

Charity Registration No. 1089564

Company Registration No. 04104341 (England and Wales)

The British Thoroughbred Retraining Centre Limited

**Trustees' Report and Unaudited Financial
Statements**

**For The Year Ended
31 December 2020**

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

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THE BRITISH THOROUGHbred RETRAINING CENTRE LIMITED

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered charity name	The British Thoroughbred Retraining Centre Limited
Charity registration number	1089564
Company number	04104341
Principal and registered office address	Whinney Hill Aughton Road Halton Lancashire LA2 6PQ
Trustees	Ms B Bell Mr M Davis Ms M Metz Mrs S Scott Mr J Sexton Mr K Thomas Mr P Woodcock-Jones
Independent Examiner	MHA Moore and Smalley Chartered Accountants Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2020. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The trustees

The trustees, who are also the directors for the purpose of company law, and who served during the period were:

Ms B Bell
Mr M Davis
Ms M Metz
Mrs S Scott
Mr J Sexton
Mr K Thomas
Mr P Woodcock-Jones

Structure, governance and management

The Charity is a company limited by guarantee incorporated on 8 November 2000 and a registered charity constituted under a trust deed dated 15 September 2001. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £10.

There is a governing body of currently seven directors, which meets at least four times a year and is responsible for making strategic decisions. These people are both trustees of the registered charity and non-executive directors of the company. Authority for the day to day running of the Charity is delegated to the Chief Executive.

The charity was the first charity in the UK to concern itself with the welfare, retraining and rehoming of retired racehorses and is recognised as the leader in the field by its founders, the media and the horse loving public.

The trustees balance the benefits of maintaining strong partnerships with key suppliers alongside the need to obtain value for money for the charity.

Recruitment

The board of trustees appoints new trustees. Vacancies are advertised in the Charity's newsletter, social media and on the website. In addition, retiring and existing trustees are asked to nominate candidates with appropriate skills for consideration.

New Trustees meet the existing trustees and are given a tour of the centre. The work of the charity is discussed in detail and the new Trustee is issued with an information pack containing the following:

- Charity Commission leaflet CC3 Responsibilities of Charity Trustees
- Memorandum and Articles of Association
- Annual Reports and Accounts
- Five year plan
- Minutes of the last board meeting
- Year to date financial information
- Last newsletter
- Schedule of board meetings
- Biographies of other trustees

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities

The Charity's objectives are:

- to rehabilitate and retrain retired racehorses
- to protect and care for Vulnerable Thoroughbreds via the Vulnerable Horse Programme
- to re-home retired racehorses to appropriate loaners
- to educate the racing industry and the public to ensure consideration is given to racehorses after their careers are over
- to raise the general public's awareness of the need for a provision for retired racehorses.

To achieve these objectives the Charity campaigns for better consideration from breeders, owners, trainers and the racing industry in general for retired racehorses by:

- education
- persuading key individuals to become advocates
- publicising need for appropriate retraining and re-homing of horses within the industry.

The Charity is recognised as Britain's foremost centre for the rehabilitation and re-homing of retired racehorses by:

- providing excellent facilities
- providing excellent care and attention at all times
- recruiting and training staff of the highest calibre and rewarding them accordingly
- having a planned programme to identify suitable individuals to take on horses and assisting them to provide a suitable environment for the animals after re-homing
- using new and innovative ways of rehabilitating thoroughbreds and passing on this information to other agencies and organisations as examples of best practice
- providing a 24/7 helpline to thoroughbred owners
- caring for thoroughbreds through the Vulnerable Horse Programme.

The Charity ensures that every opportunity is taken to promote its work by:

- holding open days and yard visits for the general public
- attending racecourses and other public events with the horses to promote thoroughbreds and the work of the centre
- holding clinics and other training opportunities for thoroughbred owners
- producing newsletter which are widely distributed
- ensuring press and media receive information about the work of the Charity
- creating and attending events and opportunities for publicising the work of the charity
- working with racing owners and trainers
- welcoming national and international students and visitors through the Charity's work placement programme.

As well as the main task of retraining and re-homing retired racehorses, a lot of time is spent giving advice and guidance to horse owners. The charity is committed to being open and helpful to people in distress with their horses and aims to never be too busy to deal with these often very time consuming and emotionally exhausting phone calls.

The charity holds an open day and yard visits during the year when the general public can visit the centre and see demonstrations of our work. Yard visits are also available for students on equine or veterinary specific courses. The charity offers work placements to students on a variety of equine specific and veterinary courses. The charity also attends shows, racecourses, and other organisations open days to promote the cause of racehorse welfare and retraining.

will contribute to the aims and objectives they have set.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities

Achievements and performance

Key performance indicators

The main key performance indicator for the charity is the number of horses that complete training and are successfully rehomed. During 2020, the Charity cared for 60 Thoroughbreds at the Centre, of which 13 successfully completed their retraining and were rehomed to suitable loaners before the loan programme was suspended due to COVID-19 restrictions.

Horse movement

BTRC continued to provide support for 108 horses on permanent loan around the United Kingdom. Of the new horses entering the Centre less than 10 horses were straight off track from race owners and trainers who gave the Charity a donation to support the post-racing equestrian training and then the re-homing of their horse. The remaining horses were from the pre-equestrian trained sector. These horses entered the Centre as part of the BTRC's vulnerable horse programme as they were deemed vulnerable and at risk as they were unsuitable to sell in their current state and a significant number had frightened or caused injury to their owners.

During 2020 we prioritised the stables for horses on the Vulnerable Horse Programme due to the increase in horses needing assistance as a direct result of COVID-19. These horses required a thorough veterinary assessment before embarking on a rehabilitation and retraining programme, as well as undergoing regular monitoring to evaluate the horse's suitability for equestrian use and to be included in our rehoming programme.

Funding

The Charity, including the Vulnerable Horse Programme, continues to operate thanks to the generosity of its supporters. Donations and legacies account for the majority of income. In addition to earned income, the Sir Peter O'Sullivan Trust remains an important supporter of the Charity's work and continues to make an annual contribution from the proceeds of the Sir Peter O'Sullivan awards lunch each year.

As was the case with other Charities, many of the BTRC's fund-raising activities in 2020 had to be abandoned because of the COVID-19 pandemic, creating a serious funding shortfall. This was recognised by the racing industry and emergency COVID-19 aid was made available which allowed the Centre to continue to operate. The Centre would like to pay particular tribute to the Racing Foundation which led the way with advice and assistance to see the BTRC through this difficult time.

Even so, as with many other Charities, the pandemic has left the Centre in a difficult position. The accounts show a surplus of £36,000 for the year (unrestricted funds), but this does not reflect the cashflow for December as, at year end, the BTRC was owed

- £13,788 in VAT
- £2,000 pledged donation
- £2,156 for the tax reclaim

Also, there were £22,620 of mortgage repayments for the year which aren't reflected in the income & expenditure statement.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods

Following on from obtaining planning permission for three barns to be converted for educational and accommodation purposes, the plans for a new outdoor arena incorporating a wide range of exercising facilities and for a second stable block of 40 boxes was submitted and subsequently granted.

Funding is being sought for the Masterplan. Currently, £570,000 towards the total cost has been pledged to the Centre.

Events in 2020

Due to COVID -19 restrictions the Charity were unable to host or attend any events at the Centre during 2020. However, the role of BTRC evolved like many organisations to increase activity by holding virtual presentations and demonstrations discussing Aftercare education and promoting best practices in retraining and riding of retired racehorses.

Financial review

At the period end, the total reserves of the Charity were £939,430 of this the unrestricted reserves were £868,238. Capital assets owned had a net book value of £1,122,831, and the associated finance amounted to £276,346.

Risk management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The largest of these is deemed to be meeting the building and continued renovation costs at Whinney Hill and these could easily be covered by selling land. Similarly, income and expenditure are constantly monitored and plans are in place to ensure the charity is able to meet the annual running costs through a comprehensive fundraising strategy. Trustees meet regularly to work on strategic planning and to update the 3-year strategic plan.

Reserves policy

The charity aims to have the equivalent of 12 months' running costs in free reserves. The trustees define free reserves as total reserves less reserves represented by capital assets owned (net of the associated mortgage/loan finance on these assets). At the end of the year, free reserves amounted to £92,945 which falls short of the target figure and therefore shall be monitored closely in 2021.

Statement of Trustees' responsibilities

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities (continued)

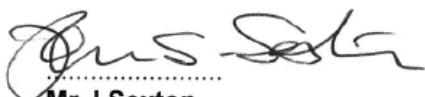
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner

MHA Moore and Smalley were appointed as independent examiners to the charitable company during the period and have indicated their willingness to accept re-appointment for the ensuing year.

The trustees' report was approved by the Board of Trustees.



Mr J Sexton
Chairman

Dated: 18.9.21

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2020

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2020, which are set out on pages 8 to 26.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by section 386 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jenny McCabe FCA
Independent Examiner
Priory Close
St Mary's Gate
Lancaster
Lancashire
LA1 1XB

21 September 2021

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	Restricted funds	Total 2020	Total 2019
		£	£	£	£
Income from:					
Donations and legacies	3	437,903	55,888	493,791	266,890
Investments	4	124	-	124	384
Charitable activities	5	36,367	-	36,367	46,573
Total		474,394	55,888	530,282	313,847
Expenditure on:					
Raising funds	6	3,614	-	3,614	12,351
Charitable activities	7	434,741	44,548	479,289	481,196
Total		438,355	44,548	482,903	493,547
Net (expenditure)/income before transfers		36,039	11,340	47,379	(179,700)
Transfer between funds		-	-	-	-
Net movement in funds		36,039	11,340	47,379	(179,700)
Reconciliation of funds:					
Total funds brought forward		832,199	59,852	892,051	1,071,751
Total funds carried forward		868,238	71,192	939,430	892,051

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 12 to 26 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,122,831		1,131,771
Current assets					
Stock	13	1,500		1,500	
Debtors	14	18,104		15,630	
Cash at bank and in hand		83,995		45,396	
		103,599		62,526	
Creditors: amounts falling due within one year	15	(29,290)		(26,016)	
Net current assets			74,309		36,510
Total assets less current liabilities			1,197,140		1,168,281
Creditors: amounts falling due after more than one year	16	(257,710)		(276,230)	
Net assets			939,430		892,051
Funds:					
Restricted funds	19	71,192		59,852	
Unrestricted funds	20	868,238		832,199	
Total funds			939,430		892,051

For the financial year ended 31 December 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

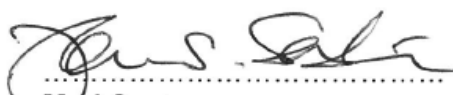
THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the trustees and authorised for issue on 18th September 2021 and are signed on their behalf by:


.....
Mr J Sexton
Chairman

Company Registration No. 04104341

The notes on pages 12 to 26 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash generated in operating activities	38,475	(186,684)
Cashflows from investing activities		
Investment income	124	384
Purchase of tangible fixed assets (including investments)	-	(5,301)
Loss on disposal of fixed assets	-	-
Cash provided by/(used in) investing activities	38,599	(191,601)
Increase/(Decrease) in cash and cash equivalents in the year	38,599	(191,601)
Cash and cash equivalents b/fwd	45,396	236,997
Cash and cash equivalents c/fwd	83,995	45,396
Reconciliation of net movement in funds to net cashflow from operating activities		
Net movement in funds	47,379	(179,700)
Investment income received	(124)	(384)
Depreciation and amortisation	8,940	11,682
(Increase)/Decrease in stock	-	3,500
(Increase)/Decrease in debtors	(2,474)	312
Increase/(Decrease) in creditors	(15,246)	(22,094)
Increase/(Decrease) in deferred income	-	-
Net cash generated in operating activities	38,475	(186,684)
Components of cash and cash equivalents		
Cash at bank and in hand	83,995	45,396
	83,995	45,396

The notes on pages 12 to 26 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Legal form

The British Thoroughbred Retraining Centre Limited is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS102. 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 (FRS102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees have at the time of approving the financial statements, a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Whilst restrictions remain in place within society to combat the Covid-19 pandemic, charities such as this one have an exemption from closing. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt to otherwise if the charity has been notified of an impending distribution, the amount is known and the receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

No income is shown net of expenditure.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

It is the opinion of the Trustees that all costs are attributable to the care of Thoroughbreds, and all direct and support costs are therefore allocated to this activity.

Fixed assets

All fixed assets are initially recorded at cost, and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Land and building	-	Land is not depreciated. 4% straight line on buildings
Property improvements	-	4% straight line
Plant and equipment	-	20% reducing balance

At each reporting date the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cash and cash equivalents

Cash balances represent cash in hand and deposits held at banks and building societies.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Fund accounting

Unrestricted funds

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activity.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of financial activity.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Taxation

HM Revenue & Customs considers The British Thoroughbred Retaining Centre to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

2 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Income from donations, legacies and grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations, legacies and grants				
Donations	117,580	50,000	167,580	123,375
Gift Aid	13,266	-	13,266	12,590
Legacies receivable	38,791	-	38,791	77,454
	169,637	50,000	219,637	213,419
Grants receivable for core activities				
Retraining of Racehorses (ROR)	40,000	-	40,000	24,500
Covid-19 Emergency Grant (RF)	208,181	-	208,181	-
Coronavirus Job Retention Scheme (CJRS)	17,085	-	17,085	-
Other grants receivable	-	5,888	5,888	28,500
Other income	3,000	-	3,000	471
	268,266	5,888	274,154	53,471
<i>Total 2019</i>	<i>241,390</i>	<i>25,500</i>	<i>266,890</i>	

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Bank interest receivable	124	-	124	384
	124	-	124	384
<i>Total 2019</i>	<i>384</i>	<i>-</i>	<i>384</i>	

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Fundraising	11,058	-	11,058	20,464
Sale of merchandise	1,310	-	1,310	1,699
Rent from land	6,300	-	6,300	6,300
Compensation and easements	537	-	537	535
Single farm payment	16,639	-	16,639	15,021
Other income	523	-	523	2,554
	36,367	-	36,367	46,573
<i>Total 2019</i>	<i>44,573</i>	<i>2,000</i>	<i>46,573</i>	

6 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Fundraising and marketing costs	3,614	-	3,614	12,351
	3,614	-	3,614	12,351
<i>Total 2019</i>	<i>12,123</i>	<i>228</i>	<i>12,351</i>	

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Expenditure on Charitable Activities

	Total 2020	Total 2019
	£	£
Care of thoroughbreds	143,452	150,017
Depreciation	8,940	11,682
Staff costs	165,086	163,958
	317,478	325,657
Support costs (note 8)	159,310	152,939
Governance costs (note 8)	2,500	2,600
	479,288	481,196
Analysis by fund		
Unrestricted funds	434,741	469,279
Restricted funds	44,548	11,917
	479,289	481,196

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	Total 2020	Total 2019
	£	£	£	£
Staff costs	101,557	-	101,557	95,519
Premises	10,794	-	10,794	10,958
Legal and professional	1,028	-	1,028	2,584
Finance costs	7,517	-	7,517	7,373
Office costs	6,434	-	6,434	6,683
Repairs	8,140	-	8,140	5,058
Insurance	9,861	-	9,861	8,678
Motor	11,659	-	11,659	13,511
Licences	1,344	-	1,344	1,684
Subscriptions	976	-	976	891
Accountancy	-	2,500	2,500	2,600
	159,310	2,500	161,810	155,539

Staff costs are gross of £17,085 CJRS income which was used to offset the staff costs.

9 Net income/expenditure

	2020	2019
Net income is stated after charging:	£	£
Staff pension contributions	4,093	4,438
Independent Examiner's fees	3,000	2,600
Depreciation of tangible assets - owned by the charity	8,940	11,682

10 Trustee's remuneration

None of the trustees (or any persons connected to them) received any remuneration or expenses from the charity during the year.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Staff costs and emoluments

Total staff costs were as follows:	2020 £	2019 £
Wages and salaries	251,701	243,284
Social security costs	10,850	11,755
Pension costs	4,093	4,438

	266,644	259,477
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	2020 No	2019 No
Administrative staff	2	2
Stable staff	15	15

	17	17
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The number of employees whose annual remuneration was £60,000 or more were:

	2020 No	2019 No
£60,000 - £69,999	1	1

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets

	Freehold Property £	Plant & equipment £	Totals £
Cost			
At 1 January 2020	1,444,886	94,810	1,539,696
Additions	-	-	-
Disposals	-	-	-
At 31 December 2020	1,444,886	94,810	1,539,696
At 1 January 2020	343,867	64,058	407,925
Charge for the year	1,590	7,350	8,940
Eliminated on disposal			
At 31 December 2020	345,457	71,408	416,865
Net book value			
At 31 December 2020	1,099,429	23,402	1,122,831
At 31 December 2019	1,101,019	30,752	1,131,771

13 Stock

	2020 £	2019 £
Finished goods	1,500	1,500
	1,500	1,500

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Debtors

	2020 £	2019 £
Trade debtors	160	282
VAT	13,788	6,035
Gift aid recoverable	2,156	8,891
Prepayments	2,000	422
	18,104	15,630

15 Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Bank loans	17	18,636	17,818
Other taxation and social security		3,973	3,996
Trade creditors		1,473	396
Other creditors		2,139	1,176
Accruals		3,069	2,630
		29,290	26,016

16 Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Bank loans	17	257,710	276,230
		257,710	276,230

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Bank loans

	2020 £	2019 £
Bank loans	276,346	294,048
Payable within one year	18,636	17,818
Payable after more than one year	257,710	276,230
Amounts included above which fall due after more than five years:		
Payable by instalments	180,292	202,556

The loans are secured by first legal charge over Whinney Hill Farm, Halton, Lancaster. Both bank loans are being repaid by monthly instalments and are due to mature on 1 April 2035. One loan is a variable rate loan with interest being charged at 1.5% over base and the second loan is a fixed rate loan with interest being charged at 1.45% over base rate.

18 Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £4,093 (2019: £4,438).

Pension commitments outstanding at the year end were £1,848 (2019: £889).

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Restricted funds: current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Horsewalker	3,173	-	(635)	-	2,538
Project Grant	2,627	-	(2,627)	-	-
Ride for Retraining	10,059	-	(2,189)	-	7,870
Racing Foundation Capital Grant	17,968	-	(4,492)	-	13,476
EPT Grant for Lunge Pen	20,000	-	(20,000)	-	-
Petplan Grant for Horse Trailer	4,253	-	(935)	-	3,318
Thompson family trust	-	50,000	(8,618)	-	41,382
Hedging grant	-	5,888	(4,764)	-	1,124
Jockey Club : Christmas card sponsorship	1,772	-	(288)	-	1,484
Restricted income funds	59,852	55,888	(44,548)	-	71,192

Restricted funds: prior year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Horsewalker	3,966	-	(793)	-	3,173
Project Grant	6,514	-	(3,887)	-	2,627
Ride for Retraining	10,059	-	-	-	10,059
Racing Foundation Capital Grant	23,958	-	(5,990)	-	17,968
EPT Grant for Lunge Pen	-	20,000	-	-	20,000
Petplan Grant for Horse Trailer	-	5,500	(1,247)	-	4,253
Jockey Club : Christmas card sponsorship	-	2,000	(228)	-	1,772
Restricted income funds	44,497	27,500	(12,145)	-	59,852

The Horsewalker fund will decrease in line with the future depreciation of a horsewalker included within plant and machinery which was originally purchased with restricted funds.

The project grant was a donation of £50,000 received from the Peter O'Sullivan Trust for the purposes of the development of the barns. Monies have been spent carrying out a feasibility study and initial planning fees.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Restricted funds: current year (continued)

Ride for Retraining is a project established by the charity with the aim of raising funds towards the plans to double the size of the centre from 40 to 80 boxes.

The capital grant from The Racing Foundation was for the purchase of a new horse lorry included in plant and equipment. The fund will decrease in line with depreciation charged on the asset.

The EPT grant was received for the purchase of a lunge pen which was purchased during the year.

The Petplan grant was in respect of a horsebox trailer. This fund will decrease in line with the depreciation charged on the asset.

£2,000 was received in the previous year from The Jockey Club in respect of sponsoring the Charity's Christmas Cards. It has been agreed with The Jockey Club that outstanding monies can be utilised against future years Christmas cards.

£50,000 was received from the Thomspson family trust to be used towards the masterplan for The British Thoroughbred Retraining Centre.

The Hedging grant was for the purchase of hedging, some of which has been purchased during the year.

20 Unrestricted funds: current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
General Funds	832,199	474,394	(438,355)	-	868,238
Unrestricted funds	832,199	474,394	(438,355)	-	868,238

Unrestricted funds: prior year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
General Funds	1,027,254	286,347	(481,402)	-	832,199
Unrestricted funds	1,027,254	286,347	(481,402)	-	832,199

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds: current year

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Funds	19,332	51,860	-	71,192
General Funds	1,103,499	22,370	(257,631)	868,238
Total funds	1,122,831	74,230	(257,631)	939,430

Analysis of net assets between funds: prior year

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds	25,394	34,458	-	59,852
General Funds	1,106,377	2,052	(276,230)	832,199
Total funds	1,131,771	36,510	(276,230)	892,051

22 Operating leases - lessee

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows;

	2020 £	2019 £
Amounts payable:		
Within 1 year	480	2,659
Between 1 and 5 years	4,198	720
	4,678	3,379

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Related party transactions

Remuneration of Key management personnel

The remuneration of key management personnel is as follows:

	2020 £	2019 £
Aggregate compensation	92,669	70,323
	92,669	70,323

No further disclosable related party transactions occurred during the current or prior period.

24 Company limited by guarantee

The company is limited by guarantee. In the event of the company being wound up each member will be required to contribute an amount not exceeding £10.