racecourse and the local community.

RoR again held two popular promotional and fundraising events in 2023: the RoR Awards in January, where First Fandango won the coveted Horse of the Year Award, sponsored by the Jockey Club, and the popular Racing to Cricket event at Wormsley in September.

## Membership

2023 saw further growth in both the number of members and horses registered with RoR. At the end of 2023, 12,721 former racehorses were actively registered with RoR, an uplift of 1,744 on 2022, and 16,012 members were registered, an uplift of 2,172 on 2022.

437 horses were listed for sale on Source a Horse.

## The year in numbers

RoR continued to demonstrate the adaptability of ex-racehorses to across the many disciplines and events as highlighted by the participation levels below.

	2022	2023
<b>Showing</b>	293 classes - over 2,150 entries	241 classes - over 1,904 entries
<b>Dressage</b>	402 entries	535 entries
<b>Eventing</b>	5 events - 93 entries	5 Events - 74 entries
<b>National Championships</b>	999 entries	971 entries
<b>Point to Point</b>	14 races - 152 entries	16 races - 167 entries
<b>Showjumping</b>	3 events - 17 entries	4 Classes - 73 entries
<b>Polo</b>	6 Best Playing Pony prizes/Polo Challenge - 15 entries	6 Best Playing Pony prizes
<b>Hunting Challenge</b>	36 entries	32 entries
<b>Parades</b>	10 parades - 80 former-racehorses	8 parades - 80 former racehorses
<b>Horses for Courses</b>	Not held	11 ambassadors - 9 racecourses
<b>Education Programme</b>	91 events - 623 participants	731 events - 1879 participants
<b>Online Showcase</b>	Not held	Not held
<b>Source a Horse</b>	284 adverts	437 adverts
<b>Welfare Support (new intake)</b>	54 horses	54 horses

## Changes in 2023

In 2023 we said goodbye and thank you to two people who have made a significant impact and have given many years of service to RoR.

Lady Emma Balding stepped down at the end of 2022 having been a Trustee since the charity was established in 2000. Her passion for the lifetime wellbeing of former racehorses is immense and her knowledge, support and guidance for the team as the charity has grown and flourished has been immeasurable.

Di Arbuthnot gave 21 years of service to the charity, latterly as CEO. Di has been instrumental in the evolution and growth of RoR. Her foresight and dedication to the development of bespoke RoR competition series has significantly increased the awareness and demand for former racehorses and is a model that international jurisdictions are now emulating.

We also express our gratitude to Claire Balding who stepped down as Patron in January 2023 having served 10 years and having been pivotal in raising the profile of RoR as a national charity.

We thank them all for their long and dedicated service to the charity.



## Environmental Reporting

Effective from 1 April 2019, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 introduced the requirement for annual energy and carbon reporting. There is no mandatory requirement for the charity to comply with the environmental reporting regulations and these have been voluntarily adopted. Using the financial control method, Greenhouse Gas emissions are set out below.

		2023	
		Units	tCO2e
Company cars and non-company car mileage	Miles	44,174	12.3
Flights	Miles	10,504	1.38
<b>Total</b>		<b>54,678</b>	<b>13.68</b>
<b>Intensity ratio (tCO2e per £000 of income)</b>			<b>0.01</b>

### Methodology

The following methodology for converting raw data to the above have been applied to provide consistency for year-on-year reporting.

- Car mileage is converted using a petrol and diesel conversion factors for medium sized cars.
- Air journeys are calculated in miles and converted to CO2 emissions through an online calculator.

The charity considers environmental efficiency when making travel arrangements with staff frequently car sharing to reduce mileage and CO2e. There is also a maximum limit placed on CO2 emissions for company cars, with a range of electric and hybrid cars included on the list offered.

## Financial review

During 2023, RoR received total income from all sources amounting to £1,327,358 (2022: £1,025,304). This excludes the drawdown of £148,583 (2022: £148,538) from the Endowment Fund reserves to the General Fund as permitted under the terms of the gift from the estate of Paul Mellon (see below).

In 2023, RoR received £235,865 (2022: £240,859) from racehorse owners, trainers and jockeys under the Orders of Racing, including £222,175 from owners (2022: £222,609). In addition varying donations were received from other parts of the Racing Industry: HBLB, racecourses, Point-to-Points, breeders, transporters, bloodstock agents and auctioneers plus some individual gifts. The 2023 sum received from these additional sectors was £307,298 (2022: £241,427). The charity also received £145,541 (2022: £213,768) in sponsorship and fundraising income which included donations from £6,000 from the Jockey Club for the ROR awards (2022: £6,000), £2,000 from the Peter O'Sullivan Charitable Trust (2022: £1,000), and £25,000 from Tattersalls for show series sponsorship (2022: £25,000). ROR held one very successful fundraising event in September 2023, Racing to Cricket, generating fundraising income of £101,740 (2022: £162,034). Income from Regional clinics and camps, the Aintree Show, online shows and registrations amount to £176,680 (2022: £124,008).

Income from legacies generously bequeathed totalled £232,724 (2022: £5,581) which included a generous legacy donation of £200,000 from the Ella Graham MacGregor Fund for the Vulnerable Horse Scheme (VHS) welfare work. Ella MacGregor ran the Pinkerton Stud in East Lothian with her sister where they successfully bred racehorses until the early 2000s.

Total income from investments was £170,181 (2022: £158,596) which was used to support activities either directly through the general and restricted funds or as part of the drawdown from the endowment fund.

During the year, £119,747 (2022: £104,766) was spent on generating donations and grant income and £1,610,716 (2022: £1,313,476) was spent on the charitable activities of second career educational events for ex-racehorses and charitable grants as outlined in the review of charitable activities. Grants awarded totalled £392,461 (2022: £268,251), for horses meeting RoR's vulnerability criteria and emergency relief. Of this £8,962 (2022: £8,089) was for ERT support. Depreciation of £3,000 (2022: £3,000) on the bale shredding machine purchased in 2020 for loan to the New Beginnings Horses charity in 2020 was charged to the capital fund.

### **Fund policy and risk management**

RoR's reserve funds comprise (i) unrestricted General Funds arising from accumulated unspent donations that the charity is free to use to fund on-going activities, and (ii) Restricted and Endowment Funds that can only be spent in accordance with the terms set out by the donors. In order to fully fund its charitable expenditure, the charity relies on income and capital growth generated from the investment of its reserves and has adopted a policy of using reserves to support activity, whilst aiming to maintain the long-term real capital value to generate a continual income stream.

Under the terms of the Endowment Fund, the charity can transfer up to 5% of the fair market value of the fund each year. This provides for a lasting legacy, preserving capital whilst at the same time generating income to support the work of RoR. To provide a consistent approach across both the General and Endowment funds, the Trustees have adopted a similar policy of using up to 5% of the income and capital value of the unrestricted General Fund investments to cover any deficit that may arise on general activities. This policy is reviewed by the Trustees on a regular basis in light of the Charity's operating requirements and changes in the economic and market background.

### **General Fund**

In 2023 RoR made a loss before transfers on the unrestricted General Fund of £436,708 (2022: £411,840 loss). After transfers from the Endowment Fund of £148,583 (2022: £148,538), a realised loss on the sale of investments of £51,297 (realised loss 2022: £244,550) and an unrealised investment gain of £265,299 (2022: unrealised loss £333,074) the General Fund decreased from £4,214,143 to £4,140,020.

### **Restricted and Endowment Funds**

RoR's Restricted and Endowment funds are comprised of the following:

- **Paul Mellon Capital Projects Fund**  
This fund was part of a gift from the estate of Paul Mellon in 2001 and is kept in reserve to provide capital grants in accordance with the terms of that gift. In 2020, the charity purchased a Bale Master bale shredding machine which it loaned to New Beginnings Horses in order to assess the benefits to both horse welfare and staff of using this equipment to provide stable and yard bedding. Depreciation of £3,000 on the capital cost was charged to the restricted fund (2022: £3,000). At 31 December 2023 after allowing for investment income, gains and charges a total of £99,884 (2022: £96,349) remained in the fund.
- **Paul Mellon Welfare Database Development Fund**  
At the end of 2019 the Paul Mellon Foundation awarded the charity a grant towards the development of a welfare database. Depreciation of £7,207 has been charged to the fund in 2023 (2022: £15,000). At 31 December 2023 the fund was fully spent.
- **Emergency Relief for Thoroughbreds (ERT)**  
The ERT fund was established in 2008 with funds from the ROA. During the year grants totalling £8,962 were awarded (2022: £8,089).
- **Endowment Fund**  
The Endowment Fund, which was established with a bequest from the estate of Paul Mellon, is professionally managed in accordance with accepted practice for investments on behalf of charities. As at 31 December 2023, the Fund was valued at £2,823,076, compared with £2,822,220 at the end of 2022. This decrease is after the transfer of £148,583 (2022: £148,538) to the General Fund in accordance with the terms of the gift which allow a drawdown of up to 5% of the valuation on an annual basis, thereby providing both income to supplement the annual activity whilst maintaining a lasting legacy to secure enduring support for the valuable work of RoR.

Further details of the conditions attached to each fund can be found in Note 16.

The Trustees' policy with regard to reserves is to ensure that there are sufficient General Fund reserves to cover basic annual grant commitments and undertakings, and the charity's core administrative and promotional costs in the event of adverse conditions such as the suspension of racing in Great Britain, or as a result of fluctuations in income caused by continuing economic uncertainty. In addition the charity budgets annually on a breakeven basis, funded in part by a drawdown from the Endowment Fund and unrestricted General Fund reserves.

### **Investment policy, objectives and performance**

The Trustees of the Charity are responsible for setting the broad objectives and constraints for the investment portfolio and appointing appropriate investment managers to look after the portfolio on a day to day basis create an enduring legacy that provides for the charity's future whilst at the same time generating income to support on-going activity.

The return on the portfolio is assessed on a total return basis rather than with against a specific income target. Income is nevertheless considered an important component of total return, as it is normally more stable than capital and will reduce the need to use capital to cover the annual distribution. The income yield on the portfolio for 2023 was around 2.2%, which together with portfolio returns in 2023 of around 6% the Trustees consider an appropriate level of total return in the current market environment.

In order to limit capital risk and volatility, the portfolio is well diversified across asset classes and geographies with a bias toward real assets such as equities to reflect the Charity's long-term real return objective.

Currently, the portfolio is invested in a multi-asset portfolio managed by Brompton Asset Management on a balanced basis targeting a reasonably high level of income. Performance is measured against a charity peer group benchmark.

The asset allocation of the portfolio is regularly reviewed by the Trustees to ensure that the overall asset mix in the investment portfolio reflects the Charity's return objectives and risk tolerance appropriately.

The performance of the managers is monitored on a regular quarterly basis and their appointment will be formally reviewed in the event of significant corporate developments, major administrative issues or sustained poor performance; it will also be reviewed in the event of a change in the Charity's requirements.

Performance during 2023 saw the portfolio increase in value which reflected the global markets. These are long-term investments and although the charity supplements its operational income with drawdowns from these, investments are of a sufficient level to maintain this.

### **Plans for future periods**

Future plans: RoR Strategy 2024-2026

In 2023, our team dedicated significant effort to crafting RoR's vision for the future through a comprehensive three-year strategic plan. The RoR Strategy 2024-2026 was officially launched 19 January 2024, and its significance was further underscored during a stakeholder forum on 31 January, where it was widely accepted as the industry strategy for aftercare, with the BHA Board adopting the strategy as the industry's strategy for aftercare in June 2024.

RoR's strategy outlines its principal priorities for the upcoming three years, through seven pillars of activity, all of which are aligned with our overarching mission to safeguard the wellbeing of all former racehorses:

1. Welfare and support
2. Retraining standards
3. Education and community engagement
4. Increasing demand and raising awareness
5. Traceability
6. Fundraising, marketing, and communications
7. People, governance, finance, and sustainability

In 2024, our focus will be on delivering our strategic objectives and securing the industry funding necessary to realise these goals.

#### **Statement of Trustees' responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its financial activities for that period. In preparing those financial statements the Trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.
- e. observe the methods and principles of the Charities SORP

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

#### **Statement as to disclosure of information to auditors**

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

In accordance with Section 485 of the Companies Act 2006, a resolution for the re-appointment of James Cowper Kreston Audit as auditors of the company is to be proposed at the forthcoming Annual General Meeting. By order of the Trustees



**Philip Freedman**  
**Chairman**

Date: 28 June 2024

## **Independent Auditor's Report to the Trustees and Members of Retraining of Racehorses Limited**

### **Opinion**

We have audited the financial statements of Retraining of Racehorses Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company'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 Companies Act 2006, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

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

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

### **Auditor's responsibility for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of noncompliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

#### Use of our report

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



**Fiona Hawkins BSc (Hons) MSc FCA**  
Senior Statutory Auditor

For and on behalf of  
**James Cowper Kreston Audit**  
Statutory Auditor and Chartered Accountant  
2 Communications Road  
Greenham Business Park  
Greenham  
Newbury  
Berkshire  
RG19 6AB

Date: 06 August 2024

## Statement of financial activities (including the Income and Expenditure Account) for the year ended 31 December 2023

	Notes	General Funds £	Endowment Funds £	Restricted Funds £	2023 Total £	2022 Total £
<b>Income from:</b>						
Donations and legacies	2	834,956	-	-	834,956	528,932
Income from charitable activities: Fundraising, grants, sponsorship, registrations, clinic income and fines	3	322,221	-	-	322,221	337,776
Investment Income	4	101,826	64,513	3,842	170,181	158,596
<b>Total income</b>		<b>1,259,003</b>	<b>64,513</b>	<b>3,842</b>	<b>1,327,358</b>	<b>1,025,304</b>
<b>Expenditure on:</b>						
Expenditure on charitable activities: Grants and educational activities	7	(1,575,964)	(14,462)	(20,290)	(1,610,716)	(1,313,476)
Cost of generating voluntary income	7	(119,747)	-	-	(119,747)	(104,766)
<b>Total expenditure</b>		<b>(1,695,711)</b>	<b>(14,462)</b>	<b>(20,290)</b>	<b>(1,730,463)</b>	<b>(1,418,242)</b>
<b>Net income / (expenditure)</b>		<b>(436,708)</b>	<b>50,051</b>	<b>(16,448)</b>	<b>(403,105)</b>	<b>(392,938)</b>
<b>Transfers between funds</b>	16	148,583	(148,583)	-	-	-
<b>Realised (loss)/gain on investments</b>		<b>(51,297)</b>	<b>(23,824)</b>	<b>(1,943)</b>	<b>(77,064)</b>	<b>(410,871)</b>
<b>Unrealised (loss)/gain on investments</b>		<b>265,299</b>	<b>123,212</b>	<b>10,050</b>	<b>398,561</b>	<b>(559,600)</b>
<b>Net income/(expenditure) and net movement in funds for the year</b>		<b>(74,123)</b>	<b>856</b>	<b>(8,341)</b>	<b>(81,608)</b>	<b>(1,363,409)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		4,214,143	2,822,220	159,643	7,196,006	8,559,415
<b>Total funds carried forward</b>		<b>4,140,020</b>	<b>2,823,076</b>	<b>151,302</b>	<b>7,114,398</b>	<b>7,196,006</b>

All of the above results are derived from continuing operations.

RoR has no recognised gains and losses other than those included in the results above and therefore no separate statement of the total recognised gains and losses has been presented. There is no difference between the net income and expenditure stated above and the historical cost equivalent.



## Balance sheet

at 31 December 2023

	Note	2023 £	2022 £
<b>Fixed Assets</b>			
Tangible Assets	10	39,481	66,323
Investments	11/12	7,240,602	7,451,871
<b>Total Fixed Assets</b>		<b>7,280,083</b>	<b>7,518,194</b>
<b>Current assets</b>			
Debtors	14	277,847	34,495
Cash at bank and in hand		162,472	135,405
Loans Receivable within 1 year	13	50,000	50,000
<b>Total Current Assets</b>		<b>490,319</b>	<b>219,900</b>
<b>Liabilities</b>			
Creditors falling due within one year	15	(656,004)	(542,088)
<b>Net current assets (liabilities)</b>		<b>(165,685)</b>	<b>(322,186)</b>
<b>Net assets</b>		<b>7,114,398</b>	<b>7,196,006</b>
<b>The funds of the charity</b>			
Unrestricted income funds		4,140,020	4,214,143
Endowment funds		2,823,076	2,822,220
Restricted income funds		151,302	159,643
<b>Total charity funds</b>	16/17	<b>7,114,398</b>	<b>7,196,006</b>

The financial statements have been prepared in accordance with the Charities SORP FRS 102.

The notes at pages 16 to 28 form part of these accounts

These financial statements were approved by the Trustees on 28 June 2024 and signed on their behalf by:



**Philip Freedman**  
Chairman of the Trustees

## Cash flow statement

for the year ended 31 December 2023

	2023 £	2022 £
<b>Net cash used in operating activities</b>	<b>675,029</b>	607,367
<b>Cash flows from investing activities</b>		
Interest income	409	577
Dividends	169,772	158,019
Purchase of property plant and equipment	(2,552)	(41,211)
Sale of investments	3,110,024	3,907,538
Purchase of investments	(3,703,812)	(3,250,807)
<b>Cash provided by (used in) investing activities</b>	<b>(426,159)</b>	774,116
Increase (decrease) in cash and cash equivalents in the year	2,592	14,649
<b>Cash and cash equivalents at 1 January 2023</b>	<b>214,110</b>	199,462
<b>Cash and cash equivalents at 31 December 2023</b>	<b>216,703</b>	214,110
<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
<b>Net movement in funds during the year</b>	<b>(403,105)</b>	(392,938)
<b>Adjustments for:</b>		
Depreciation	27,693	28,391
Interest income from investing activities	(409)	(577)
Dividend income from investing activities	(169,772)	(158,019)
Decrease/(increase) in debtors	(237,422)	44,947
(Decrease)/increase in creditors	(107,986)	(129,171)
<b>Net cash used in operating activities</b>	<b>675,029</b>	607,367
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	162,472	135,405
Notice deposits	54,231	78,705
<b>Total cash and cash equivalents</b>	<b>216,703</b>	214,110

## Notes on the accounts

### 1. Accounting policies

The financial statements have been prepared in accordance with 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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and applicable charity law.

RoR meets the definition of a public benefit entity under FRS 102.

#### ***Basis of accounting***

These financial statements have been prepared in accordance with the historical cost convention except for fixed asset investments which are recorded at market value. All expenditure is recognised on an accruals basis.

Accounting policies are supplemented by estimation techniques where judgement is required in measuring the value of income and expenditure and of assets and liabilities.

#### ***Going concern***

The Trustees believe that the charity is well placed to manage its business risks successfully have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### ***Statement of financial activities***

RoR is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the Trustees consider that it would be inappropriate to present a profit and loss account in one of the formats set out in the Companies Act 2006. Therefore, as permitted by the Companies Act, in order to reflect the special nature of the company's activities, the Trustees are of the opinion that it would be more appropriate to present a Statement of Financial Activities.

#### ***Taxation***

The Trustees believe that no charge to UK corporation tax will arise in respect of the year to 31 December 2023 as all activities of the company during this year were of a charitable nature. As a registered charity, the company is entitled to various exemptions from taxation on income used for charitable purposes.

#### ***Income and expenditure***

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income is only deferred where the donor has specified that the amounts received are for use in future accounting periods.

## Notes (continued)

### Accounting policies (continued)

Grants payable are payments made to rehabilitation centres in furtherance of the charitable objects of the charity. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant payable.

Other charitable expenditure represents administrative costs payable for the period. The cost of generating funds represent advertising costs for the general fund and allocated support costs. Support costs are allocated based on management estimates of the time spent on the different activities of the charity.

### VAT

As the charity is not registered for VAT, all expenses are shown gross of VAT.

### Investments and investment income

All investments are stated at market value and the movement shown in the statement of financial activities comprises both realised and unrealised gains and losses. Investment income is accounted for on a receivable basis.

### Social Investments

Social investments are stated at cost less impairment at the year end. Investments in the form of equipment assets are impaired over the useful life of the investment.

### Fund accounting

Funds held by the charity are either:

*General funds* – these are unrestricted free reserves which can be used in accordance with the charitable objectives at the discretion of the Trustees.

*Endowment funds* – these are funds invested by the Trustees and up to 5% of the value of the investment may be used in accordance with the charitable objectives at the discretion of the Trustees. Income earned on the endowment funds is unrestricted. However, in accordance with the endowment bequest, any such income which is unexpended in the year is transferred to the endowment funds.

*Restricted funds* – these are funds that can only be used for the particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes. Income generated by the restricted fund is attributed to the general fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### Fund transfers

The Paul Mellon endowment fund represents bequests from the Paul Mellon estate in December 2001 and a further grant given in May 2015, the terms of which state that RoR may transfer to general funds not more than 5% of the fair market value of the fund each year, at the Trustees' discretion.

## Notes (continued)

### Accounting policies (continued)

The bequest also states that any investment or interest income earned on the endowment funds which is unexpended in the year should be added to the endowment principal.

### Intangible and Tangible fixed assets

The cost of intangible and tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided so as to write off the cost of intangible and tangible fixed assets on a straight line basis over the estimated useful economic lives of the assets concerned. The rates of depreciation are as follows:

Office equipment	3-4 years
Website / database development	4 years
Office furniture	10 years
Vehicles	4 years

### Pension scheme

The charity does not, itself, operate a pension scheme. The BHA operates a pension scheme that employees of the charity are able to join. The defined benefit section of the scheme was closed to future accrual on 31 December 2015 and from 1 January 2016 all employees in the pension scheme were active members of the defined contribution section.

The charity is unable to identify its share of the underlying assets and liabilities of the defined benefit scheme on a consistent and reasonable basis and therefore as required by FRS 102, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period in which they are paid. The charity continued to pay an amount £1,500 (2022: £1,500) into the scheme in respect of voluntary deficit funding as agreed with the BHA. Amounts of £37,848 (2022: £26,083) were also paid into the defined contribution scheme operated by the BHA.

### Donated Services

Administrative support costs, which are borne by BHA, are recognised as donated services. The amounts in the Statement of Financial Activities represent an allocation of BHA employee salary based on time spent by those employees in administering the charity. Donated services also includes services and facilities provided by racecourses for RoR parades and polo events, and horse testing services provided by the BHA. All amounts are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable.

### Legacies

Legacies are accounted for in whole or in part, is only when receipt is considered probable, the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses on investments are recognised in the Statement of Financial Activities.

## Notes (continued)

### **Debtors**

Trade and other debtors are recognised at the transaction amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **Cash**

Cash at bank and cash in hand includes current account balances and cash held in deposit accounts.

### **Creditors and provisions**

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.

### **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the investments which are subsequently measured at market value.

### **Judgements in applying accounting policies and key sources of information uncertainty**

In determining if leases entered into by the charity are finance or operating leases, the lease has been assessed to determine whether the risks and rewards of ownership have been transferred to the lessor by the lessee on a lease by lease basis.

Tangible and intangible assets are capitalised when the asset is deemed to have a useful life in excess of one year. Assets are then depreciated over what is assessed as their useful economic life.

Support costs are allocated between the charity's charitable activities where possible based on specific attribution. Where this is not possible costs have been apportioned between activities using an approximation based on time.

## 2. Income from donations and legacies

Incoming resources are derived from industry funding and self generating sources.  
Interest income all relates to bank interest.

	2023 £	2022 £
<b>Donations received:</b>		
- Owners	222,175	222,609
- Racecourses	142,500	144,600
- HBLB	87,601	20,620
- Trainers	8,420	12,790
- Jockeys	5,270	5,460
- Hunter certificates	1,619	1,595
- Point to Point Authority	2,880	3,000
- Breeders (in addition to sponsorship)	8,263	9,100
- Other	64,435	62,512
	<b>543,163</b>	482,286
<b>Legacies received</b>	<b>232,724</b>	5,581
<b>Donated services</b>	<b>59,069</b>	41,065
<b>Total</b>	<b>834,956</b>	528,932

## Notes (continued)

### 3. Income from charitable activities

	2023 £	2022 £
Fundraising grants and sponsorship	145,541	213,768
Registration and clinic income	176,680	124,008
<b>Total</b>	<b>322,221</b>	<b>337,776</b>

### 4. Investment Income

	2023 £	2022 £
Dividends	169,772	158,019
Interest received	409	577
<b>Total</b>	<b>170,181</b>	<b>158,596</b>

### 5. Analysis of staff costs, trustees' remuneration and expenses and the cost of key management personnel

The Trustees received no emoluments or benefits in kind in respect of their services to the charity during the year (2022: *nil*). Total expenses reimbursed to 5 Trustees during the year were £2,786 (2022: 3 Trustees £2,084). £645 was incurred in respect of general Board meeting costs (2022: £264).

Indemnity insurance is provided for all Trustees under a policy held by BHA, the proportion of which relating to RoR is not separately identifiable and has therefore not been included in the charity's accounts.

	2023 £	2022 £
Salaries and wages	577,089	381,276
Social security costs	54,956	32,503
Pension costs	37,848	26,083
<b>Total</b>	<b>669,893</b>	<b>439,862</b>

Administrative support costs are borne by BHA and in 2023 these amounted to £59,069 (2022: £41,065).

The number of employees who received emoluments between £100,001 and £110,000 was 1 and between £110,001 and £120,000 was 1 (2022: £90,000-£100,000 1).

The key management personnel of the charity comprise Trustees, the CEO and Managing Director. The total employee salary, pension and benefits in kind costs of the key management personnel in 2023 were £237,319 (2022: £132,098).

## Notes(continued)

### 6. Staff numbers

The average monthly head count was 16 (2022: 11).

### 7. Analysis of general fund expenditure on charitable activities

	Charitable activities					2023	2022
	Cost of generating voluntary income £	Investment management fees £	Promotion of ex- racehorses in 2 <sup>nd</sup> careers £	Vulnerable Horse Scheme £	Governance costs £	Total £	Total £
<b>Directly attributable costs</b>							
Grants and assessment	-	-	-	496,220	-	<b>496,220</b>	378,910
Sports & Competitions	-	-	461,616	-	-	<b>461,616</b>	459,221
Audit fee	-	-	-	-	12,120	<b>12,120</b>	11,292
Investment management	-	45,192	-	-	-	<b>45,192</b>	48,244
Trustees expenses and meeting costs	-	-	-	-	3,145	<b>3,145</b>	2,348
<b>Total</b>	<b>-</b>	<b>45,192</b>	<b>461,616</b>	<b>496,220</b>	<b>15,265</b>	<b>1,018,293</b>	<b>900,015</b>
<b>Support costs allocated</b>							
Staff costs	31,704	-	332,899	31,705	27,828	<b>424,136</b>	315,180
Exceptional costs	6,227	-	65,376	6,226	34,613	<b>112,442</b>	-
Travel costs & car leasing	-	-	10,894	10,895	-	<b>21,789</b>	22,714
Website	6,471	-	6,470	6,470	-	<b>19,411</b>	23,369
Advertising	1,022	-	1,023	1,023	-	<b>3,068</b>	1,360
Professional fees	-	-	-	-	25,867	<b>25,867</b>	53,351
Equipment Depreciation	1,524	-	1,523	1,523	-	<b>4,570</b>	2,878
Pension Deficit Funding	500	-	500	500	-	<b>1,500</b>	1,500
Fundraising costs	58,755	-	-	-	-	<b>58,755</b>	58,299
Other office costs	13,544	-	13,544	13,544	-	<b>40,632</b>	39,576
<b>Total</b>	<b>119,747</b>	<b>-</b>	<b>432,229</b>	<b>71,886</b>	<b>88,308</b>	<b>712,170</b>	<b>518,227</b>
<b>Total expended</b>	<b>119,747</b>	<b>45,192</b>	<b>893,845</b>	<b>568,106</b>	<b>103,573</b>	<b>1,730,463</b>	<b>1,418,242</b>



## Notes (continued)

### 8. Net income/(expenditure) for the year

This is stated after charging:

	2023	2022
	£	£
Depreciation	27,693	28,391
Auditor's remuneration: Audit fees	12,120	11,292
	<hr/>	<hr/>

### 9. Grants paid

The number and value of grants given to organisations in pursuit of the objectives of the charity are as follows.

	2023 Number	2022 Number	2023 £	2022 £
Heros	21	18	236,880	80,641
New Beginnings Horses	28	18	63,455	57,993
Greatwood	9	10	34,500	59,500
The British Thoroughbred Retraining Centre	26	-	17,044	-
Frederick A Cook Partnership	5	8	5,500	8,000
Grange Farm	4	8	4,500	9,000
Sophie Spiteri	3	3	4,000	2,500
Peopleton Brook Farm	3	3	3,500	4,000
World Horse Welfare	2	8	2,500	9,000
Horses & Ponies Protection Association	1	5	2,000	5,500
Retreat Livery (J A Clark)	1	1	1,500	1,500
Victoria Cartmel	2	6	1,500	7,000
Racehorse Relief	-	3	-	2,000
Racehorse Rescue Centre	-	1	-	500
Grants to 3 <sup>rd</sup> parties for emergency relief, vet fees and transport	31	40	15,582	21,117
<b>Total grants made in the year</b>	<hr/> <b>136</b>	<hr/> 132	<hr/> 392,461	<hr/> 268,251

All grants paid in 2023 have been awarded on the basis of RoR's vulnerability criteria.

## Notes (continued)

### 10. Tangible fixed assets

	Office equipment	Website/ Database Development	Office furniture	Vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At beginning of year	42,013	153,966	4,637	62,238	262,854
Additions	2,552	-	-	-	2,552
Disposals	(1,687)	-	(1,277)	-	(2,964)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	42,878	153,966	3,360	62,238	262,442
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At beginning of year	19,422	130,627	2,526	43,956	196,531
Charge for year	6,274	16,459	390	4,570	27,693
Disposals	(610)	-	(653)	-	(1,263)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	25,086	147,086	2,263	48,526	222,961
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book amount</b>					
<b>At 31.12.2023</b>	<b>17,792</b>	<b>6,880</b>	<b>1,097</b>	<b>13,712</b>	<b>39,481</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 01.01.2023	22,591	23,339	2,111	18,282	66,323
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

All fixed assets are held for charitable purposes

## Notes (continued)

### 11. Investments

	Money Market & UK Cash £	Global Equities £	Fixed Income Corporate & Treasury Bonds	Alternative £	Mixed Asset Funds £	Total £
Market Value at 1 January 2023	67,273	5,052,679	881,480	-	1,444,939	7,446,371
Add: acquisitions	-	2,511,067	448,641	150,316	-	3,110,024
Less: disposals at opening book value	-	(3,112,866)	(590,946)	-	-	(3,703,812)
Add: net gain/(loss) on revaluation	-	347,403	15,205	196	35,757	398,561
Add: net movement in cash	(5,008)	-	-	-	-	(5,008)
Add: dividends	(8,638)	-	-	-	-	(8,638)
Less: accrued fees	(604)	-	-	-	-	(604)
<b>Market value at 31.12.2023</b>	<b>54,231</b>	<b>4,798,283</b>	<b>754,380</b>	<b>150,512</b>	<b>1,480,696</b>	<b>7,238,102</b>
<b>Historical cost at 31.12.2023</b>	<b>54,231</b>	<b>4,397,875</b>	<b>764,860</b>	<b>150,316</b>	<b>1,374,125</b>	<b>6,741,407</b>

### Material investments

The following listed investments were considered by the Trustees to be material to the portfolio at the yearend:

	2023 Value £	2023 Portfolio %	2022 Value £	2022 Portfolio %
Brompton Global Income P	1,480,696	20	1,444,939	19
Fidelity Investment Services (UK) Ltd	740,258	10	539,292	7
Ishares VII PLC Core S&P 500 units ETF USD	534,162	8	348,581	5
Man Fd Mgmt UK Man Glg UK Inc Prof D Inc	395,684	6	525,896	7
Artemis Fund manager UK Special Situations Fund	305,758	4	-	-
Redwheel GBL Emerging Markets	305,362	4	-	-
Vanguard Investment Series Global Bond	301,023	4	363,654	5
Polar Capital Funds Global Technology	280,053	4	192,888	3
Baillie Gifford Overseas Growth	277,604	4	-	-
Liontrust Fund Partners LLP Special Situations Inc	251,597	4	463,503	6
MI Twentyfour Investment Fund	248,476	3	-	-
Blackrock Fund Manager Ltd European Dynamic FD	247,547	3	-	-
Artemis Fund Managers Income	235,861	3	223,755	3
Ishares II Plc USD Treasury Bd 7-10yr USD	204,881	3	-	-
Guinness Asset Management Funds PLC	-	-	313,896	4
KBA Consulting Management Ltd	-	-	294,314	4
Ishares II Plc USD Treasury Bd 7-10yr GBP	-	-	288,661	4
Matthews Asia Funds Asia Ex Japan	-	-	258,300	3
Other holdings	1,374,909	19	2,109,987	29
	<u>7,183,871</u>		<u>7,367,666</u>	
Cash	54,231	1	<u>78,705</u>	1
Total portfolio	<u>7,238,102</u>	100	<u>7,446,371</u>	100

## Notes (continued)

### 12. Social Investment

	2023 £	2022 £
Programme related investment	2,500	5,500
	<u>2,500</u>	<u>5,500</u>

The charity purchased a Balemaster straw shredding machine at a cost of £12,000. The value of £2,500 is after a cumulative impairment charge of £9,500. This is on loan to New Beginnings Horses.

### 13. Loans Receivable

	2023 £	2022 £
Amounts due within 1 year		
Loans Receivable	50,000	50,000
Amounts due in greater than 1 year		
Moorcroft	100,000	100,000
BTRC	83,000	83,000
Greatwood	10,000	10,000
Provision	(193,000)	(193,000)
	<u>50,000</u>	<u>50,000</u>

An interest free loan of £50,000 was provided in 2021 to BTRC. This was due for repayment on 31 December 2022.

### 14. Debtors

	2023 £	2022 £
Amounts due within 1 year		
Prepayments and accrued income	271,917	34,495
	<u>271,917</u>	<u>34,495</u>

### 15. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and trade creditors	650,074	542,088
	<u>650,074</u>	<u>542,088</u>

## Notes (continued)

	2023	2022
	£	£
Deferred income at the start of the year	7,281	1,844
Resources deferred during the year	18,675	7,281
Amounts released from previous periods	(7,281)	(1,844)
	<u>18,675</u>	<u>7,281</u>

### 16. Reconciliation of movement in accumulated funds

2023	Opening balance £	Incoming resources £	Outgoing resources £	Gain on investments £	Transfers £	Closing balance £
<b>Unrestricted funds</b>						
General fund	4,214,143	1,259,003	(1,695,711)	214,002	148,583	4,140,020
<b>Restricted funds</b>						
ERT fund	56,545	1,361	(9,359)	2,871	-	51,418
Paul Mellon capital projects fund	96,349	2,319	(3,677)	4,893	-	99,884
Paul Mellon welfare database	6,749	162	(7,254)	343	-	-
<b>Endowment funds</b>						
Paul Mellon endowment fund	2,822,220	64,513	(14,462)	99,388	(148,583)	2,823,076
<b>Total</b>	<u>7,196,006</u>	<u>1,327,358</u>	<u>(1,730,463)</u>	<u>321,497</u>	<u>-</u>	<u>7,114,398</u>
<b>2022</b>	<i>Opening balance £</i>	<i>Incoming resources £</i>	<i>Outgoing resources £</i>	<i>Loss on investments £</i>	<i>Transfers £</i>	<i>Closing balance £</i>
<b>Unrestricted funds</b>						
General fund	5,055,069	960,909	(1,372,749)	(577,624)	148,538	4,214,143
<b>Restricted funds</b>						
ERT fund	69,977	975	(8,390)	(6,017)	-	56,545
Paul Mellon capital projects fund	110,033	1,950	(3,600)	(12,034)	-	96,349
Paul Mellon welfare database	27,091	975	(15,300)	(6,017)	-	6,749
<b>Endowment funds</b>						
Paul Mellon endowment fund	3,297,245	60,495	(18,203)	(368,779)	(148,538)	2,822,220
<b>Total</b>	<u>8,559,415</u>	<u>1,025,304</u>	<u>(1,418,242)</u>	<u>(970,471)</u>	<u>-</u>	<u>7,196,006</u>

The unrestricted General Fund represents free reserves and can be used in accordance with the charitable objectives at the discretion of the Trustees. The charity relies on income and capital growth generated from the investment of these reserves to support activity, whilst aiming to maintain the long-term real capital value to generate a continual income stream.

## Notes (continued)

The *Paul Mellon endowment fund* represents bequests from the Paul Mellon estate in December 2001 and May 2015, the terms of which state that the RoR may transfer to general funds not more than 5% of the fair market value of the fund each year. The Trustees transferred £148,538 of the bequest to general funds during the year (2022: £148,538). Under the terms of the bequest, any unexpended income earned on the endowment funds should be added to the endowment principal at the end of the year. In the year ended 31 December 2023, £64,513 was added to the endowment principal (2022: £60,495).

Also, included within the movement in funds during the period is a realised loss of £23,824 (2022: realised loss £156,131) and an unrealised gain of £123,212 (2022: unrealised loss of £212,648).

The *Paul Mellon capital projects fund* was funded by a bequest from the Paul Mellon estate in December 2001. The terms of the bequest state that it must be used to build, acquire or improve structures, equipment and other facilities to be used for the care and maintenance of retired thoroughbred racehorses. The fund was used in 2020 to purchase a Balemaster bale shredder at a cost of £12,000 for use by New Beginnings Horses under RoR's social investment policy. The depreciation charge in 2023 was £3,000 (2022: £3,000).

The *Paul Mellon welfare database fund* is donation provided for the development of a welfare database. During the year £7,254 depreciation on the capitalised development costs was charged to the fund (2022 £15,000). The fund is now fully expended.

The *Emergency Relief for Thoroughbreds fund* (ERT) was established in 2008 with the transfer of the ERT funds from the Racehorse Owners Association. During the year grants of £8,962 (2022: £8,089) were made from the fund.

## 17. Analysis of net assets between funds

	General Funds £	Endowment Funds £	Restricted Funds £	Total £
As at 31 December 2023				
Fixed assets	39,481	-	-	39,481
Investments	4,266,224	2,823,076	151,302	7,240,602
Cash at bank and in hand	162,472	-	-	162,472
Other assets	321,917	-	-	321,917
Current liabilities	(650,074)	-	-	(650,074)
	<b>4,140,020</b>	<b>2,823,076</b>	<b>151,302</b>	<b>7,114,398</b>
	General Funds £	Endowment Funds £	Restricted Funds £	Total £
As at 31 December 2022				
Fixed assets	39,023	-	27,300	66,323
Investments	4,497,308	2,822,220	132,343	7,451,871
Cash at bank and in hand	135,405	-	-	135,405
Other assets	84,495	-	-	84,495
Current liabilities	(542,088)	-	-	(542,088)
	<b>4,214,143</b>	<b>2,822,220</b>	<b>159,643</b>	<b>7,196,006</b>

## Notes (continued)

### 18. Financial commitments

At 31 December 2023 the Company had total commitments under non-cancellable operating leases as follows:

	2023 Land and Buildings	2023 Vehicles	2023 Total	2022 Total
	£	£	£	£
Expiring				
within one year	18,044	5,417	<b>23,461</b>	22,320
between two and five years inclusive	72,178	2,912	<b>75,090</b>	77,680
over five years	57,141	-	<b>57,141</b>	73,370
	<u>147,363</u>	<u>8,329</u>	<u><b>155,692</b></u>	<u>173,370</u>

### 19. Liability of members

The members of the Company have undertaken to contribute a sum not exceeding £1 each to meet the liabilities of the company in the event that it is wound up.

### 20. Related party transactions

The company has transacted with the following related parties, all of which are related by virtue of one of their employees, appointments, or directors being a director of the company.

Details of sales and recharges to and administrative expenses incurred from related parties are detailed below

	Sales sponsorship & donations		Good & services supplied from	
	2023	2022	2023	2022
Aintree Racecourse Developments	<b>65</b>	1,680	<b>18,324</b>	26,857
British Horseracing Authority	<b>59,069</b>	41,065	<b>731,407</b>	475,884
Chester Race Company Ltd	<b>1,300</b>	1,300	-	-
Point to Point Authority Limited	<b>2,880</b>	3,000	-	11,616
Musselburgh Racecourse Limited	<b>2,600</b>	2,500	-	-
Thoroughbred Breeders Association	<b>7,850</b>	3,225	-	-
BRS Education Limited	-	-	<b>360</b>	120
British Champions' Series Limited	-	-	-	2,334

## Notes (continued)

Related party transactions included in year end debtors and creditors were as follows;

	Receivables outstanding		Creditors outstanding	
	2023	2022	2023	2022
British Horseracing Authority	-	-	<b>579,907</b>	453,554
Point to Point Authority Limited	-	-	-	11,616
BRS Education Limited	-	-	-	120

The charity held one fundraising event in 2023 and there was £nil income from Trustees and their related parties as a result (2022: £2,000 2 Trustees).

### 21. Ultimate controlling party

RoR is controlled by its Board of Trustees. Accordingly, there is no single individual that can, or does, exert control over the charitable company.