



# **RACING HOMES**

**Report and Financial Statements**

**31 December 2024**

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Registered charity number: 1122961  
Company registration number: 06489067

# Contents

- 1 - Officers and professional advisors
- 2 - Chair's statement
- 3 - Trustees' report
- 24 - Independent auditor's report
- 28 - Statement of financial activities
- 29 - Statement of financial position
- 30 - Statement of cashflow
- 31 - Notes to the financial statements



A black and white photograph showing the lower legs and hooves of several horses standing in a grassy field. The horses are standing close together, and their legs are the primary focus of the image.

# LEGAL AND ADMINISTRATIVE DETAILS

## TRUSTEES AND DIRECTORS

Simon Hope (Chair)

Nicholas Bannister (appointed 26 June 2024)

Sir William Barlow

Craig Gasper

Patrick Russell

Simon Stockley

## EXECUTIVE

Dawn Goodfellow - Chief Executive

Wendy Botterill - Director of Housing

## REGISTERED OFFICE

Robin McAlpine House

20B Park Lane

Newmarket

Suffolk

CB8 8QD

## SOLICITORS

Taylor Vinters

Merlin Place

Milton Road

Cambridge

CB4 0DP

## AUDITORS

Price Bailey LLP

Tennyson House

Cambridge Business Park

Cambridge

CB4 0WZ

## BANKERS

Barclays Bank Plc

58 High Street

Newmarket

Suffolk

CB8 8NM

# CHAIR'S STATEMENT

Our Chair, Simon Hope, reflects on 2024

It is my pleasure to present the Chair's Report for the financial statements of Racing Homes once again. This year has been one of both challenge and opportunity as we navigate an increasingly complex operating environment while remaining committed to our mission of providing high-quality, affordable housing for those in need.

The past 18 months has been shaped by a number of external challenges, particularly rising inflation, which has had a significant impact on our operating costs. Increased costs for materials, labour, and utilities have placed pressure on our financial resources, requiring careful management to ensure that we continue to provide safe and sustainable housing.

Additionally, we have made a substantial investment in our existing housing stock, part of a multi-year property maintenance plan requiring some £400k annually. This investment has been essential to maintain and improve the quality of our properties, ensuring they remain fit for purpose and meet the evolving needs of the racing industry.

At the same time, we recognise the importance of protecting our most vulnerable tenants from the impact of rent increases. As financial pressures grow, we remain committed to ensuring that our rental policies balance financial sustainability with the need to provide secure, affordable housing for those most at risk. This will continue to be a key consideration in our strategic planning moving forward.

We continue to consider our growth opportunities which include finding a partner to develop our potential site in Middleham, Yorkshire. Our goal is to provide high-quality housing for young people and retired individuals, addressing critical gaps in the housing market whilst providing much needed community facilities.

I would like to extend my sincere gratitude to our Board of Trustees, staff, volunteers, and other stakeholders for their unwavering dedication and hard work. Your efforts have been instrumental in navigating the challenges of the past year and positioning our charity for future success.

I have now served the maximum term of six years as Chair and as I prepare to step down from my role in June, whilst looking forward to serving my final term on the committee, I want to express my appreciation for the privilege of serving Racing Homes. It has been an honour to work alongside such a dedicated team, and I am confident that the Charity will continue to thrive under Patrick Goulding's leadership.



Simon Hope, Chair





# TRUSTEES' REPORT

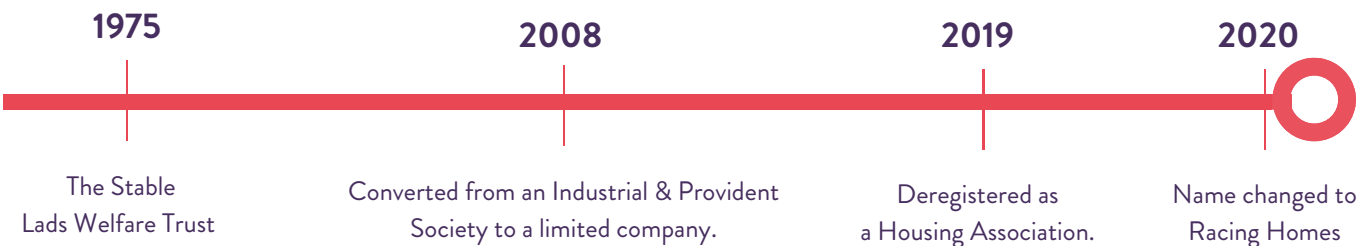
## Objectives and Activities

The Trustees present their annual report and the audited financial statements of the charity for the year ended 31 December 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

### OBJECTIVES AND ACTIVITIES

#### WHO WE ARE

Racing Homes is the wholly owned subsidiary of Racing Welfare and the two charities work very closely together, both operationally and via their aligned charitable objectives. Racing Homes shares senior management resource and some of its trustees with Racing Welfare. Operationally it has its own fantastic team of employees.



#### WHAT WE DO

The principal activity of the charity is the provision of housing to those in necessitous circumstances. Racing Homes' objects, as described formally in its governing document, are to provide affordable housing and associated amenities to those people that need it. In particular, the charity has a focus on providing specially designed or adapted living facilities for those retired beneficiaries who require them due to disability.

Racing Homes manage a housing stock of 165 units (2023: 165) of accommodation. Six of these units are owned by Racing Welfare (as a result of a merge with Epsom Racing Staff Welfare in 2023) and 13 by Racing Homes' subsidiary charity, The Rous Charity. In addition, Racing Homes has nomination rights to schemes of retirement properties across Newmarket and Kingsclere.

The whole portfolio is broken down into schemes. Each scheme houses either retired beneficiaries, young people or working staff. In more recent years the Trustees, in reviewing which group of the racing community had the greatest need for access to affordable housing, decided to transition away from housing working staff and focus on young and retired.

# TRUSTEES' REPORT

## Objectives and Activities continued

Today, the majority of the portfolio provides housing for these two beneficiary groups:

### **Young People – 23% of the portfolio**

This decision was made due to the difficulty faced by young people who work in horseracing in accessing affordable, safe accommodation. Horseracing employs a relatively high proportion of young people. For many, this can mean the first time they are living away from home. For our young person's accommodation we deem and accept applications for housing from persons aged 18 – 24 years.

We are fortunate to have a dedicated Young Person Support Officer to provide support to our young tenants, many of whom are living away from home for the first time.

Research has shown that a relatively high attrition rate from the industry, by people in this group, can often be attributed to the experiences encountered outside of their employment. Providing schemes of accommodation where young people can be supported in their transition to independent living, has been shown to improve retention and well-being. In 2022 the charity took the reluctant decision to cease housing under 18's. The provision of safe and good quality housing for this age group remains essential. However, Racing Homes is unable to provide the level of care and support within its existing resource to meet the expectations and safeguarding needs for those deemed as children. This policy change was communicated to trainers, British Horseracing Authority (BHA), British Racing School (BRS) and National Horseracing College (NHC).

### **Older People – 70% of the portfolio**

The competition for social housing is fierce, particularly in many of those areas densely populated by horseracing businesses. Racing Homes commissioned a housing needs survey in 2015 which established that, due to the location of the racing centres, there is a lack of availability of suitable housing and in all cases, house prices are very high. Our older person schemes provide independent living to those over 55 years of age.



# TRUSTEES' REPORT

## Objectives and Activities continued

### Working Staff – 7% of the portfolio

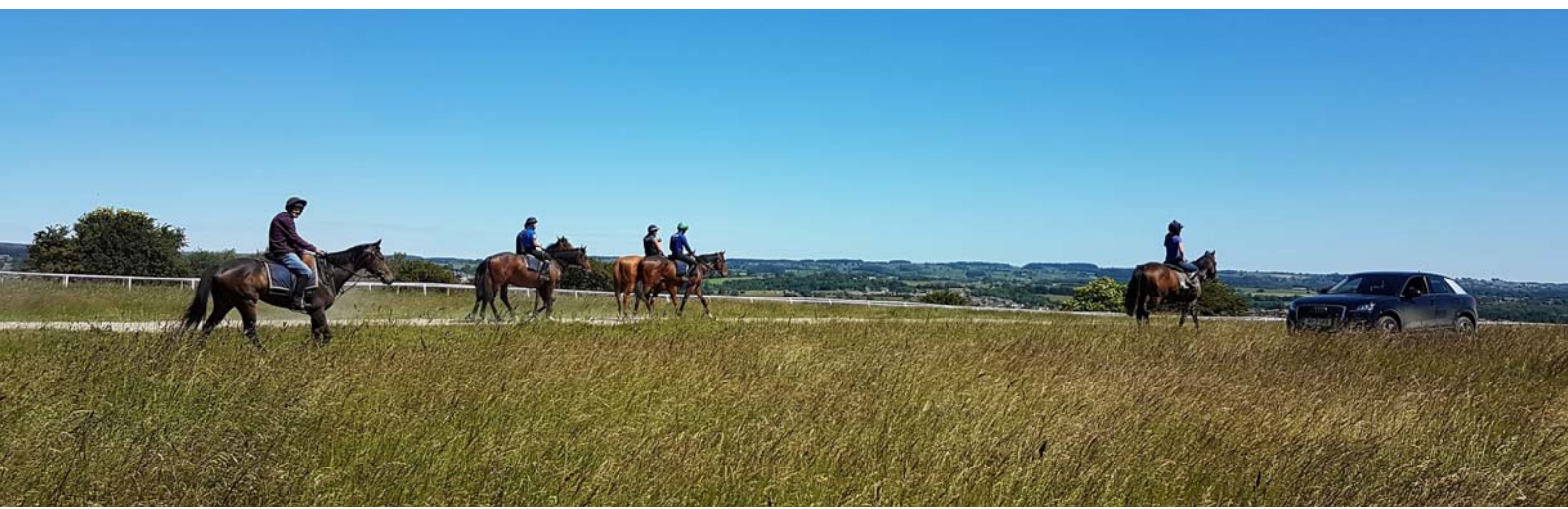
This percentage has decreased over the last five years and now only two schemes still remain dedicated to working staff. While we have focussed our housing stock on young people and our retired community, we continue to assess the demand of working staff accommodation in all racing centres.

In 2023 Racing Welfare merged with Epsom Racing Staff Welfare, a charity with similar objects, based solely in the racing hub of Epsom. The charity owned two three-bedroom houses and these properties now sit within Racing Welfare. They will continue to be managed by the Racing Homes team.

A number of our properties have disabled living adaptations and the Racing Homes team work closely with welfare officers from Racing Welfare to ensure that tenants' needs are monitored, and any special adaptations or equipment is installed. Our tenant needs can change, so we also facilitate transfers between properties, allowing our tenants to remain independent and stay in their homes for as long as possible.

Affordability is a key part of the charity's objects and the trustees have bench-marked and consulted with both the housing and welfare teams at Racing Welfare, in order to set rent levels. Many of our tenants receive statutory benefits which subsidise or fulfil rental values up to Local Housing Allowances. For young people, Local Housing Allowance rates have been evaluated by the welfare team as affordable for those on standard age-related wage rates in the industry. As such the trustees agreed to transition to Local Housing Allowance rent rates over a 10 year period from 2019. Existing tenants rent have therefore been gradually increasing and immediate increases are applied on new tenancies, which are subject to affordability testing prior to sign up. Whilst affordability of our rents is always at the forefront of our minds so is ensuring we have sufficient income to maintain our homes providing good quality and safe homes.

The Trustees continue to look at expanding the property portfolio in those areas with the greatest need. Quality, affordable housing for all of racing's workforce, which is estimated at up to 20,000 people, is not something that can realistically be achieved by a portfolio and charity of this size. However, the Charity continues to seek opportunities to grow and support the racing industry so that all racing's workforce have access to quality, safe and affordable housing. This can only be achieved by working closely with key stakeholders in the industry and local communities.



# TRUSTEES' REPORT

## Objectives and Activities continued

### WHERE WE DO IT

Whilst there is a concentration of racing industry staff in the main horseracing training centres shown on the map, racing businesses and their employees can be found throughout the UK. The collaboration with Racing Welfare, who geographically cover the entire country, enables Racing Homes to support and advise the workforce on general housing issues, regardless of whether they are a current tenant.

The Trustees referred to the guidance contained on the Charity Commission's general guidance on the public benefit requirement under the Charities Act 2011 when reviewing its aims and objectives and in planning future activities. In particular, they have considered how planned activities will contribute to the aims and objectives of the charity and remain confident that they continue to satisfy the statutory requirements - albeit that the charity limits the services it provides to those working in, the horseracing and thoroughbred breeding industry.





# TRUSTEES' REPORT

## Achievements and Performance

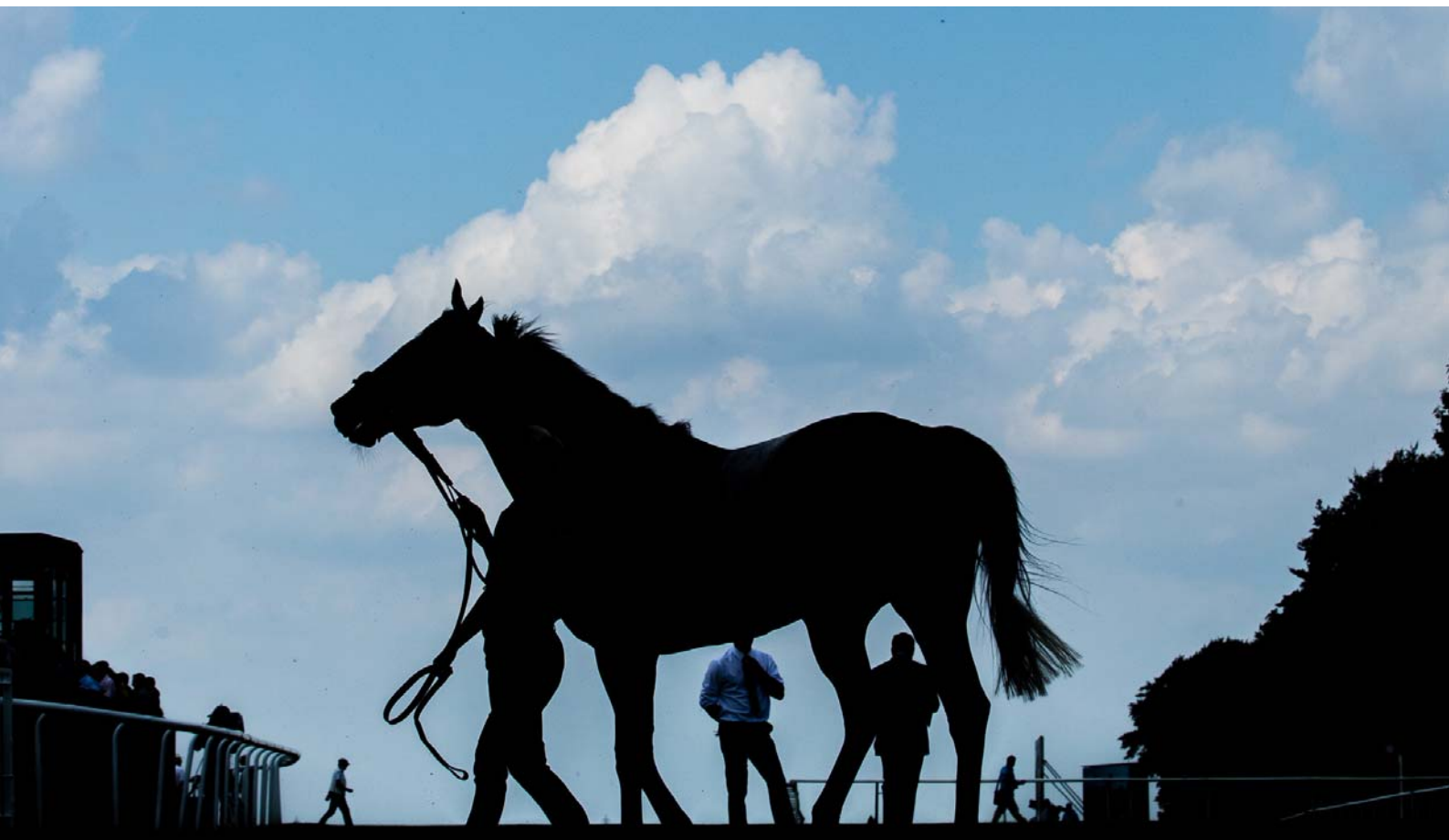
### ACHIEVEMENTS AND PERFORMANCE

#### WHAT WE HAVE ACHIEVED

In 2024 the 165 (2023: 165) units in the portfolio housed 191 (2023: 173) tenants. There were 41 (2023: 55) new lets in the year. One unit of accommodation was fully refurbished (2023: 4).

Whilst we continue with a refurbishment programme when our homes are relet, full elemental upgrades such as kitchen, bathroom and heating systems have been carried out only where the condition is beyond economic repair, or it has reached the end of its lifecycle. This is so available funds can be fairly distributed to the maintenance and upgrade of our homes, including those already tenanted in alignment with our asset investment strategy and planned work programs. When we let our homes these are let to a good standard which includes all appropriate repairs, maintenance and partial elemental replacements where needed.

During 2020 the Racing Homes board engaged with Savills to produce a growth strategy. This important piece of work was made possible by a generous grant from the Racing Foundation. The strategy enabled the board to consider all the possible funding options for growth which has enabled them to set a realistic path for the next 10 years of portfolio expansion. The results confirmed that the charity has the capacity to carry out two medium scale projects (up to 40 units) every ten years, given its capacity for fundraising and subject to receiving a mix of donations, larger grants and some debt financing. We therefore continue to be reliant on our loyal base of supporters to successfully deliver more houses for racing's current and retired workforce. An update of the two projects outline in our last trustees report is provided on the next page.



# TRUSTEES' REPORT

## Achievements and Performance continued

### WHAT WE HAVE ACHIEVED (continued)

#### Middleham

We are continuing to explore options to increase housing provision in Middleham. Previously, we owned Hill House, a Grade II listed property located in the heart of the town. In 2018, Racing Welfare purchased the property with plans to develop a multi-purpose facility for the community. However, in August 2024, we made the decision to sell the property in order to pursue a more suitable opportunity for our housing plans, also within the town centre. In February 2024, we completed the purchase of a new plot of land on Park Lane and have already begun the process of applying for planning permission. Alongside the land is a community facility, Middleham Key Centre, run by the Middleham Town Council. We are working closely with them, and the local community, on plans to maximise the impact of the new development, including increasing use of that facility. In 2024, we successfully established the Middleham Committee, comprising key local stakeholders. While their initial focus has been on the future of the Key Centre, the committee will also play a vital role in assessing the needs of the racing industry in relation to proposed developments as these plans progress. Additionally, it will serve as a conduit for engaging with the local community, helping to strengthen collaboration and ensure new developments align with local needs.

#### Lambourn

Racing Homes continues to consider development opportunities in areas with the greatest housing need. Research identified that Lambourn has a significant shortage of racing staff accommodation, and this is a limiting factor for the success of training businesses in the area.

Racing Homes previously acquired an agreement to purchase a property with a parcel of land in the centre of the village, conditional on achieving planning. Following a very challenging and long planning process which was further impacted by the rules imposed in relation to nutrient neutrality, a significant rise in build costs and the associated impact on land prices, Racing Homes trustees made the decision the proposed plans were no longer viable for the charity. We remain committed to expanding our portfolio in Lambourn and Racing Welfare continues to support the wellbeing of the industry through its broad range of services.



# TRUSTEES' REPORT

## Achievements and Performance continued

### WHAT WE HAVE ACHIEVED (continued)

#### Louanna's Story

Caring for Newmarket's racehorses on behalf of some of the industry's most prestigious trainers is all in a day's work for apprentice farrier Louanna Lean. While learning her trade and embracing the opportunities her profession provides, Louanna has received valuable support from Racing Welfare as she establishes herself in the industry.

Louanna has been honing her skills at various yards across the Newmarket area while also attending college in Warwickshire. "I'm really enjoying my apprenticeship, but it has been challenging trying to make it as a young woman in a profession traditionally dominated by men", she said.

Housing has been one of Louanna's biggest challenges, and that's where Racing Homes has stepped in. The charity provided her with safe, high-quality accommodation at MacDonald Buchanan House in Newmarket, offered at affordable rates. The recently renovated scheme consists of 18 fully furnished flats designed for 18 to 24-year-olds starting their careers in the horseracing industry. Residents also benefit from dedicated support for our young people, funded by Racing Welfare.

"I've lived at MacDonald Buchanan House since February 2024, and I can't fault it", Louanna said. "It's great to have my own space. Before moving here, I was renting rooms from private landlords, which meant limited personal space and frequent moves when properties were sold. "It was difficult to settle and make friends, but living at MacDonald Buchanan House has helped me in so many ways. It's given me the confidence to live independently, learn to cook, and take better care of myself. Rachel, the Racing [Homes] Young Person Project Officer, has been incredibly helpful whenever I've needed assistance. The weekly room checks keep me accountable for cleanliness, and if anything needs fixing, she takes care of it right away. Overall, I can't recommend this place enough."

Originally from Kent, Louanna acknowledges the peace of mind her living arrangements provide to her family. "Being away from home and learning to live independently is tough, but knowing that I'm looked after really helps my mum."

Rachel Carson, Young Person Project Officer, said: finding stable, affordable housing—especially in the private rental sector—can be incredibly difficult. MacDonald Buchanan House offers a great stepping stone for young people who need a secure place to live while working in the industry. We encourage any young people or their employers to get in touch to see how we can help."



# TRUSTEES' REPORT

## Achievements and Performance continued

### WHAT WE HAVE ACHIEVED (continued)

In 2023, we conducted a customer survey to collect feedback from our tenants. We continue to embrace the latest Tenant Satisfaction Measures (TSMs) outlined by the Regulator of Social Housing. These measures are derived from the pledges outlined in The Charter for Social Housing Residents: Social Housing White Paper. Although we are not obligated as a charitable housing provider to adopt these measures, we believe it is important to align ourselves as closely as practical with the standards set in the social housing sector given our common social purpose to provide good quality and safe homes.

We received favourable feedback across several aspects of our service. For instance, 97% of our tenants expressed satisfaction with the services provided by Racing Homes and 94% indicated satisfaction that their homes are well maintained. Notably, there was unanimous contentment among our tenants regarding their sense of safety when thinking of the condition of the property or building. Additionally, 97% felt that Racing Homes positively contribute to their neighbourhood. We were delighted to note that our tenants feel well informed about matters important to them, with 94% finding us easy to deal with. Moreover, we received over 90% satisfaction with our repair, internal and external services such as cleaning and grounds maintenance.

Acting on the feedback received we expanded our tenant engagement opportunities in 2024 with warm hubs in each communal areas of our Newmarket properties. Providing a warm space for residents to meet and join in activities supported by a fantastic community volunteer. We continue to offer our tenants the opportunity to engage with us through an annual program of resident meetings and to accompany the Housing Officer on estate inspections. For the second year we have also offered rent roadshows following the issuing of rent increase notices.

In April 2024 the Complaint Handling Code became a statutory requirement. The Code sets out best practice for landlords to effectively handle complaints. Although not a registered provider and therefore not mandated to adhere to the code, Racing Homes voluntarily signs up as a member because we believe it is essential to meet these high standards and demonstrate accountability.

To meet the regulatory requirement of the Housing Ombudsman's Complaint Handling Code, Racing Homes is committed to providing a fair, transparent, and accessible complaints process that enables residents to raise concerns easily and with confidence. This commitment involves having a clear, simple, and well-publicised procedure for handling complaints promptly and effectively, with a focus on early resolution. A dedicated member of our housing team as well as a committee member of our board has been appointed to oversee complaint handling, ensuring accountability and continuous improvement. In 2024 we undertook our first self-assessment to prepare for the requirements of the Complaint Handling Code to ensure compliance and identify areas for enhancement. In line with the code's requirements, in 2025 we publish our complaint performance annually, sharing insights on volumes, outcomes, and lessons learned. By adhering to the Complaint Handling Code, we aim to build trust, enhance accountability, and deliver better outcomes for our tenants.



# TRUSTEES' REPORT

## Achievements and Performance continued

### WHAT WE HAVE ACHIEVED (continued)

For the period 1st January to 31 December 2024, we received 6 new complaints. These were responded to within timescale in accordance with our complaints policy. Of the complaints received, two related to property services and repairs, one pertained to rent, service or other charges, two were related to tenancy matters and one classified as other. Of the six complaint one complaint was upheld, there were no complaints made to the Housing Ombudsman. As a result of the complaints the following learning and changes were made as of a result of the complaints made:

- Improved process for our contractors when working in an environment where they may create dust near fire systems, to prevent false activations.
- Our unacceptable behaviour policy was updated.



# TRUSTEES' REPORT

Achievements and Performance continued

## HOW WE ACHIEVED IT

Racing Homes shares senior management team resource with Racing Welfare. The Director of Housing oversees the day to day running of the charity reporting into the Chief Executive, with support from the Chief Operating Officer. For our capital projects work we are supported by the Group Property Team at the Jockey Club. Racing Homes, in partnership with Jockey Club Estates, the National Stud and Racing Welfare share a full-time Health and Safety Officer. This was a new position created within The Jockey Club in November 2023 and which has been a significant support for the Racing Homes team during that first year.

Racing Homes finance function is provided by the Racing Welfare finance team. Racing Homes has its own accounts assistant who reports into the Finance and Operations Director of Racing Welfare, who in turn reports into the Chief Operating Officer. Welfare support and advice is provided by Racing Welfare's Welfare Team headed up by the Director of Welfare Programmes. Fundraising for capital projects in Racing Homes is provided by Racing Welfare's fundraising team, headed up by the Head of Partnerships and Fundraising.

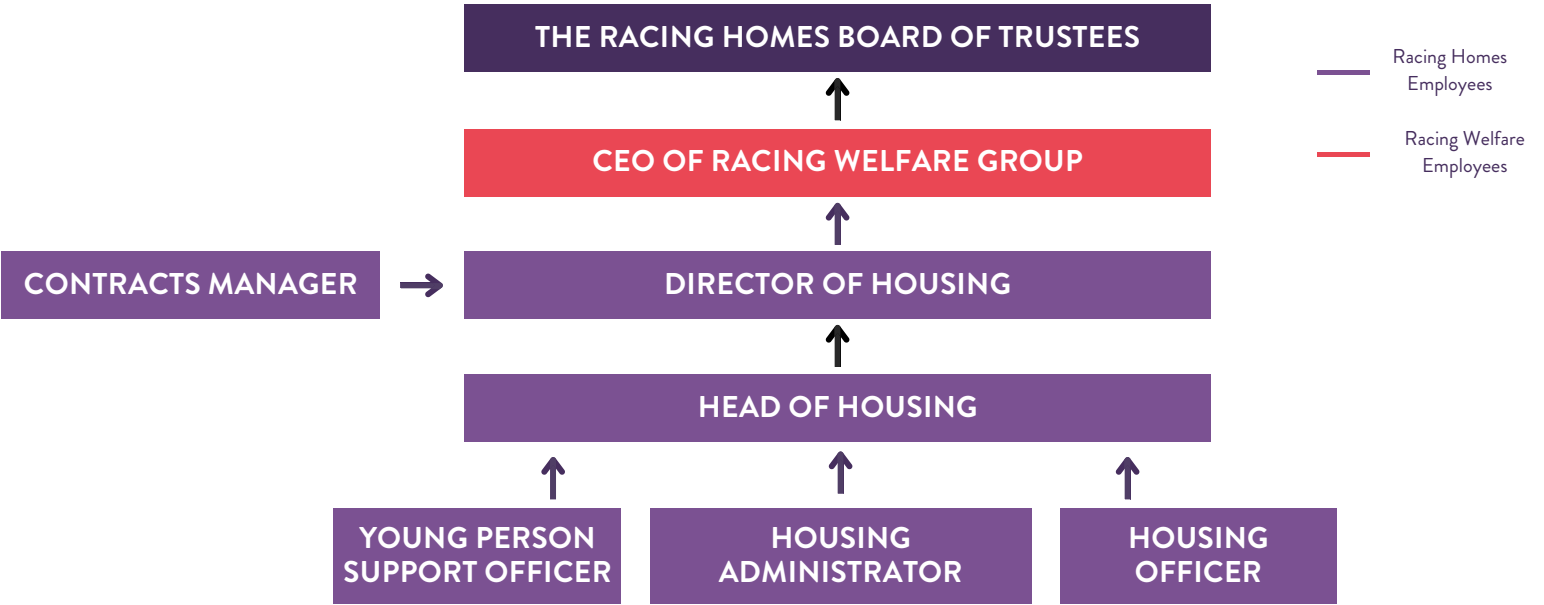
In addition to the close association with Racing Welfare's Welfare Team, Racing Homes employs a Young Person Project Officer. They are on hand to check in with the residents, giving guidance and carrying out reviews. These cover a range of topics such as debt and budgeting, health, people, support, choices and behaviour. The focus is on providing residents with life skills to live independently and be able to sustain a tenancy in private housing once their two year stay comes to an end with us. The emphasis is on providing holistic support to enable them to thrive in both their home and work lives. This post was part-funded in 2024 by a grant from the MacDonald Buchanan Charitable Trust.



# TRUSTEES' REPORT

Achievements and Performance continued

## HOW WE ACHIEVED IT (continued)



## Support Services Provided by Racing Welfare





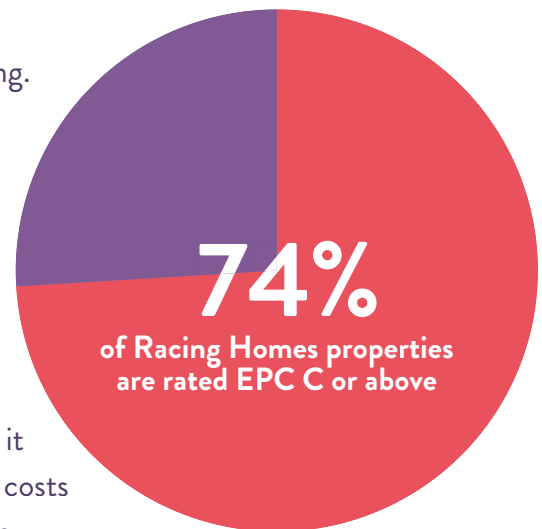
# TRUSTEES' REPORT

Achievements and Performance continued

## WHAT WE PLAN TO DO NEXT

In 2024 a series of strategy days with the Executive and Trustees were undertaken to review the long-term financial sustainability of Racing Homes and its ability to impact and contribute to improvements in the wider industry relating to housing.

As a small residential housing provider with limited financial resources, Racing Homes faces several challenges. In 2024 a series of strategy days with the Executive and Trustees were undertaken to review the long-term financial sustainability of Racing Homes and its ability to impact and contribute to improvements in the wider industry relating to housing. As a small residential housing provider with limited financial resources, Racing Homes faces several challenges in ensuring it can fund the maintenance and repair of its homes in the future. Rising costs affecting both the charity and our tenants. The government's agenda to enhance energy efficiency, and the additional complexities of maintaining aging and grade-listed properties all contribute to this challenge.



In 2024, we conducted property condition surveys of our homes. This information will be used in 2025 to shape future maintenance programs and gain a clearer understanding of the long-term health of our properties and the financial commitment required.

The government's decarbonisation strategy aims for the UK economy to achieve net zero carbon emissions by 2050, which will significantly impact the housing sector. In 2024, we took initial steps to gather essential energy data and engaged an external consultant to measure our current carbon footprint. This report provided an overview of the carbon emissions from Racing Homes' business activities, along with recommendations to enhance data quality and reduce emissions over time.

Racing Homes' initial focus is on meeting regulatory requirements for minimum energy efficiency standards (MEES regulations), which currently mandate that properties achieve an Energy Performance Certificate (EPC) rating of at least E. However, the government has proposed raising the minimum EPC standard to C by 2030. Currently, 74.15% of Racing Homes properties are rated EPC C or above, which exceeds the national average.

In 2025, we will continue maintenance programs, including upgrades to heating and hot water systems and improved insulation, prioritising properties with lower energy ratings. We will also carefully evaluate solutions for properties that are challenging to upgrade, such as listed buildings. As we carry out this work and assess our approach for properties unlikely to meet the 2030 EPC standard, we will defer finalising our commitment to Net Zero until we have a clearer understanding of our financial capabilities.



# TRUSTEES' REPORT

## Achievements and Performance continued

### WHAT WE PLAN TO DO NEXT (continued)

A key focus for the team in 2025 will be reducing the time our properties remain vacant between tenancies. We have seen a decline in the number of applicants on our letting waiting lists, and as a result homes have been empty for longer. Whilst our decision in 2023 to withdraw from housing under 18-year-olds can explain some of the delays, it does not account for a similar phenomenon across our older person schemes. Working closely with industry stakeholders, including West Suffolk Council, to understand the reasons behind this trend will be essential. We will also explore ways to effectively promote our available homes and consider alternative letting strategies which will be critical to enhancing operational efficiency.

Our bi-annual tenant satisfaction survey will be undertaken in 2025. When last carried out in 2023 our Young People (18 to 24 years) did not engage. As we embark on this survey our Young Person Support officer has been tasked with encouraging responses to the next survey, planned for May 2025.

The safety of our tenants in their homes remains of paramount importance to us. Significant time and resource has been spent ensuring we have robust compliance practices in place to ensure we comply with all relevant legislation.

In 2024, we strengthened our health and safety practices to ensure the safety of our homes and estates. This included conducting fire risk assessments by an external assessor across all housing schemes with internal communal areas. In 2025, we will again conduct fire risk assessment reviews, ensuring regular independent inspections of our building environment and practices. Racing Homes completed its fire safety upgrades identified in previous assessments, so there will be no formal fire safety upgrades program in 2025. However, a dedicated budget has been retained to address any urgent safety work identified.

Trustees have continued to recognise the importance of investing in our properties, agreeing further allocation of funds in 2025 for planned maintenance work programs. The trustees have considered the housing association's ability to finance this programme of works and it recognises that a history of maintaining rent rates at social housing levels, without the benefit of government grant funding, has left the charity with insufficient reserves to deliver these works. This is why it is imperative that the trustees maintain their decision made in 2019, to move rents to those aligned with Local Housing Allowance (LHA) rates over a 10 year period. In the interim the housing association is reliant on the option to request an annual grant from Racing Welfare for the difference between rent charged and what would have been charged at LHA rates. Racing Welfare provides this grant on the basis that it would prefer a gradual increase for its beneficiaries to ease the impact of any increased living costs. Unfortunately, due to the funding challenges in Racing Welfare the grant was not provided in 2023 which significantly contributed towards the reporting deficit in the current year.

# TRUSTEES' REPORT

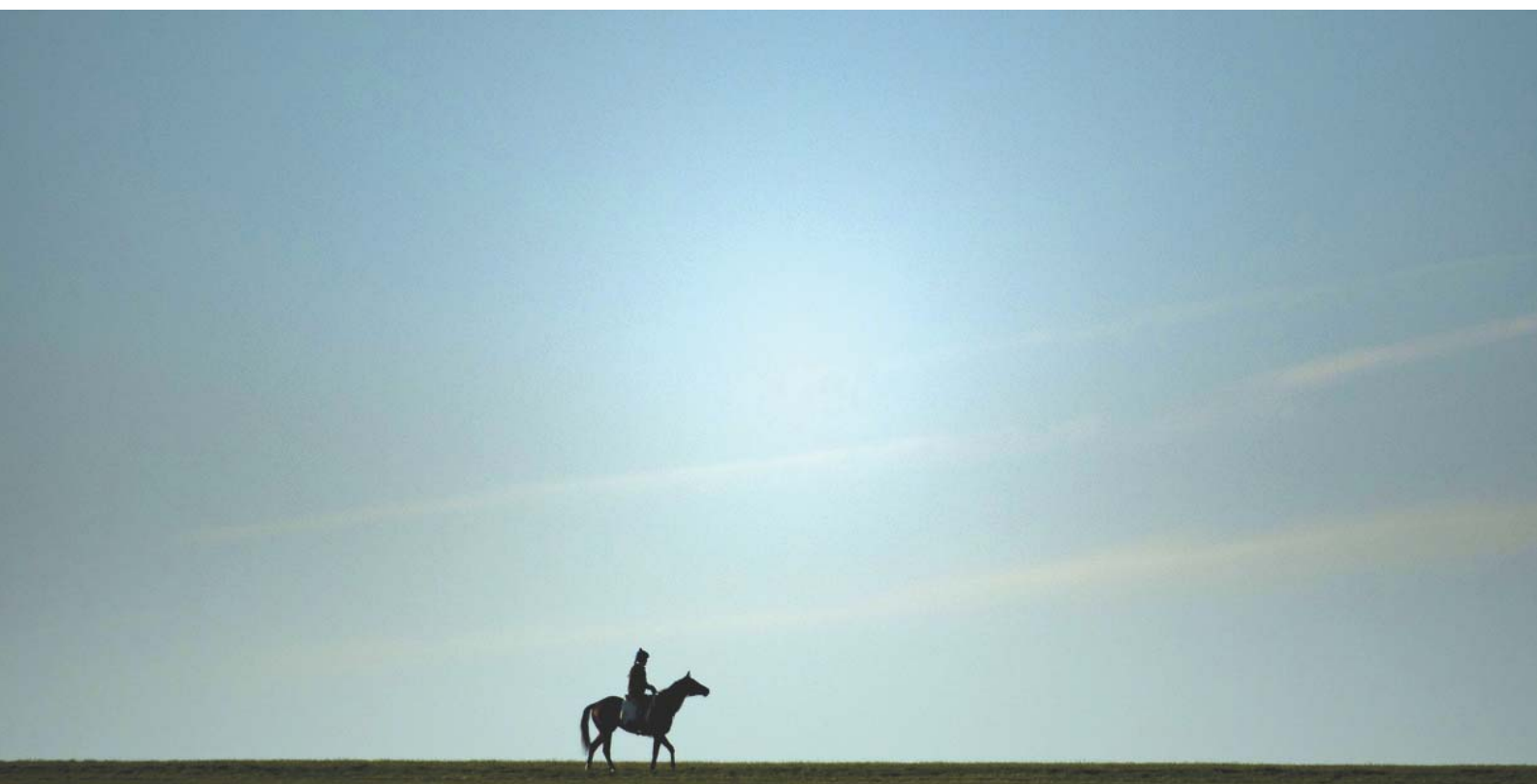
Achievements and Performance continued

## WHAT WE PLAN TO DO NEXT (continued)

Plans to further enhance our digital services following the introduction of a text messaging service by launching a tenant portal in 2024 have been delayed. Many of our tenants have expressed they either lack the means or prefer not to engage digitally. Therefore, we remain firmly committed to engaging and communicating with our tenants through letters and in-person interactions, while continuing to explore digital options for those who prefer them. In 2025, we will focus on gathering data to better understand our tenants' needs, guiding future initiatives to deliver relevant and meaningful digital services.

Gaining planning permission in Middleham and investigating new opportunities in Lambourn will remain a priority for the housing team who continue to carefully assess the risks associated with development as well as revisiting budgets and costings. We hope in 2025 to move towards making a full planning application for the Park Lane development in Middleham.

Financing our projects is still an area of focus for the team, along with planning how Racing Homes can work towards Racing Welfare's vision: that all of Racing's people feel supported and have the opportunity to thrive. The provision of housing is an important tool in supporting Racing Welfare's mission to enhance and support the wellbeing of the Racing's people Racing Homes purpose is to provide affordable, safe, and pleasant accomodation that we'd live in ourselves how we best continue to deliver this will be considered alongside Racing Welfare's strategic priorities in 2025 at both Executive/ Senior and Trustee strategy days.



# TRUSTEES' REPORT

## Financial Review

### OUR FINANCIAL PERFORMANCE

#### Our Income

The total income for the year was £1,746.4k (2023: £1,059.0k), the increase due to restricted grants received from Racing Welfare towards the project in Middleham (£570k) and the planned maintenance programme (£121k).

Income from housing activities increased by 10.6% in 2024 (2023: 2.5%). The effect of the charity's policy of adopting Local Housing Allowance-based rents for new tenants in refurbished properties alongside a general rent rate increase of 5% contributed to this, despite continued high void rates.

#### Our Expenditure

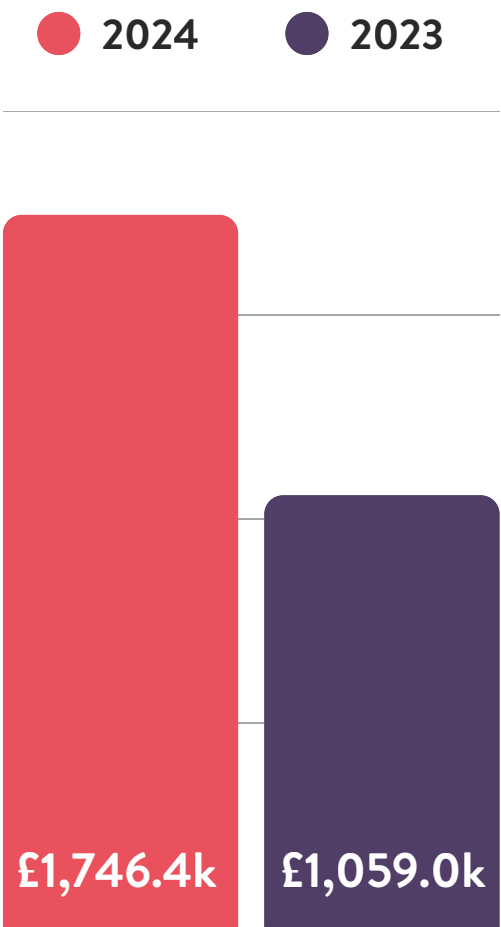
Expenditure in the year increased from £1,263.2k in 2023 to £1,436.1k. The Charity has seen increased management costs as roles have been filled permanently this year in addition to seeing professional fees increase as we had a stock condition survey undertaken late in the year. Loan interest increased this year as we refinanced the loan secured against Summerhill House at a higher rate that we benefited from for first five years.

Net income for the year before investment gains was £310.3k (2023: net expenditure of £204.2k).

#### Balance Sheet

The restricted grant of £570k from Racing Welfare to Racing Homes in December 2024 resulted in a total cash balance at the end of the year of £1,108.3k (2023: £217.8k). Racing Homes also temporarily holds any short-term cash surpluses of Racing Welfare in a high interest account, which is reflected in the balance due to Racing Welfare within creditors.

The decrease in investments from £665.7k to £536.6k is due to the Charity drawing down £150.0k of capital to fund the planned maintenance programme.



### Total Income

# TRUSTEES' REPORT

## Financial Review continued

### Managing our Reserves

Racing Homes holds reserves for the purpose of owning, maintaining and developing the housing portfolio. As at 31 December 2024 the charity held total reserves of £12.5m (2023 - £12.2m). Unrestricted funds amounted to £4.9m (2023 - £5.3m) and restricted funds were stated at £7.6m (2023 - £6.9m). Within the unrestricted funds are £4.5m (2023 - £4.9m) of designated funds which represents £222.1k of investments earmarked to fund short- to medium-term major repairs with the balance being the net book value of fixed assets and associated liabilities that are not classified as restricted. The designated fund will be expended in line with the amortisation of the properties represented by the fund.

Restricted funds represent properties which have been transferred to Racing Homes with a restriction imposed relating to the requirement to house individuals working in or retired from the horseracing and breeding industry along with funds received towards future developments. Also within restricted funds is £570.1k and £121.6k from Racing Welfare for the future Middleham development and charity-wide planned maintenance respectively.

The charity has a reserves policy, in line with its parent, to keep six months of property management costs in free reserves. This is estimated at £450k. Free reserves, represented by the revenue reserve, are £471.6k as at 31 December 2024 (2023 - £375.6k).

### Going Concern

The trustees have considered whether there are any material uncertainties about the charity's ability to continue as a going concern.

With the need to invest in the long-term maintenance of our housing stock, a requirement to spend approximately £400,000 per year has been identified by the Director of Housing and Contracts Manager. This will be funded in part by the gradual increase in rents to LHA levels in conjunction with the annual grant applications to Racing Welfare.

The Trustees note that the charity is forecast to require an additional £100k income or cost savings per year to become financially self-sustaining. However, as a strategy is developed to address this it has sufficient funds to continue at the same level of activity and investment for at least the next 3 years.

The majority of housing income is received from retired beneficiaries (74%) and a significant number of these people will be in receipt of state pension and/or benefits. Tenants facing hardship are able to access support through Racing Welfare. The Charity's forecasts cover a period of 12 months from the approval of this report and no issues were identified that would give rise to a going concern risk.



# TRUSTEES' REPORT

## Financial Review continued

### Principal Risks and Uncertainties

Racing Homes is responsible for ensuring that effective and adequate risk management and internal control systems are in place to manage the major risks to which the charity is exposed. Racing Homes is included under Racing Welfare in terms of risk management and a formal risk management process to assess business risks and implement risk management strategies is in place. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process, the trustees keep under constant review the adequacy of the charity's internal control systems.

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

Risk Description	Risk Mitigation
<p><b>Failure to protect vulnerable adults and young people:</b></p> <p>This is included due to the inherent risk associated with dealing with vulnerable adults and young people.</p>	<p>All staff are appropriately vetted in accordance with law and current regulations. The charity adopts Racing Welfare's safeguarding policy which is regularly reviewed by dedicated safeguarding staff and is the recipient of the SafeCic Safe Award recognising excellence in safeguarding standards. Safeguarding training is undertaken by all staff. DBS checks are carried out on all trustees. All line managers and HR staff undergo Safer Recruitment training.</p>
<p><b>Non-compliance with electrical, gas and fire safety requirements:</b></p> <p>Failure to comply with safety requirements could lead to serious harm to tenants and property</p> <p>This is included due to the inherent risk of being a landlord, holding a portfolio of residential housing.</p>	<p>Fire risk assessments are conducted at all schemes, with recommended servicing and in house testing regimes of fire equipment/ systems in place. The Housing Team with the assistance of Racing Welfare personnel regularly check communal areas for good housekeeping. Annual PAT testing is conducted where appropriate in communal shared facilities along with five year fixed-wire testing. The central housing management software triggers compliance reminders in addition to internal management systems that monitor compliance activity and actionable safety tasks.</p>
<p><b>Stock deterioration</b></p> <p>Tenant, staff injury or detriment to health sustained from deterioration of housing stock or sub-standard housing as well as risk of reputational damage associated with such a failing.</p>	<p>Racing Homes has committed to providing housing of a high standard. We have appointed a new position of Property and Contracts Manager to implement a long-term asset management plan, overseen by the Director of Housing. The housing team continue to forge a close relationship with Jockey Club Estates to ensure immediate repairs are carried out quickly and safely.</p>

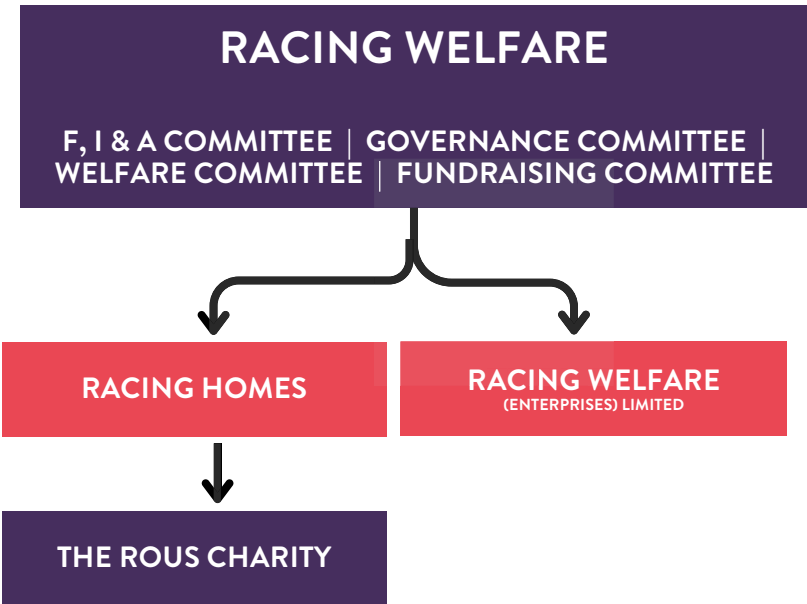
# TRUSTEES' REPORT

## Governance and Structure

### Our Governance, Structure and Management Group Structure

Racing Welfare is the sole member of Racing Homes. Racing Welfare is a company limited by guarantee (company registration number 04116279) and a registered charity (charity registration number 1084042). Racing Homes is the sole trustee of The Rous Charity (charity registration number 1068581).

The entire group benefits from the senior leadership team who all but the Director of Housing sit within Racing Welfare. The other group charities benefit from the advice and guidance of all of Racing Welfare’s sub committees.



For details on the terms of reference for each committee please refer to Racing Welfare’s consolidated financial statements.

Racing Homes is constituted as a company limited by guarantee, with governance arrangements set out in the charity’s Memorandum and Articles of Association.

The Trustees have fully adopted the Charity Governance Code which is overseen by the Governance Committee – itself a product of a review of the code. Numerous improvements have been implemented as a result of the work generated by the new committee. Reviews of the charity’s performance against the Charity Governance Code provide a score given for each of the seven principles and identified priorities in relation to improving diversity and inclusion, board effectiveness and improving the way in which we communicate our governance to the public. The impact of the work carried out by the committee and the executive has seen a significant increase in the diversity of thought and additional expertise on the various committees across the group.

In 2024 we prepared for the next recruitment drive for which involved reviewing our board skills audit and identifying the skills gaps. This is following the successful recruitment of three new Committee Members to the Racing Homes Board early 2024. In addition, we undertook the recruitment process for replacing our Racing Homes Chairman who will be officially appointed in June 2025. He is undergoing an extensive induction period to ensure that there is a smooth handover from our outgoing Chair. We also reviewed our annual Trustee appraisal process, introduced two years ago, which provides a platform once a year for Chairs to discuss and support their Committee Members in their roles.

# TRUSTEES' REPORT

## Governance and Structure continued



### Trustees

The maximum number of trustees permitted is 15, and a minimum of 3. During 2024 the Charity's articles were updated to align with Racing Welfare. Now, Trustees are appointed to serve 3 year terms, with a maximum of three terms each. This is in line with the Charity Governance Code that imposes a maximum term of 9 years except where the permanent retirement would have a clear detrimental impact on the charity. A Trustee can sit as Chair for a maximum 6 years. All trustees are also directors. Two trustees are also trustees of Racing Welfare. The Racing Homes board is joined by four committee members who are not trustees.

The board is charged to use its best endeavours to ensure the composition of the board at any time represents an appropriate balance of skills including knowledge and experience of housing matters as well as activities within the horseracing industry. The trustee recruitment process requires any trustee to join firstly as a committee member and serve at least 12 months prior to being considered by the board for trusteeship. New committee members are recruited according to any gaps identified by the trustee skills audit and a recruitment process is followed involving extensive advertising via internal and external channels. The position of Chair is specifically recruited for by the same open process, but has a shorter but very intense induction period prior to formal appointment. Each position's recruitment strategy is developed according to the specialism required and is signed off by the Chief Operating Officer who sits on the Governance Committee. The process has been designed to improve diversity on the board. All new committee members and trustees are provided with an induction programme so that they can fulfil their role on the Board. Trustees are DBS checked and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

# TRUSTEES' REPORT

## Governance and Structure continued

### Employment Practices and Pay

Racing Homes, as part of the Racing Welfare group of charities, is developing our diversity, inclusion and equality agenda. Our diversity and inclusion (D&I) champion is actively working with the senior management team to help ensure that nurturing a diverse and inclusive working environment, where we attract the full range of talent and everyone can be themselves, is embedded within all processes and policies within the charities. The D & I champion is also a member of the Jockey Club's equality, diversity and inclusion group. Racing Welfare's Director of Welfare Programmes is developing a group-wide D&I strategy which will be completed in 2025.

All salaries for Racing Homes employees are benchmarked against salary rates across other similar organisations. The Director of Housing is part of the housing association benchmarking group, Acuity, and has created a staffing structure and remuneration rates that are competitive and fair.

All salary rates are proposed to the Finance, Investment and Audit Committee in Racing Welfare which approves any changes as part of the annual budget process. Subject to affordability, the charity's policy has been to award an annual pay rise consistent with increases in cost of living indices and having regard to the level of pay award agreed by the Jockey Club. During the year remuneration received by key management personnel of Racing Welfare (including Racing Homes) totalled £407k (2023: £407k).

The Racing Welfare group is passionate about promoting positive mental health and wellbeing across the racing industry but also within its own walls. The group provides flexible working options to help promote a good work/life balance and to support those with families. The senior management team has an ongoing agenda of reviewing the wellbeing of the workforce, introducing new initiatives, consulting with employees and undertaking specific training to improve leadership, all with the aim of maximising employee potential and satisfaction.

In 2024 we undertook a staff survey via the Jockey Club. The results were encouraging showing that we have very high engagement and that people felt they knew what they needed to do to be successful in their role, they were given the right access to learning and development to be successful. There is work to do on internal communication and collaboration between teams and there is concern over there being uneven workloads across the group. We also identified the need to help provide more development opportunities. The group's Operational Management Team supported by the Staff Partnership Forum will be addressing these in 2025.

An extensive learning and training programme is afforded to every employee with a mixture of online learning opportunities as well as traditional courses and qualifications. The Racing Welfare group aims to host two staff forums per year where all staff meet for a programme of training and strategy setting. Racing Homes is also a member of National Housing Federation that also offers additional learning and training opportunities and several of the team are Chartered Institute of Housing members.

Employee Health and Safety training is delivered by The Jockey Club's health and safety online training programme, iHasco. This provides relevant, quality training as well as providing efficient monitoring.



# TRUSTEES' REPORT

## Governance and Structure continued

### Fundraising

The charity does not undertake fundraising. All fundraising is carried out by Racing Welfare and any funds collected for projects which are to be delivered by Racing Homes are transferred via a restricted grant. Full details on the fundraising policies and practices of Racing Welfare are contained in the group consolidated financial statements.

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

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

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

### Environmental

The Racing Welfare group is committed to improving its impact on the environment. We have a green champion that sits on the Jockey Club's Green Champion Board and the charities have made improvements in energy usage, waste disposal, travel-green initiatives to staff meetings, hybrid or electric company cars, salary sacrifice for the leasing of electric cars, Ride to Work scheme, paperless office, 95% of meetings held online and annual collation of energy data in conjunction with the Jockey Club.

Racing Homes is developing a strategy which, if successful, will naturally significantly contribute to a reduction of its carbon footprint. The strategy will continue to progress during 2025.



# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Racing Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. 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 of the incoming resources and application of resources, including 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 SORP 2019 (FRS 102);
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Racing Welfare website

## Statement as disclosure to our auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## Auditors

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

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



Simon Hope (Chair)

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RACING HOMES

## Opinion

We have audited the financial statements of Racing Homes (the 'charitable company') for the year ended 31 December 2024, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

## Other information

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

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RACING HOMES

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## **Other information (continued)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RACING HOMES

## **Responsibilities of trustees (continued)**

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

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

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

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

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

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

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



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RACING HOMES

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## **Auditor's responsibilities for the audit of the financial statements (continued)**

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

## **Use of our report**

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



Shaun Jordan ACA (Senior Statutory Auditor)

For and on behalf of Price Bailey LLP

Chartered Accountants

Statutory Auditors

Tennyson House

Cambridge

CB4 0WZ

Date: 19 June 2025

# STATEMENT OF FINANCIAL ACTIVITIES

## INCLUDING INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2024

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000 (note 21)
<b>INCOME FROM:</b>					
Donations and legacies		1.1	730.4	731.5	143.5
Charitable activities - Housing income		1,000.3	-	1,000.3	904.3
Investments		14.6	-	14.6	5.9
Other income		-	-	-	5.3
<b>TOTAL INCOME</b>	2	<u>1,016.0</u>	<u>730.4</u>	<u>1,746.4</u>	<u>1,059.0</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	3	1,189.8	246.3	1,436.1	1,263.2
<b>TOTAL EXPENDITURE</b>		<u>1,189.8</u>	<u>246.3</u>	<u>1,436.1</u>	<u>1,263.2</u>
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR BEFORE GAINS AND LOSSES ON INVESTMENTS</b>		(173.8)	484.1	310.3	(204.2)
Net gains on investments		20.9	-	20.9	18.1
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>		<u>(152.9)</u>	<u>484.1</u>	<u>331.2</u>	<u>(186.1)</u>
Transfers between funds		(179.1)	179.1	-	-
<b>NET MOVEMENTS IN FUNDS</b>		<u>(332.0)</u>	<u>663.2</u>	<u>331.2</u>	<u>(186.1)</u>
<b>Reconciliation of funds:</b>					
Balances brought forward 1 January		5,256.3	6,950.8	12,207.1	12,393.2
<b>Balances carried forward 31 December</b>		<u>4,924.3</u>	<u>7,614.0</u>	<u>12,538.3</u>	<u>12,207.1</u>

# STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

Company number 06489067

	Note	2024 £'000	2023 £'000
<b>INTANGIBLE FIXED ASSETS</b>	7	159.1	160.7
<b>TANGIBLE FIXED ASSETS</b>			
Housing properties	8	12,615.0	12,810.4
Other fixed assets	9	9.8	12.4
<b>INVESTMENTS</b>	10	536.6	665.7
		<u>13,320.5</u>	<u>13,649.2</u>
<b>CURRENT ASSETS</b>			
Debtors	11	50.0	165.5
Cash at bank and in hand		<u>1,108.3</u>	<u>217.8</u>
		1,158.3	383.3
<b>CREDITORS: amounts falling due within one year</b>	12	(311.5)	(215.3)
<b>NET CURRENT ASSETS</b>		<u>846.8</u>	<u>168.0</u>
<b>CREDITORS: amounts falling due after more than one year</b>			
Housing loans	13	(1,629.0)	(1,610.1)
<b>NET ASSETS</b>		<u>12,538.3</u>	<u>12,207.1</u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Unrestricted reserves</b>			
General fund		471.6	375.6
Designated reserves		4,452.7	4,880.7
<b>Total unrestricted reserves</b>	14	<u>4,924.3</u>	<u>5,256.3</u>
<b>Restricted reserves</b>			
Housing for racing industry staff		7,614.0	6,950.8
<b>Total restricted reserves</b>	14	<u>7,614.0</u>	<u>6,950.8</u>
<b>TOTAL FUNDS</b>		<u>12,538.3</u>	<u>12,207.1</u>

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

The financial statements of Racing Homes were approved by the Board of Directors and authorised for issue on 5th June 2025 and signed on its behalf by:



Simon Hope (Chair)

The notes on pages 31 to 44 form part of these financial statements.

# STATEMENT OF FINANCIAL CASHFLOWS

for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Cash provided by operating activities</b>	<b>a)</b>	952.3	469.7
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets	<b>8,9</b>	(190.8)	(122.7)
Purchase of investments		-	(647.6)
Disposal of investments	<b>10</b>	150.0	-
<b>Net cash used in investing activities</b>		<u>(40.8)</u>	<u>(770.3)</u>
<b>Net cash used in financing activities</b>			
Repayment of loans		(1,561.0)	(40.9)
New housing loan advance from Racing Welfare		1,540.0	-
		<u>(21.0)</u>	<u>(40.9)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		890.5	(341.5)
<b>Cash and cash equivalents at 1 January</b>		217.8	559.3
<b>Cash and cash equivalents at 31 December</b>		<u>1,108.3</u>	<u>217.8</u>

## a) Reconciliation of net income for the year to net cash provided by operating activities

	2024 £'000	2023 £'000
Net (expenditure) / income for the year	331.2	(186.1)
(Gains) on investments	(20.9)	(18.1)
Depreciation and amortisation	358.9	292.7
Transfer tangible fixed asset to Racing Welfare	31.5	-
Decrease / (Increase) in debtors	115.5	516.4
(Decrease) / Increase in creditors	136.1	(135.2)
<b>Net cash inflow provided by operating activities</b>	<u>952.3</u>	<u>469.7</u>

## b) Analysis of net debt

	At 1 January 2024 £'000	Cash flows £'000	Non- Cash flows £'000	At 31 December 2024 £'000
Bank	217.8	890.5	-	1,108.3
Loans	(1,651.1)	21.0	-	(1,630.1)
	<u>(1,433.3)</u>	<u>911.5</u>	<u>-</u>	<u>(521.8)</u>
<b>Borrowings</b>				
Debt due within 1 year	(41.0)	21.0	18.9	(1.1)
Debt due after 1 year	(1,610.1)	-	(18.9)	(1,629.0)
	<u>(1,651.1)</u>	<u>21.0</u>	<u>-</u>	<u>(1,630.1)</u>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 1. ACCOUNTING POLICIES

### Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of certain fixed assets and investments which are included at market value or deemed cost. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Racing Homes meets the definition of a public benefit entity under FRS 102. The financial statements are presented in sterling, which is the functional currency of the charity and rounded to the nearest £100.

### Basis of consolidation

The charitable company is exempt by virtue of section 398 of the Companies Act 2006 from the requirement to prepare group accounts. The financial statements present information about the company as an individual undertaking and not about its group.

### Going concern

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

### Income

Income from charitable activities represents rents and service charges receivable. All rental and service charge income is from social housing lettings. Grants and donations are recognised as income upon approval of application or receipt, whichever is sooner and only to the extent that any performance criteria has been met. Interest receivable is included in the accounts when due. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. Where there is a life interest, the donated asset is excluded until the life interest expires.

### Expenditure

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 1. ACCOUNTING POLICIES (CONT.)

### Pensions - defined contributions pension plan

The charitable company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charitable company pays fixed contributions into a separate entity. Once the contributions have been paid the charitable company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the charitable company in independently administered funds.

### Tangible fixed assets and depreciation

Housing properties are stated at deemed cost less accumulated depreciation; the company having taken advantage of the exemption in paragraph 35.10 (d) of FRS 102 to use the valuation at the date of transition as deemed cost. Other fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected useful economic lives of the assets as follows:

Housing properties (including leasehold)	2% per annum or over the lease term
Housing property improvements	5%-25% per annum
Housing property fixtures and fittings	10 - 25% per annum
IT and computer equipment	33% per annum

Freehold land is not depreciated. The residual value (land) is calculated as a proportion of the deemed cost of the properties at the balance sheet date, calculated using the guidance issued by the National Housing Federation. The Charity capitalises expenditure on housing which results in an increase in net rental income, which adds to the value of the property or which extends its useful economic life.

### Intangible fixed assets - nomination rights

Nomination rights cover the right to nominate 6 residents to Childwick House, Newmarket and 17 residents to Fielden Court, Kingsclere. They are depreciated in equal amounts over a period of 125 years. They are stated at net book value.

### Interest payable

Interest payable is charged to the SOFA in the year which it accrues.

### Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of expense for which it was incurred.

### Fund accounting

Unrestricted funds are those which are available for use at the discretion of the Trustees in furtherance of the general objects of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 1. ACCOUNTING POLICIES (CONT.)

### Judgements and estimates

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

### Tangible fixed assets:

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

## 2. INCOME

	2024 £'000	2023 £'000
<b>Donations and legacies</b>		
Grants received - restricted	730.4	25.6
Donations - unrestricted	0.5	-
Legacies - unrestricted	0.6	117.9
	<u>731.5</u>	<u>143.5</u>
<b>Charitable activities</b>		
Rent receivable net of identifiable service charges	952.1	850.4
Service charges receivable	48.2	53.9
	<u>1,000.3</u>	<u>904.3</u>
<b>Investment income</b>		
Interest receivable	<u>14.6</u>	<u>5.9</u>
<b>Other income</b>	<u>-</u>	<u>5.3</u>
<b>Total income</b>	<u>1,746.4</u>	<u>1,059.0</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 3. TOTAL EXPENDITURE

	Activities undertaken 2024 £'000	Support costs 2024 £'000	Total 2024 £'000	Total 2023 £'000
<b>Charitable activities</b>				
Provision of social housing (note 4)	1,377.7	58.4	1,436.1	1,263.2
	<u>1,377.7</u>	<u>58.4</u>	<u>1,436.1</u>	<u>1,263.2</u>
<b>Support costs</b>				
Overheads and administration costs			46.0	46.0
Governance			12.4	10.3
			<u>58.4</u>	<u>56.3</u>

Audit fees included in support costs amount to £7.6k (2023: £6.0k)

Management and administration overheads of £46k (2023: £46k) allocated to the charity from Racing Welfare are apportioned on the basis of Racing Welfare staff time spent on Racing Homes matters.

## 4. ANALYSIS OF SOCIAL HOUSING COSTS

	Total 2024 £'000	Total 2023 £'000
<b>Operating costs</b>		
Management costs	459.6	388.3
Service charges	189.3	175.6
Maintenance of properties	298.4	294.3
Governance costs	12.4	10.3
Bad debts	(4.8)	3.9
Loan interest	122.3	98.1
Depreciation of housing properties	275.4	265.2
Depreciation of fixtures and fittings	4.1	11.4
Loss on disposal of fixed assets	77.8	14.5
Amortisation of nomination rights	1.6	1.6
<b>Expenditure on social housing</b>	<u>1,436.1</u>	<u>1,263.2</u>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 5. STAFF COSTS

	Total 2024 £'000	Total 2023 £'000
Wages	243.7	234.1
Employer's national insurance contributions	24.0	24.1
Pension costs	21.2	21.4
Total	<u>288.9</u>	<u>279.6</u>

The average number of staff in the year was 6 (2023: 6)

One employee earned between £60,000 and £70,000 in the year (2023: one).

Key staff are deemed to be the Chief Executive Officer (CEO), Chief Operating Officer (COO) of Racing Welfare and the Director of Housing. The CEO and COO are employed by Racing Welfare. The Director of Housing is employed directly by Racing Homes, the Charity incurred total remuneration costs of £89.5k in this respect during the year (2023: £80.9k).

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £21,200 (2023: £21,400). Contributions totalling £nil (2023: £2,069) were payable to the fund at the balance sheet date and are included in creditors.

## 6. DIRECTORS' REMUNERATION

No remuneration was paid to the Directors during the year, nor in the previous year. No travelling and subsistence expenses were paid in 2024 (2023: £nil).

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 7. INTANGIBLE FIXED ASSETS

	Nomination Rights £
<b>Cost</b>	
At 1 January 2024 and 31 December 2024	197.7
<b>Amortisation</b>	
At 1 January 2024	37.0
Charge for year	1.6
At 31 December 2024	38.6
<b>Net book value</b>	
At 31 December 2024	159.1
At 31 December 2023	160.7

## 8. TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

	Assets under development £'000	Freehold land and buildings £'000	Leasehold land and buildings £'000	Freehold improvements £'000	Totals £'000
<b>Deemed cost</b>					
At 1 January 2024	43.8	12,629.4	895.0	1,138.1	14,706.3
Additions	2.0	-	-	187.3	189.3
Disposals	(14.3)	(94.4)	-	-	(108.7)
Transfer	(31.5)	-	-	-	(31.5)
At 31 December 2024	-	12,535.0	895.0	1,325.4	14,755.4
<b>Depreciation</b>					
At 1 January 2024	-	1,525.4	100.4	270.1	1,895.9
Charge for the year	-	190.4	11.5	73.5	275.4
On disposal	-	(30.9)	-	-	(30.9)
At 31 December 2024	-	1,684.9	111.9	343.6	2,140.4
<b>Net book value</b>					
At 31 December 2024	-	10,850.1	783.1	981.8	12,615.0
At 31 December 2023	43.8	11,104.0	794.6	868.0	12,810.4

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 8. TANGIBLE FIXED ASSETS - HOUSING PROPERTIES (continued)

Historic cost	2024 £'000	2023 £'000
Gross cost	12,862.8	12,767.9
Accumulated depreciation on historical cost	(2,941.8)	(2,804.2)
	<u>9,921.0</u>	<u>9,963.7</u>
<b>Housing properties, at deemed cost, comprise:</b>		
Freeholds	13,860.4	13,811.3
Long leaseholds	895.0	895.0
	<u>14,755.4</u>	<u>14,706.3</u>

Housing properties include freehold land of £3,111.3k (2023: £3,111.3k) that is not depreciated.

## 9. TANGIBLE FIXED ASSETS - OTHER

	IT equipment £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>			
At 1 January 2024	3.1	134.6	137.7
Additions	1.5	-	1.5
At 31 December 2024	<u>4.6</u>	<u>134.6</u>	<u>139.2</u>
<b>Depreciation</b>			
At 1 January 2024	1.2	124.1	125.3
Charge for the year	1.0	3.1	4.1
At 31 December 2024	<u>2.2</u>	<u>127.2</u>	<u>129.4</u>
<b>Net book value</b>			
At 31 December 2024	<u>2.4</u>	<u>7.4</u>	<u>9.8</u>
At 31 December 2023	<u>1.9</u>	<u>10.5</u>	<u>12.4</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 10. INVESTMENTS HELD AS FIXED ASSETS

	2024 £'000	2023 £'000
<b>Listed securities</b>		
Market value at 1 January	665.7	-
Additions	-	647.6
Disposals	(150.0)	-
Net investment gains/(losses)	20.9	18.1
Market value at 31 December	<u>536.6</u>	<u>665.7</u>
Historic cost at 31 December	<u>497.2</u>	<u>647.6</u>
<b>Listed investments are represented by:</b>		
Trojan Income Fund (S Income)	280.0	422.5
Troja Fund (S Income)	256.6	243.2
	<u>536.6</u>	<u>665.7</u>

## 11. DEBTORS

	2024 £'000	2023 £'000
<b>Due within one year:</b>		
Rental debtors	28.4	24.0
Prepayments and accrued income	15.8	122.3
Due from the Rous Charity	1.8	7.8
Due from parent undertaking – Racing Welfare	-	7.9
Other debtors	4.0	3.5
	<u>50.0</u>	<u>165.5</u>

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £'000	2023 £'000
Due to parent undertaking – Racing Welfare	126.5	-
Other taxation and social security payable	9.2	9.2
Trade creditors	40.8	83.4
Accruals and deferred income	128.6	72.7
Other creditors	5.3	9.0
Housing loans	1.1	41.0
	<u>311.5</u>	<u>215.3</u>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £'000	2023 £'000
Housing loans	1,629.0	1,610.1
	<u>1,629.0</u>	<u>1,610.1</u>
Analysis of Housing loans repayable by instalments:		
Within one year	1.1	41.0
Between one and two years	31.3	41.0
Between two and five years	1,515.4	124.6
After five years	82.3	1,444.4
	<u>1,630.1</u>	<u>1,651.0</u>

There are two housing loans:

A loan with a total outstanding amount of £91.1k is secured on properties at Jack Jarvis Close, bears interest at a fixed rate of 15% per annum and is repayable over a period of 60 years from 1980.

A £1,750.0k loan was taken out in 2019, secured against Summerhill House. In April 2024 Racing Welfare paid the loan in full on behalf of Racing Homes and loaned £1,540.0k to the Charity. This loan bears interest of 5.00% per annum, fixed, payable quarterly. There are no capital payments due in the first 24 months of the agreement. The balance will be paid on the maturity date, April 2029.

## 14 RESERVES

	At 1 January 2024 £'000	Income in the year £'000	Expenditure in the year £'000	Investment gains £'000	Transfers £'000	At 31 December 2024 £'000
<b>Unrestricted funds</b>						
General fund	375.6	1,016.0	(797.6)	20.9	(143.3)	471.6
Designated - Fixed Asset Fund	2,268.8	-	(303.1)	-	205.2	2,170.9
Designated - Revaluation Reserve	2,111.9	-	-	-	(52.2)	2,059.7
Designated - Asset Management	500.0	-	(89.1)	-	(188.8)	222.1
<b>Total unrestricted funds</b>	<u>5,256.3</u>	<u>1,016.0</u>	<u>(1,189.8)</u>	<u>20.9</u>	<u>(179.1)</u>	<u>4,924.3</u>
<b>Restricted funds</b>						
Housing for Racing Industry Staff	6,574.7	-	(207.6)	-	182.5	6,549.6
HfRIS - Revaluation Reserve	376.1	-	-	-	(3.4)	372.7
Repairs and maintenance fund	-	121.6	-	-	-	121.6
Middleham Development	-	570.1	-	-	-	570.1
Young person support officer	-	38.7	(38.7)	-	-	-
<b>Total restricted funds</b>	<u>6,950.8</u>	<u>730.4</u>	<u>(246.3)</u>	<u>-</u>	<u>179.1</u>	<u>7,614.0</u>
<b>Total funds</b>	<u>12,207.1</u>	<u>1,746.4</u>	<u>(1,436.1)</u>	<u>20.9</u>	<u>-</u>	<u>12,538.3</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 14. RESERVES (CONT.)

	At 1 January 2023 £'000	Income in the year £'000	Expenditure in the year £'000	Investment gains £'000	Transfers £'000	At 31 December 2023 £'000
<b>Unrestricted funds</b>						
General fund	285.8	1,033.4	(715.1)	18.1	(246.6)	375.6
Designated - Fixed Asset Fund	2,270.5	-	(221.5)	-	219.8	2,268.8
Designated - Revaluation Reserve	2,132.6	-	-	-	(20.7)	2,111.9
Designated - Asset Management	-	-	-	-	500.0	500.0
<b>Total unrestricted funds</b>	<b>4,688.9</b>	<b>1,033.4</b>	<b>(936.6)</b>	<b>18.1</b>	<b>452.5</b>	<b>5,256.3</b>
<b>Restricted funds</b>						
Housing for Racing Industry Staff	6,678.0	-	(156.9)	-	53.6	6,574.7
HfRIS - Revaluation Reserve	379.5	-	-	-	(3.4)	376.1
Repairs and maintenance fund	146.8	-	(146.8)	-	-	-
Middleham Development	500.0	-	-	-	(500.0)	-
Young person support	-	-	-	-	-	-
Housing Support Officer	-	25.6	(22.9)	-	(2.7)	-
<b>Total restricted funds</b>	<b>7,704.3</b>	<b>25.6</b>	<b>(326.6)</b>	<b>-</b>	<b>(452.5)</b>	<b>6,950.8</b>
<b>Total funds</b>	<b>12,393.2</b>	<b>1,059.0</b>	<b>(1,263.2)</b>	<b>18.1</b>	<b>-</b>	<b>12,207.1</b>

The designated **Fixed Asset Fund** sets aside funds equivalent to the net book value of both tangible and intangible fixed assets (less; the value of fixed assets associated with the restricted reserve and any liability secured against the asset) and is intended to highlight reserves allocated for such use.

The designated **Revaluation Reserve** recognises the effect of the historic revaluation of our housing stock.

The designated **Asset Management Fund** is an amount previously restricted for another purpose now earmarked by the Trustees to be used to part fund planned maintenance and major works across the property portfolio.

The restricted fund, **Housing for Racing Industry Staff**, arises as a result of the transfer of housing assets from Racing Welfare. These assets were transferred to Racing Homes with a restriction that they are used to house individuals working in or retired from the horseracing and thoroughbred breeding industry. The value of the reserve equates to the net book value of the assets transferred from Racing Welfare less any liability secured against the asset.

The restricted **HfRIS Revaluation Reserve** recognises the effect of the historic revaluation of our housing stock.

The restricted Repairs and Maintenance fund arises from grants received from Racing Welfare to be used for major repairs and maintenance or refurbishment works of housing stock.

The restricted **Middleham Development fund** arises from a grant received from Racing Welfare in 2024 to be used towards the costs of a new development in Middleham, a key racing centre.

The restricted **Young Person Support** fund arises from a grant received from Racing Welfare towards security costs at a young persons scheme during the year.

The restricted **Housing Support Officer** fund arises from a grant received to be used towards the costs of employing a Housing Support Officer.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 14. RESERVES (CONT.)

### Transfers between funds: 2024

£179.1k was transferred from the designated Asset Management fund to the restricted Housing for Racing Industry Staff fund, being the cost of capital expenditure on those properties funded by the former fund. Capital expenditure on designated properties was also funded from the designated Asset Management fund, leading to a transfer of £9.7k from that fund to the designated Fixed Asset fund.

An amount of £143.3k was transferred from the General fund to the designated Fixed Asset fund, being repayments of loans on designated properties that were funded from the general fund.

£3.4k was transferred from the Restricted HfRIS Fund to the Restricted Revaluation Reserve being movement on the Revaluation Reserve. £27.8k was transferred from the Designated Revaluation Reserve Fund to the designated Fixed Asset fund being movement on the Revaluation Reserve.

## 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £'000	Designated Funds £'000	General Funds £'000	Total £'000
<b>As at 31 December 2024</b>				
Fixed assets	6,923.2	5,860.7	-	12,783.9
Investments	121.6	222.1	192.9	536.6
Current Assets	569.2	-	589.1	1,158.3
Current liabilities	-	(1.1)	(310.4)	(311.5)
Long-term liabilities	-	(1,629.0)	-	(1,629.0)
	<u>7,614.0</u>	<u>4,452.7</u>	<u>471.6</u>	<u>12,538.3</u>
<b>As at 31 December 2023</b>				
Fixed assets	6,950.8	6,031.7	-	12,982.5
Investments	-	352.5	313.2	665.7
Current Assets	-	-	383.3	383.3
Current liabilities	-	(41.0)	(174.3)	(215.3)
Long-term liabilities	-	(1,610.1)	-	(1,610.1)
	<u>6,950.8</u>	<u>4,733.1</u>	<u>522.2</u>	<u>12,206.1</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 16. CONNECTED CHARITIES

The Charity has some directors and administration in common with the following charities:

- Racing Welfare
- The Rous Charity

These charities have the same principal office as Racing Homes.

Racing Welfare is the sole member of the Charity. Its charitable objects include the relief of poverty and distress amongst people working in, or retired from, the thoroughbred racing and breeding industry and their dependants. This is congruent with the objects of Racing Homes.

The Rous Charity is an almshouse charity, of which Racing Homes is the sole Trustee.

Jockey Club Estates Limited (JCE), a Jockey Club group company, provided maintenance and repairs services to Racing Homes during the year. Payments made to JCE in the year amounted to £203.1k (2023: £443.4k).

Balances due to/(from) Racing Homes were as follows:

	2024 £'000	2023 £'000
Amounts due (to)/from Racing Welfare	(126.5)	7.9
Amounts due from the Rous Charity	1.8	7.8
Amounts due (to) Jockey Club Estates Limited	<u>(9.4)</u>	<u>(17.3)</u>
Amounts due (to)/from Racing Welfare > 1 year	<u>(1,540.0)</u>	<u>-</u>

During the year £46k (2023: £46k) in respect of management and administration overheads were allocated to the Charity by Racing Welfare. The Racing Welfare group manages its cash across entities as needed, therefore inter-charity balances are perpetually in existence. During the year total grants of £730.4k (2023: £22.9k) were received from Racing Welfare.

In May 2024, Racing Welfare settled Racing Homes's loan with Handelsbanken (secured against Summerhill House). Racing Welfare is now the lender and details of the arrangement can be found in note 11. The loan advance was £1,540k.

The charity collects rents on behalf of the Rous Charity and pays for shared costs between the two charities. During the year the charity collected rents amounting to £79,045 (2023: £70,111) on behalf of the Rous Charity and received shared costs attributable to the Rous Charity of £69,087 (2023: £51,421), including staff costs of £23,355 (2023: £23,089). During the year the charity allocated overheads with a value of £4,000 (2023: £4,000) to the Rous Charity.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 17. PARENT AND ULTIMATE CONTROLLING PARTY

The charity's parent undertaking is Racing Welfare, Charity number 1084042, Company registration number 04116279, whose address is the same as Racing Homes and whose charitable objectives are the relief of poverty, sickness, injury and the advancement of education to those employed or formally employed in the racing industry.

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

During the year The Jockey Club provided professional services to the charity, valued at £11k (2023: £14k), free of charge. This has been recognised as a donation in kind and a management cost in the statement of financial activities .

## 18. CONTINGENT LIABILITIES

Social Housing Grant (SHG) is subordinated to the repayment of loans by agreement with the Homes and Communities Ageancy (HCA). SHG released on sale of a property may be repayable, but is normally available to be recycled and is credited to a recycled capital grant fund and included in the balance sheet within creditors.

SHG is repayable under certain circumstances such as where a property is sold. The SHG at the date of transition to FRS 102 of £397.5k and previously shown as a reduction of the housing property value has, in accordance with the performance model, been written off to reserves.

## 19. OPERATING LEASE COMMITMENTS

	2024 £'000	2023 £'000
Payments due:		
Within one year	6.0	6.0
Within one to two years	6.0	
Within two to five years	5.0	-

## 20. CAPITAL COMMITMENTS

	2024 £'000	2023 £'000
Contracted future capital expenditure not provided for	-	25.2



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 21. STATEMENT OF FINANCIAL ACTIVITIES DETAIL FOR YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000
<b>INCOME FROM:</b>				
Donations and legacies		117.9	25.6	143.5
Charitable activities	2	904.3	-	904.3
Other income		5.9	-	5.9
Investments		5.3	-	5.3
<b>TOTAL INCOME</b>		<b>1,033.4</b>	<b>25.6</b>	<b>1,059.0</b>
<b>EXPENDITURE ON:</b>				
Charitable activities	4	936.6	326.6	1,263.2
<b>TOTAL EXPENDITURE</b>		<b>936.6</b>	<b>326.6</b>	<b>1,263.2</b>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE GAINS AND LOSSES ON INVESTMENTS</b>		<b>96.8</b>	<b>(301.0)</b>	<b>(204.2)</b>
Net gains (losses) on investments		18.1	0	18.1
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>114.9</b>	<b>(301.0)</b>	<b>(186.1)</b>
<b>Transfers between funds</b>		<b>452.5</b>	<b>(452.5)</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>567.4</b>	<b>(753.5)</b>	<b>(186.1)</b>
<b>Balances brought forward 1 January</b>		<b>4,688.9</b>	<b>7,704.3</b>	<b>12,393.2</b>
<b>Balances carried forward 31 December</b>		<b>5,256.3</b>	<b>6,950.8</b>	<b>12,207.1</b>