

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 2021**

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 2021

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 2021

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2021. 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 care for 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 2021

Objectives and activities

The Charity's objectives are:

- to rehabilitate and retrain all Thoroughbreds that are bred for racing
- to protect and care for Vulnerable Thoroughbreds via the BTRC's Vulnerable Horse Programme
- to re-home Thoroughbreds who have been bred for racing to appropriate loaners
- to educate the racing industry and the public to ensure consideration is given to racehorses after their careers are over
- to advocate for the Thoroughbred and the need for aftercare 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 of Thoroughbred welfare and aftercare
- 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, retraining and re-homing of retired racehorses by:

- providing a 24/7 helpline to Thoroughbred owners
- caring for Thoroughbreds found to be in a vulnerable state via the BTRC's Vulnerable Horse Programme.
- providing a retraining and rehabilitation programme for retired racehorses straight off-track
- providing a robust assessment process and to monitor the progression of Thoroughbreds through their individual rehabilitation and retraining programme
- safeguarding the Thoroughbred's future by having a planned programme to identify suitable individuals to care for these horses via the BTRC loan programme. These loaners will ensure the horse has a secure and suitable environment in which the animal can thrive
- providing an extensive work placement programme to UK & International veterinary and equine students
- using new and innovative ways of rehabilitating and retraining thoroughbreds and passing on this information to other agencies and organisations as examples of best practice
- recruiting and training staff of the highest calibre and rewarding them accordingly
- providing community engagement project to highlight the Thoroughbred and the work that is being completed in aftercare.

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

- holding open days, yard visits and coffee mornings to allow the general public to visit the Centre
- utilising a variety of social media channels to connect with supporters and publish regular updates about the work of the charity
- collaborating with organisations both within the racing and equestrian industries
- attending racecourses and other events to promote aftercare
- ensuring the BTRC website remains up to date with information on all aspects of the charity's work
- producing a quarterly newsletter which is widely distributed via email
- ensuring local and national press and media outlets receive information about the work of the charity
- supporting and working with race owners and trainers to ensure they are aware of BTRC's service when retiring their thoroughbreds
- welcoming national & international students and visitors through the charity's work placement programme
- holding clinics and other training opportunities for thoroughbred owners.

As well as the main task of retraining and re-homing retired racehorses, a significant amount of time is spent giving advice and guidance to Thoroughbred 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 BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Key Performance Indicators

Rehabilitation and Retraining of Thoroughbreds

The main key performance indicator for the Charity is the number of horses that complete the BTRC rehabilitation and retraining programme and are either successfully rehomed or put to sleep at the centre on equine welfare grounds.

During 2021, the Charity cared for 62 Thoroughbreds at the Centre and continued to provide support and annual field visits for 115 horses on permanent loan around the United Kingdom.

The year started with 33 horses at the Centre and a further 29 new horses entered throughout the course of the year, and 1 horse that had previously been on loan was returned.

Of the new horses entering the Centre, 4 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 24 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 at risk, as they were unsuitable to sell in their current state. Furthermore, a significant number of these horses had reported clinical or behavioural issues, some resulting in injury to their owners. BTRC provides a safety net for these horses that would otherwise have had no other option other than to be destroyed.

All horses entering BTRC received a thorough veterinary assessment before embarking on a rehabilitation and retraining programme, as well as undergoing regular monthly monitoring (documented by veterinary reports and videos) to evaluate the progress of the horse and determine suitability for future sustainable equestrian use in order to be approved to join BTRC's rehoming programme.

During the year 31 horses completed the BTRC programme and 19 were successfully rehomed through the BTRC loaning programme and 12 horses were sadly required to be put to sleep at the Centre on welfare grounds.

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 2021 were severely restricted because of the COVID-19 pandemic, exacerbating the serious funding shortfall from 2020 for the same reason. Although the Racing Foundation continued to support the Charity this tailed off and so the Trustees were obliged to approach the RoR for emergency support. The RoR offered a £50,000 loan repayable in 12 months, on condition that the Charity sign the contract which had caused a rift between the two organisations. Reluctantly, the contract was signed. A £100,000 loan was also offered by the Racing Foundation which was taken out during the year repayable in 12 months.

In signing the contract, this should mean that the Charity will receive financial support from RoR for vulnerable horses in 2022.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Development Plans

Given the financial situation, the Charity is looking at various ways to diversify and bring in extra income with the Masterplan front and centre. With planning permission for three barns to be converted for educational and accommodation purposes as well as planning permission for a new outdoor arena incorporating a wide range of exercising facilities and for a second stable block of 40 boxes everything is in place. Work has commenced to protect the planning permission.

Funding is being sought for the Masterplan. Currently, £570,000 towards the total cost has been pledged to the Centre. An approach by the Racing Foundation to purchase Whinney Hill for the racing industry and create a Centre of Excellence was well received by the Trustees as being in line with their own ambitions for the Charity, but unfortunately the Racing Foundation did not follow up on the plan after discussing it at Board level.

Events in 2021

Due to COVID -19 restrictions the Charity was unable to host or attend any events at the Centre until later in the year. However, the Charity did push on when able and held an Open Day as well as three coffee mornings. We also attended our charity day at Cartmel, albeit with a restricted attendance because of Covid-19, the RoR National Championships and the ARVS Casualty Management Seminar at Aintree in October when we took five horses to assist over 100 vets with their training.

Financial review

At the period end, the total reserves of the Charity were £787,509 of this the unrestricted reserves were £744,681. Capital assets owned had a net book value of £1,129,212, and the associated finance amounted to £257,904.

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, there were no free reserves which falls short of the target figure and therefore shall be monitored closely in 2022.

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.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities (continued)

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

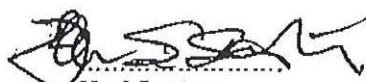
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 re-appointed as independent examiners to the charitable company 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: 28/9/22

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 2021

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2021, which are set out on pages 8 to 27.

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

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies

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

28 September 2022

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Total 2021	Total 2020
		£	£	£	£
Income from:					
Donations, legacies and grants	3	303,607	16,294	319,901	493,791
Investments	4	88	-	88	124
Charitable activities	5	47,211	-	47,211	36,367
Total		350,906	16,294	367,200	530,282
Expenditure on:					
Raising funds	6	6,397	-	6,397	3,614
Charitable activities	7	480,515	32,209	512,724	479,289
Total		486,912	32,209	519,121	482,903
Net (expenditure)/income before transfers		(136,006)	(15,915)	(151,921)	47,379
Transfer between funds		12,449	(12,449)	-	-
Net movement in funds		(123,557)	(28,364)	(151,921)	47,379
Reconciliation of funds:					
Total funds brought forward		868,238	71,192	939,430	892,051
Total funds carried forward		744,681	42,828	787,509	939,430

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 27 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021	2020
		£	£
Fixed assets			
Tangible assets	12	1,129,212	1,122,831
Current assets			
Stock	13	1,500	1,500
Debtors	14	7,520	18,104
Cash at bank and in hand		68,819	83,995
		<u>77,839</u>	<u>103,599</u>
Creditors: amounts falling due within one year	15	(180,080)	(29,290)
		<u>(102,241)</u>	<u>74,309</u>
Net current assets			
		<u>(102,241)</u>	<u>74,309</u>
Total assets less current liabilities		<u>1,026,971</u>	<u>1,197,140</u>
Creditors: amounts falling due after more than one year	16	(239,462)	(257,710)
		<u>(239,462)</u>	<u>(257,710)</u>
Net assets		<u>787,509</u>	<u>939,430</u>
Funds:			
Restricted funds	19	42,828	71,192
Unrestricted funds	20	744,681	868,238
		<u>787,509</u>	<u>939,430</u>
Total funds		<u>787,509</u>	<u>939,430</u>

For the financial year ended 31 December 2021, 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.

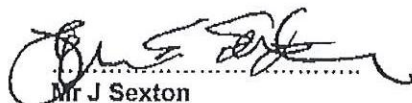
THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

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 28/9/22.....
and are signed on their behalf by:


.....
Mr J Sexton
Chairman

Company Registration No. 04104341

The notes on pages 12 to 27 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash generated in operating activities	(1,938)	38,475
Cashflows from investing activities		
Investment income	88	124
Purchase of tangible fixed assets	(13,326)	-
Cash provided by/(used in) investing activities	(15,176)	38,599
Increase/(Decrease) in cash and cash equivalents in the year	(15,176)	38,599
Cash and cash equivalents brought forward	83,995	45,396
Cash and cash equivalents carried forward	68,819	83,995
Reconciliation of net movement in funds to net cashflow from operating activities		
Net movement in funds	(151,921)	47,379
Investment income received	(88)	(124)
Depreciation and amortisation	6,945	8,940
(Increase)/Decrease in debtors	10,584	(2,474)
Increase/(Decrease) in creditors	132,542	(15,246)
Net cash generated in operating activities	(1,938)	38,475
Components of cash and cash equivalents		
Cash at bank and in hand	68,819	83,995
	68,819	83,995

The notes on pages 12 to 27 form part of these financial statements.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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 and the trustees report 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

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operating existence for the foreseeable future. Thus the Trustees 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 2021

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	-	Not depreciated/4% straight line on buildings
Property improvements	-	Not depreciated/4% straight line on buildings
Plant and equipment	-	20% reducing balance
Motor vehicles	-	25% 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 2021

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 2021

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

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

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 2021

3 Income from donations, legacies and grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations, legacies and grants				
Donations	142,390	1,549	143,939	167,580
Gift Aid	18,761	-	18,761	13,266
Legacies receivable	25,200	-	25,200	38,791
	186,351	1,549	187,900	219,637
Grants receivable for core activities				
Retraining of Racehorses (ROR)	-	14,745	14,745	40,000
Covid-19 Emergency Grant (RF)	105,000	-	105,000	208,181
Coronavirus Job Retention Scheme (CJRS)	12,256	-	12,256	17,085
Other grants receivable	-	-	-	5,888
Other income	-	-	-	3,000
	303,607	16,294	319,901	493,791
<i>Total 2020</i>	<i>437,903</i>	<i>55,888</i>	<i>493,791</i>	

The Retraining of Racehorses (RoR) grant of £14,745 was for the erection of temporary stables.

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bank interest receivable	88	-	88	124
	88	-	88	124
<i>Total 2020</i>	<i>124</i>	<i>-</i>	<i>124</i>	

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fundraising	20,028	-	20,028	11,058
Sale of merchandise	2,125	-	2,125	1,310
Rent from land	6,300	-	6,300	6,300
Compensation and easements	538	-	538	537
Single farm payment	15,939	-	15,939	16,639
Other income	2,281	-	2,281	523
	47,211	-	47,211	36,367
<i>Total 2020</i>	<i>36,367</i>	<i>-</i>	<i>36,367</i>	

6 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fundraising and marketing costs	6,397	-	6,397	3,614
	6,397	-	6,397	3,614
<i>Total 2020</i>	<i>3,614</i>	<i>-</i>	<i>3,614</i>	

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Expenditure on Charitable Activities

	Total 2021	Total 2020
	£	£
Care of Thoroughbreds	161,002	143,452
Depreciation	6,945	8,940
Staff costs	179,118	165,086
	347,065	317,478
Support costs (note 8)	163,159	159,310
Governance costs (note 8)	2,500	2,500
	512,724	479,288
Analysis by fund		
Unrestricted funds	480,515	434,740
Restricted funds	32,209	44,548
	512,724	479,288

'Care of Thoroughbreds' relates to all direct costs for the care and management of thoroughbreds including but not limited to; veterinary, farriery, feeding and bedding etc.

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Support costs

	Support costs	Governance costs	Total 2021	Total 2020
	£	£	£	£
Staff costs	102,058	-	102,058	101,558
Premises	11,224	-	11,224	10,794
Legal and professional	1,578	-	1,578	1,028
Finance costs	5,424	-	5,424	7,517
Office costs	8,427	-	8,427	6,434
Repairs	8,092	-	8,092	8,140
Insurance	10,563	-	10,563	9,861
Motor	13,028	-	13,028	11,659
Licences	2,163	-	2,163	1,344
Subscriptions	602	-	602	976
Accountancy	-	2,500	2,500	2,500
	163,159	2,500	165,659	161,811

Staff costs are gross of £12,256 (2020: £17,085) CJRS income used to offset these costs.

9 Net income/expenditure

	2021	2020
	£	£
Net income is stated after charging:		
Staff pension contributions	4,501	4,093
Independent Examiner's fees	2,500	3,000
Depreciation of tangible assets - owned by the charity	6,945	8,940

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 2021

11 Staff costs and emoluments

Total staff costs were as follows:	2021 £	2020 £
Wages and salaries	264,633	251,701
Social security costs	12,042	10,850
Pension costs	4,501	4,093

	281,176	266,644
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	2021 No	2020 No
Administrative staff	2	2
Stable staff	16	15

	18	17
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The number of employees whose annual remuneration was £60,000 or more were:

	2021 No	2020 No
£60,000 - £69,999	1	1

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets

	Freehold Property £	Plant & equipment £	Totals £
Cost			
At 1 January 2021	1,444,886	94,810	1,539,696
Additions	13,326	-	13,326
Disposals	-	-	-
At 31 December 2021	1,458,212	94,810	1,553,022
Net book value			
At 1 January 2021	345,457	71,408	416,865
Charge for the year	1,274	5,671	6,945
Eliminated on disposal	-	-	-
At 31 December 2021	346,731	77,079	423,810
At 31 December 2021	1,111,481	17,731	1,129,212
At 31 December 2020	1,099,429	23,402	1,122,831

13 Stock

	2021 £	2020 £
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 2021

14 Debtors

	2021 £	2020 £
Trade debtors	808	160
VAT	2,726	13,788
Gift aid recoverable	3,695	2,156
Prepayments	-	2,000
Other debtors	291	-
	7,520	18,104

15 Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Bank loans	17	18,442	18,636
Other taxation and social security		3,985	3,973
Trade creditors		3,135	1,473
Other creditors		976	2,139
RoR loan		50,000	-
Racing Foundation loan		100,000	-
Accruals		3,542	3,069
		180,080	29,290

16 Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Bank loans	17	239,462	257,710
		239,462	257,710

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

17 Bank loans

	2021 £	2020 £
Bank loans	257,904	276,346
Payable within one year	18,442	18,636
Payable after more than one year	239,462	257,710
Amounts included above which fall due after more than five years:		
Payable by instalments	160,909	180,292

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 £4,501 (2020: £4,093).

Pension commitments outstanding at the year end were £914 (2020: £1,848).

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds: current year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Horsewalker	2,538	-	-	(508)	2,030
Project Grant	-	-	-	-	-
Ride for Retraining	7,870	-	-	(7,870)	-
Racing Foundation Capital Grant	13,476	-	-	(3,369)	10,107
EPT Grant for Lunge Pen	-	-	-	-	-
Petplan Grant for Horse Trailer	3,318	-	-	(702)	2,616
Thompson family trust	41,382	-	(16,841)	-	24,541
Hedging grant	1,124	-	-	-	1,124
Jockey Club : Christmas card sponsorship	1,484	-	(490)	-	994
Retraining of Racehorses	-	14,745	(14,745)	-	-
Over reach boots appeal	-	307	(133)	-	174
D Canning memorial fund	-	1,142	-	-	1,142
Iain Milne	-	100	-	-	100
Restricted income funds	71,192	16,294	(32,209)	(12,449)	42,828

Restricted funds: prior 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

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds: current year (continued)

The Horsecwalker fund will decrease in line with the future depreciation of a horsecwalker 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.

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 in the previous year from the Thompson Family Charitable Trust to be used towards the masterplan development. The £16,841 spent in the current year was to ensure the planning permission became extant.

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

The Retraining of Racehorses grant received was for the building of a new stable block.

The D Canning memorial fund is to be spent on a memorial at the retraining centre.

The over reach boots appeal is to be spent on over reach boots only.

20 Unrestricted funds: current year

	At 1 January 2021 £	Income	Expenditure	Transfers	At 31 December 2021 £
General Funds	868,238	350,906	(486,912)	12,449	744,681
Unrestricted funds	868,238	350,906	(486,912)	12,449	744,681

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Unrestricted funds: prior year (continued)

	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

21 Analysis of net assets between funds: current year

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Funds	15,261	27,567	-	42,828
General Funds	1,113,951	(29,808)	(339,462)	744,681
Total funds	1,129,212	(2,241)	(339,462)	787,509

Analysis of net assets between funds: prior year

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds	19,332	51,860	-	71,192
General Funds	1,103,499	22,449	(257,710)	868,238
Total funds	1,122,831	74,309	(257,710)	939,430

THE BRITISH THOROUGHBRED RETRAINING CENTRE LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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;

	2021 £	2020 £
Amounts payable:		
Within 1 year	4,372	480
Between 1 and 5 years	-	4,198
	<hr/>	<hr/>
	4,372	4,678
	<hr/>	<hr/>

23 Related party transactions

Remuneration of Key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation	96,948	92,669
	<hr/>	<hr/>
	96,948	92,669
	<hr/>	<hr/>

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.