

REGISTERED COMPANY NUMBER: 07890908 (England and Wales)
REGISTERED CHARITY NUMBER: 1145297



**STRATEGIC REPORT, TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
FOR
THE RACING FOUNDATION**

Xeinadin
12 Conqueror Court
Sittingbourne
ME10 5BH

THE RACING FOUNDATION
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FOR THE YEAR ENDED 31ST DECEMBER 2024

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THE RACING FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST DECEMBER 2024

Charity name

The Racing Foundation

Charity registration number

1145297

Company registration number

07890908

Registered address

Holborn Gate,
26 Southampton Buildings
London
WC2A 1AN

Directors and Trustees during the year

Linda Bowles	Senior Independent Director
James Boyle	
Julia Budd	Chair
Susannah Gill	(Term ended 9th April 2024)
Louise Kemble	
Alice Page	
Rishi Persad	
Algy Smith-Maxwell	

Key Management Personnel**Chief Executive Officer**

Tansy Challis

Grants Manager

Stanley Wong

Head of Communications and Events

Rhi Lee-Jones

Independent auditor

Xeinadin
12 Conqueror Court
Sittingbourne
ME10 5BH

Bankers

Weatherbys Bank Ltd
Sanders Road
Wellingborough
Northamptonshire
NN8 4BX

THE RACING FOUNDATION

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

Investment managers

James Hambro & Partners
Ryder Court
14 Ryder Street
London
SW1Y 6QB

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Jupiter Fund Management plc
The Zig Zag Building
70 Victoria Street
London
SW1E 6SQ

Dimensional Fund Advisors Ltd
20 Triton Street
Regent's Place
London
NW1 3BF

THE RACING FOUNDATION
STRATEGIC REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024

The Trustees are pleased to present their annual directors report together with the financial statements of the charity for the year ending 31 December 2024 which are also prepared to meet the requirements for directors' report and accounts for companies act purposes.

The financial statements comply with the charities act 2011, the Companies Act 2006, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with financial reporting standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Government Document

The Racing Foundation was founded by its Members, the British Horseracing Authority, the Racecourse Association and the Thoroughbred Group in December 2011 so that the racing industry had an appropriate vehicle to accept and distribute funds arising from the government's sale of the Horserace Totalisator Board ('Tote'). To comply with State Aid rules, it was required to be established as a registered charity with objects to provide funding to charities working in UK Racing.

The Racing Foundation is constituted as a company limited by guarantee, incorporated on 22nd December 2011 and registered as a charity on 6th January 2012. In the event of the company being wound up, Members are required to contribute an amount not exceeding £1. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Racing Foundation amended its Articles of Association in 2019, with approval from the Charities Commission and its Members to allow it to make grants for the furtherance of its purposes to non-charitable bodies providing they are for charitable purposes. Previously it was restricted to giving solely to charities. A further amendment was made in 2021 to increase the maximum number of Trustees to 8.

Trustee Induction and Training

New Trustees are appointed with reference to the role description and person specification for Racing Foundation Trustees. This description is amended to reflect specific skills the Trustees consider they may require at each appointment stage. All Trustees receive an introductory presentation from Foundation staff and are provided with a range of documentation to update them on the Foundation's strategy, governance, policies and current challenges.

Trustees are encouraged to keep updated with relevant legislation, developments and best practice both within the racing and charity sectors and are regularly updated by staff at and between meetings.

Related Parties and co-operation with other organisations

The Foundation regularly updates its Members on key issues and independently gathers their feedback. This has included the extension of existing Trustees, the appointment of new Trustees and the development of strategies. The Foundation engages with senior management and staff at the Member organisations to ensure it has a broad understanding of the industry and to provide greater detail and understanding on key issues.

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Pay policy for senior staff

Staff remuneration is reviewed annually at the year-end by the Chair and by another Trustee (and also by the CEO for roles other than her own). During January 2024, Trustees approved an increase in salaries for the year based on cost-of-living factors and a review of previous performance.

Appointment of Trustees

The Members are responsible for agreeing the appointment of directors, who are also charity Trustees for the purposes of charity law. The number of Trustees shall consist of at least two and not more than eight persons. Members approve Trustee appointments for terms of up to three years at a time. Unless the Members agree unanimously, a Trustee may only serve a maximum of two terms, before stepping down for a period. All new Trustees are given a full induction on joining the board of Trustees.

Susannah Gill ended her term of office on the 9th April 2024 having served 6 years as Trustee. It was agreed to wait until Q1 of 2025 to appoint her successor following the publication of the Racing Foundation's 2025-2027 strategy and a review of the skill set requirements for a new Trustee to help deliver the strategy.

Organisation

The Trustees are responsible for the governance of the charity and for the use of its funds. In particular, the Trustees are responsible for setting the charity's strategy and policies, and monitoring progress and fulfilment of these. Day to day management of the charity's affairs is delegated to the Chief Executive Officer who is supported by a Head of Communications and Events and a Grants Manager. The Head of Communications and Events is supported by a Social Media Officer. These individuals form the key staff for the charity and remuneration is set and reviewed annually by the Trustees.

OBJECTIVES AND ACTIVITIES

The Racing Foundation is an independent grant maker, established in 2012 to receive a Government grant of £78 million as part of the racing industry's fifty percent share of the net proceeds of the sale of the Tote.

The objective of the charity are:

The advancement for the public benefit of any charitable purpose associated with the horseracing and Thoroughbred breeding industry or with equine welfare, in each case by making grants for such charitable purpose or purposes.

The Tote sale funds were granted as an expendable endowment and are managed for long term investment to maintain their value in real terms. All income and capital growth, if required, are used to make grants for charitable purposes. Since inception, over £39.7m of grants have been awarded whilst the value of our net funds has been maintained. This means we have been able to balance the requirements of present beneficiaries for immediate support with the need to maintain the value of the capital for future projects and charitable initiatives.

The Racing Foundation has historically set three-year strategy cycles, which are reviewed and updated to reflect our evolution, our role in the sport and the difference we are able to make. At the end 2023, we reviewed the outcomes of our 2021-23 strategy and considered the performance of our strategic plan in the context of the wider industry environment. We also engaged with our stakeholders via an independent third party and took on board their feedback.

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The Racing Foundation's Trustees noted that the outcomes of our 2021-2023 strategy were directly linked to the development, accountability and long-term funding of industry strategies, but that as it was not our role to lead on these, the success of our strategy was intrinsically linked to the performance of others. There were, therefore, factors out of our control that meant the targets set against the overarching outcomes we had hoped to achieve were only partially met. As a result, it was agreed that we would deliver a one-year strategy for 2024 that would represent a slight refresh of the 2021-2023 strategy and that we would then use a full review of the 2021-2023 and 2024 strategies to formulate our 2025-2027 strategy.

As part of the strategy refresh for 2024, we made small updates to our Purpose and Ambition statements; our areas of focus and our approach for 2024. The full 2021-2023 Strategy Review and 2024 Strategy Refresh document can be found on our website; www.racingfoundation.co.uk/about/key-documents

As with previous years, the refresh developed a strategic plan to provide a framework for how the Foundation will operate over the 2024 period in the furtherance of its objects. Our Trustees consider that the funds originally received from the government's sale of the Tote represent a unique opportunity to establish a lasting legacy for the horseracing and Thoroughbred breeding industry. Therefore, in developing plans, they agreed to continue with an approach that:

- Balances the needs of current and future generations;
- Develops supportive relationships with stakeholders, based on mutual trust and respect;
- Encourages continuous improvement, reflection and learning; and;
- Reflects our independence and long-term perspective.

The Foundation's one-year strategy for 2024 identified a need to build racing's social license and we updated our key areas of focus to more closely reflect this.

Our four key areas of focus were, therefore:

- 1. Racing's People**
- 2. Equine Welfare**
- 3. Youth and Community Engagement**
- 4. Environment**

We feel that addressing issues in these areas is critical to racing's engagement with its people, its horses and its communities. They can positively influence the sport's standing with its communities and politicians at both a local and national level and are important for securing a sustainable future.

Our purpose was revised to:

We will work in partnership with the racing industry to ensure a sustainable future for the sport.

Our ambition statement was revised to:

We will develop understanding and action around the key charitable issues facing racing and to assist the industry with developing a collaborative and strategic response.

Our approach to delivering against our focus areas remained the same as our 2021-2023 strategy, with three elements:

THE RACING FOUNDATION
STRATEGIC REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024

Build Understanding:

We will build understanding, define progress and measure success across the key areas of activity we will support.

Prompt Collaboration:

We will support those delivering activities we fund with advice, guidance, training and development and promote learning and growth for those delivering racing's future.

Fund Action:

We will provide increased levels of funding and pro-actively work with other funders to leverage additional resources.

The Foundation's activity in 2024 involved:

- Grant and ongoing loan funding
- Supporting the development of industry strategies and the industry's charity sector
- Ensuring delivery of our own processes and governance

Detailed operational plans, budgets and a one-year strategy were approved by Trustees for 2024, against which progress was monitored throughout the year. These plans built on the activity of the 2021-2023 strategy and provided a framework against which performance could be monitored at both an organisational and individual grant level.

Grant Making Policy

The Foundation may only make grants for charitable purposes to charitable organisations which have been established in the UK or to other UK bodies and organisations for charitable purposes.

The Trustees of the Foundation ensure that the funds are applied appropriately for eligible purposes only and are subject to appropriate terms and conditions. To that end, the Trustees set out the areas of focus for giving during the 2024 strategy refresh, which are:

- People: social welfare, training & education and diversity & inclusion
- Equine Welfare: horse welfare, aftercare and equine science research
- Youth and Community Engagement
- Environmental Sustainability

Trustees are therefore, satisfied that the Foundation meets the Charity Commission's public benefit test. Details of the Foundation's achievements and performance in 2024 against the strategic plan are listed below:

Achievements and Performance

The performance of the funds by manager is reported in more detail below:

Following agreement by Trustees that the Foundation would deliver a one-year strategy for 2024, they were provided with quarterly reports to update them on progress being made against the delivery of the strategy refresh. At the end of 2024 they were provided with a review of progress made during the year as well as a wider review of the full 2021-2024 period. The full review document can be found on our website: www.racingfoundation.co.uk/about/key-documents

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The following provides an overview of achievements and performance in 2024 against our key areas of approach:

Fund Action

18 new grants awarded totalling £1,226,296 (gross):

Racing People £379k	(£10.2m awarded during the full 2021-2024 period)
Equine Welfare £521k	(£4.4m awarded during the full 2021-2024 period)
Youth and Community Engagement £326k	(£2.3m awarded during the full 2021-2024 period)
Environment - no new grants	(£304k awarded during the full 2021-2024 period)

7 grants were for in-year delivery; 10 for projects delivered over 2024-2025; and 1 for a project to be delivered during the 2025/6 academic year.

New grants awarded by area of focus were:

Equine Welfare	42%
People	31%
Youth and Community Engagement	27%
Environment	0%

These percentages do not reflect the actual grant payments made during the year (including payments made as multi-year funding commitments from previous year's grant awards).

Total grant expenditure was £1.2m, including the 2024 instalments for previously awarded multi-year grants. This doesn't include adjustments for prior year grants awarded and it doesn't include grants withdrawn in year or the adjustments for prior year grants withdrawn.

Build understanding

- Industry staff recruitment, retention and training survey for studs and stud staff was undertaken at the beginning of 2024.
- Grants were awarded for four research projects - including two equine science research projects in conjunction with the Horserace Betting Levy Board (HBLB); a project investigating the effects of sauna induced weight loss on jockey performance in conjunction with the British Horseracing Authority and Liverpool John Moores University; and an extension of our previous support of the Concussion Foundation looking at the long-term effects of concussion on retired jockeys.
- The annual Racing Foundation Conference was delivered in October 2024: with 304 delegates registered; 100 free charity tickets provided by the Foundation to ensure cost was not a barrier for attendance; and subsidised tickets provided for young people in the early stages of their horseracing careers. Keynote speakers included those from outside of racing, offering insights from other sports and industries, with the most notable speaker being Bob Langert, former Vice President of Corporate Social Responsibility at McDonald's. The conference was delivered as a sustainable event and was used as an opportunity to raise awareness of the Foundation's work.

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- Communications and news outlets saw engagement levels increase over the previous year - the 2023 annual review video (released early 2024) had a 66% increase in views from the previous year. Website visits saw a 43% increase in sessions, the Racing Foundation newsletter a 12% increase in subscribers. With a focus on engaging stakeholders and charities, the LinkedIn account grew dramatically in 2024. It saw a 75% increase in followers and a 246% increase in impressions from the previous year. Instagram, the Foundation's key platform for engaging the next generation of stakeholders, saw a 30% increase in followers and 70% increase in impressions. 2024 saw the comms team create a TikTok account to engage this demographic further, amassing 1093 followers over the year. The Foundation was also featured in 45 pieces of written and broadcast media.

Prompt collaboration

- Foundation staff contributed to 14 racing industry working or steering groups.
- We awarded grants for Equine Science Research projects in collaboration with the HBLB and Gerald Leigh Charitable Trust.
- We awarded grants for community engagement projects in collaboration with the Racing Post and Godolphin.
- We funded projects involving collaboration between industry stakeholders and also projects involving collaboration with non-racing organisations.
- The Foundation's Chief Executive continued to Chair a racing industry grantmakers' network that led to a number of collaborative funding initiatives between members.

Other support

Throughout 2024, the Racing Foundation's Executive Team provided additional, non-financial support for charities. This is sometimes referred to as 'Funder Plus' which is generally thought of as support from funders in addition to the grant-making process. These activities may not have a direct financial value, but they provide additional forms of assistance designed to help charities achieve their goals. During 2024 this included support to enhance the communication capabilities of racing charities and projects; recruitment support for communications and grant-making roles; sharing knowledge and best practise regarding the delivery of more environmentally sustainable events; providing subsidised tickets for industry events for small charities; and providing a management training course aimed at the next generation of leaders, with representatives from 12 racing charities completing the course.

Financial Review

The Racing Foundation received its final payment from the Department of Media, Culture and Sport in 2014. Its receipts have been placed with investment managers, with the aim of preserving the capital over the long term and generating investment income to fund grant-making activities.

The Foundation generated income from donations, grants, bank deposits and investments amounting to £1.8m (2023: £2.1m). Investment gains of £6m (2023: £4.4m) occurred.

Expenditure totalled £1.8m (2023: £2.6m), including grants of £1.2m (2023: £1.8m). This figure represents the value of grants awarded at the date Trustees approved them. Many awards are multi-year in nature despite the full cost being recognised in 2023 and in cash terms will be funded out of future income.

Overall, as at 31 December 2024 the Foundation's net funds stood at £90.1m (2023: £84.2m).

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Reserves Policy and going concern

The Foundation has adopted a policy of maintaining the long-term real capital value of all receipts arising from the government's sale of the Tote and only spending the financial return derived from the capital. This will ensure that the Tote sale proceeds generate a lasting legacy, which will benefit both current and future generations.

The funds received from the Department of Culture Media and Sport as expendable endowment, are held separately in the accounts along with a designated fund, representing those funds received from the Department of Culture Media and Sport in 2012, which did not carry the expendable endowment restriction on use. Whilst these monies came without restriction, the Trustees felt that it was important to treat these as contributing towards the long-term legacy of the Tote sale and placed an expendable endowment restriction on them too. While Charity Law does not allow for these funds to be merged, they are treated identically.

The Foundation also maintains a general reserve. This unrestricted fund is used to accumulate investment income prior to being spent on charitable grants and costs associated with administering the Foundation.

Investment Policy and Performance

The Foundation has an investment policy, which applies to all monies held within the expendable endowment fund and the designated fund. The policy aims to maintain the real capital value over the long-term, whilst generating a sustainable level of return to support the grant-making activities of the Foundation.

In order to control risk and volatility in the investment portfolio, Trustees have adopted a long-term annual expenditure target of at least 3% of the investment asset value. As a result, the Trustees have adopted an investment performance benchmark of inflation (as measured by the Consumer Prices Index) plus 3% per annum, in the medium to long term after all costs.

The Foundation used the services of the following investment managers during the year: James Hambro and Partners, Sarasin and Partners LLP, Jupiter Fund Management and Dimensional Fund Advisors. The performance of these investment managers is closely monitored by the Trustees, with the assistance of a specialist independent investment advisor who also advises Trustees on reviewing and updating the investment policy.

Performance

The overall performance of investment managers exceeded the targets set for the year. Trustees expected performance to reflect a net increase (in capital value and the generation of investment income) of 5.8%. Actual performances were:

Manager	2024 target	2024 actual	Target from inception	Actual from inception
James Hambro	5.8%	10%	77.25%	115.49%
Sarasin	5.8%	9%	56.44%	97.00%
Jupiter	5.8%	-2%	7.21%	-1.74%
Dimensional	5.8%	13%	7.21%	12.90%

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This resulted in a gain on investments of £6m (2023: £4.4m). The Foundation investments are made for the long-term in line with our investment policy, based on the professional advice we source.

Plans for future Periods

Following a review of the 2024 strategy refresh and our 2021-2023 strategy performance, the Foundation's Trustees have agreed a strategic plan for the period 2025 - 2027. A full overview of this strategy can be found on our website: www.racingfoundation.co.uk/about/key-documents but a summary of the key elements is provided below.

Summary of the Racing Foundation's 2025 - 2027 Strategy

Our purpose is:

To work in partnership with the racing industry to help achieve a sustainable future for the sport.

Our ambition is:

To develop understanding and action around the key charitable issues facing racing and to assist the industry with developing a collaborative and strategic response.

Our areas of focus are:

1. Racing's People - welfare, education, training, recruitment and retention
2. Equine welfare - safety, traceability, aftercare and equine science research
3. ESG - environment, social impact, youth & community engagement and accountability

Our approach to delivering against our focus areas is:

- Build Understanding
- Prompt Collaboration
- Fund Action

Our role

As requested by stakeholders, we will maintain our role as an enabler rather than a leader.

We will:

- Continue working closely with industry stakeholders and other grantmakers.
- Support data gathering to inform decision-making.
- Encourage collaboration.
- Encourage the sharing of best-practice.
- Encourage the setting of impact measures and accountability.
- Consider supporting projects where potential benefits are scalable and wider reaching.

Our annual budget

We will remain flexible and agile in our endeavours to balance the requirements of present beneficiaries for immediate support with the need to maintain the value of our endowment to support future projects, charitable initiatives and respond to emerging issues faced by the industry. During the 2025-27 strategy, our annual budget for grantmaking and other charitable expenditure will be based on the market performance of our investments, although this may be reviewed and adjusted at the discretion of our Trustees.

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STRATEGIC REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2024

A detailed operational plan and budget has been approved by Trustees for 2025 and performance will be reviewed at the end of the year to enable us to amend our strategy and set a detailed operational plan and budget for 2026. In undertaking the activities identified in the business plan the Foundation will support the delivery of the outcomes identified in its strategy and in doing so will be delivering against its purpose.

Principal Risks and Uncertainties

The principal risks identified by Trustees together with the actions taken to mitigate these risks are set out below:

Risk description	Risk mitigation
Stock market volatility: Market volatility may impact upon both levels of investment income generated and the real value of the funds held.	The Trustees have consulted widely and taken advice during the year on their investment policy and approach. Whilst no serious concerns were raised for the short-term, it was agreed to take some actions to mitigate future risk. As a result, an Investment Committee has been set up comprising the Chair, two Trustees with investment management expertise and the CEO. This Committee conducted an investment governance review, produced an Endowment Governance Policy and revised the role description for an investment consultant to support Trustees with the management of the endowment. At the end of 2024 a tender process was commenced to appoint a new investment consultant with interviews scheduled for January 2025 and a new appointment to be made in February 2025. The new consultant will be tasked with developing, implementing and monitor the Foundation's Investment Policy, including providing advice on strategic and tactical asset allocation, portfolio structure, performance benchmarks and investment manager selection.
Lack of continuity and infrastructure: The need to replace Trustees and the small staff numbers threaten continuity.	<p>At the beginning of 2024, a new agreement with accountants, SBCA, was implemented to mitigate risks linked to the Foundation preparing its accounts internally and to add an additional layer of scrutiny. This also mitigated the risk of appointing a CEO with no accountancy background. SBCA now operate as a virtual financial officer and also provide direct support with the Foundation's audit.</p> <p>An additional staffing resource was used to support the commis and events team during the year, including with the delivery of the Racing Foundation conference. No need was identified to increase the number of full-time staff or infrastructure.</p> <p>Susannah Gill ended her term as a Trustee on the 9th April 2024 having served 6 years as Trustee. It was agreed to wait until Q1 of 2025 to appoint her successor following the publication of the Racing Foundation's 2025-2027 strategy and a review of the skill set requirements for a new Trustee to help deliver the strategy. In the meantime, three Trustees, including the Chair, whose terms were due to end in January 2025 agreed, at the end of 2024, to extend their terms to ensure continuity on the Board. As a result no risk was identified in waiting to recruit an eighth Trustee in Q1 of 2025.</p>

THE RACING FOUNDATION
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FOR THE YEAR ENDED 31ST DECEMBER 2024

Industry alignment: The Trustees decisions on priorities for use of the funds may be questioned by industry stakeholders.	The Trustees and staff continue to engage widely with stakeholders to inform activities and strategy. The Foundation adopts an approach that sees it align clearly with industry issues and champion industry strategies. During 2024 the Foundation worked closely with the Industry Programme Group (IPG) and continued to liaise with other funders, including the HBLB.
IT fraud, cyber-attack: The general levels of IT fraud have escalated however no attacks have taken place in year.	The Trustees are satisfied that the current procedures protect them as far as is reasonable and no serious threat has been identified as requiring action.
Reputational risk Issues raised about the Foundation or the projects/charities we support could reduce the impact of our giving.	Any issues raised about the Foundation's work or the projects that are being supported are investigated and addressed in a timely manner to mitigate the risk of escalation. Trustees are made aware of all risks via a quarterly Executive Report produced by the CEO, which includes a risk register to summarise how any issues are being addressed and provides subsequent updates.

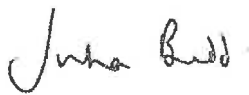
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The Trustees have adopted a formal risk management process to assess risk and implement risk management strategies. This process involves:

- A quarterly review to identify the risks the Foundation may face.
- The establishment of systems and procedures to mitigate those risks.

As a result of this process, the Trustees are satisfied that adequate procedures and systems are in place to effectively manage risk.

Approved by order of the board of trustees on 4th June 2025 and signed on its behalf by:



.....
Mrs J K Budd – Chair of the Board of Trustees

THE RACING FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Investment policy

The investment policy applies to all monies held within the expendable endowment fund and the designated fund. Investments are stated at market value at the balance sheet date, the cost of investments includes commission paid to the investment managers. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate ruling at the balance sheet date. Exchange gains and losses arising on translation are included as part of the change of market value in the investments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Racing Foundation for the purposes of company law) are responsible for preparing the Trustees' 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 which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

THE RACING FOUNDATION
TRUSTEES' REPORT
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STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Xeinadin, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 4th June 2025 and signed on its behalf by:



.....
Mrs J K Budd – Chair of the Board of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RACING FOUNDATION

Opinion

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

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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RACING FOUNDATION

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate 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.

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RACING FOUNDATION

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives in performing the audit are to identify and assess the risk of material misstatement in the financial statements due to fraud or error and to obtain sufficient audit evidence to support this. We also evaluate and respond to the risk of material misstatements.

Audit procedures performed by the engagement team included:

- Understanding the entity's current activities, assets and liabilities and comparing these to the charitable objectives and aims.
- Enquiring of management and those charged with governance as to any known or suspected instances of non-compliance with laws and regulations, including fraud.
- Obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework.
- Evaluating the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.
- Confirmations from management and those charged with governance as regards related parties.
- Gaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees, whilst challenging assumptions made by those charged with governance in the course of accounting estimates.
- Identifying and testing manual journal entries.
- Reading minutes of meetings of those charged with governance.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE RACING FOUNDATION**

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 auditors' 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Rosanna Turner ACA DChA (Senior Statutory Auditor)
for and on behalf of Xeinadin
12 Conqueror Court
Sittingbourne
ME10 5BH

Date: 4 June 2025

THE RACING FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

		Unrestricted funds £'000	Endowment fund £'000	31.12.24 Total funds £'000	31.12.23 Total funds £'000
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	170	-	170	22
Investment income	3	1,654	-	1,654	2,081
Total		1,824	-	1,824	2,103
 EXPENDITURE ON					
Raising funds	4	-	161	161	131
Charitable activities	5				
Support costs		468	-	468	581
Grants payable		1,174	-	1,174	1,820
Governance - Trustee expenses		-	-	-	1
Governance - Auditor's fee		21	-	21	20
Total		1,663	161	1,824	2,553
 Net gains on investments		798	5,202	6,000	4,415
 NET INCOME		959	5,041	6,000	3,965
 RECONCILIATION OF FUNDS					
Total funds brought forward		2,341	81,838	84,179	80,214
 TOTAL FUNDS CARRIED FORWARD		3,300	86,879	90,179	84,179

The notes form part of these financial statements

THE RACING FOUNDATION

**BALANCE SHEET
31ST DECEMBER 2024**

	Notes	Unrestricted funds £'000	Endowment fund £'000	31.12.24 Total funds £'000	31.12.23 Total funds £'000
FIXED ASSETS					
Tangible assets	12	2	-	2	2
Investments	13	<u>3,215</u>	<u>79,979</u>	<u>83,194</u>	<u>78,674</u>
		3,217	79,979	83,196	78,676
CURRENT ASSETS					
Debtors	14	388	6,000	6,388	7,951
Cash at bank		<u>2,830</u>	<u>900</u>	<u>3,730</u>	<u>2,306</u>
		3,218	6,900	10,118	10,257
CREDITORS					
Amounts falling due within one year	15	<u>(1,964)</u>	-	<u>(1,964)</u>	<u>(3,063)</u>
NET CURRENT ASSETS		<u>1,254</u>	<u>6,900</u>	<u>8,154</u>	<u>7,194</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,471	86,879	91,350	85,870
CREDITORS					
Amounts falling due after more than one year	16	<u>(1,171)</u>	-	<u>(1,171)</u>	<u>(1,691)</u>
NET ASSETS		<u>3,300</u>	<u>86,879</u>	<u>90,179</u>	<u>84,179</u>
FUNDS	17				
Unrestricted funds				3,300	2,341
Endowment funds				<u>86,879</u>	<u>81,838</u>
TOTAL FUNDS				<u>90,179</u>	<u>84,179</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J K Budd - Trustee

The notes form part of these financial statements

THE RACING FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	31.12.24 £'000	31.12.23 £'000
Cash flows from operating activities			
Cash generated from operations	1	<u>(174)</u>	<u>(10,219)</u>
Net cash used in operating activities		<u>(174)</u>	<u>(10,219)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		<u>(10,319)</u>	<u>(32,418)</u>
Sale of fixed asset investments		<u>11,799</u>	<u>31,153</u>
Interest received		<u>277</u>	<u>370</u>
Net cash provided by/(used in) investing activities		<u>1,757</u>	<u>(895)</u>
Cash flows from financing activities			
Income attributable to endowment		-	275
Expenditure attributable to endowment		<u>(161)</u>	<u>(131)</u>
Net cash (used in)/provided by financing activities		<u>(161)</u>	<u>144</u>
Change in cash and cash equivalents			
In the reporting period		1,422	(10,970)
Cash and cash equivalents at the beginning of the reporting period		<u>2,306</u>	<u>13,276</u>
Cash and cash equivalents at the end of the reporting period		<u>3,730</u>	<u>2,306</u>

The notes form part of these financial statements

THE RACING FOUNDATION
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.24	31.12.23
	£'000	£'000
Net income for the reporting period (as per the Statement of Financial Activities)	6,000	3,965
Adjustments for:		
Depreciation charges	1	-
Gain on investments	(6,000)	(4,415)
Interest received	(277)	(370)
Income attributable to endowment	-	(275)
Expenditure attributable to endowment	161	131
Decrease/(increase) in debtors	1,564	(7,751)
Decrease in creditors	<u>(1,623)</u>	<u>(1,504)</u>
Net cash used in operations	<u>(174)</u>	<u>(10,219)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24	Cash flow	At 31.12.24
	£'000	£'000	£'000
Net cash			
Cash at bank	<u>2,306</u>	<u>1,424</u>	<u>3,730</u>
	<u>2,306</u>	<u>1,424</u>	<u>3,730</u>
Total	<u>2,306</u>	<u>1,424</u>	<u>3,730</u>

The notes form part of these financial statements

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and the company is well placed to manage its risks successfully. Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The key accounting estimates made by the trustees in preparing these financial statements is in respect of depreciation as detailed in the accounting policies.

Incoming resources

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the Trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Short term debtors are measured at transaction price, less any impairment.

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES - continued

Incoming resources

Investment income is included in the accounts when due. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure and liabilities

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Governance costs include costs of the preparation and audit of statutory accounts, the costs of Trustee meetings and cost of any legal advice to Trustees on governance or constitutional matters.

Where the charity gives a grant commitment with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has agreed to provide the specified service or output. Grants commitments payable without performance conditions are recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Support costs have been allocated to activity on the basis of staff time and resources.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at settlement value.

Investment policy

The investment policy applies to all monies held within the expendable endowment fund and the designated fund.

Investments are stated at market value at the balance sheet date, the cost of investments includes commission paid to the investment managers. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate ruling at the balance sheet date. Exchange gains and losses arising on translation are included as part of the change of market value in the investments.

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets for use by charity are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or a reasonable value on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Office equipment over 4 years

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Funds

General unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Expendable endowment funds and designated funds are held separately from general unrestricted funds. There is no requirement to spend or apply the capital from either of these funds unless, or until, the Trustees decide to spend it. If the Trustees exercise the power to spend or apply the capital of the expendable endowment or designated funds, the relevant funds are transferred to unrestricted general funds in line with the terms of the original grant from the department of culture, media and sport.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at settlement value.

THE RACING FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

2. DONATIONS AND LEGACIES

	31.12.24	31.12.23
	£'000	£'000
Donations	160	10
Conference Income	<u>10</u>	<u>12</u>
	<u>170</u>	<u>22</u>

3. INVESTMENT INCOME

	31.12.24	31.12.23
	£'000	£'000
Dividends receivable	1,377	1,711
Bank interest	31	95
Other Interest	<u>246</u>	<u>275</u>
	<u>1,654</u>	<u>2,081</u>

4. RAISING FUNDS

Investment management costs

	31.12.24	31.12.23
	£'000	£'000
Investment management fees	113	102
Investment advice	<u>48</u>	<u>29</u>
	<u>161</u>	<u>131</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £'000	Support costs (see note 7) £'000	Totals £'000
Support costs	-	468	468
Grants payable	1,174	-	1,174
Governance - Auditor's fee	<u>-</u>	<u>21</u>	<u>21</u>
	<u>1,174</u>	<u>489</u>	<u>1,663</u>

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

6. GRANTS PAYABLE

	31.12.24	31.12.23
	£'000	£'000
Grants payable	<u>1,174</u>	<u>1,820</u>

THE RACING FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

6. GRANTS PAYABLE - continued

Community Engagement:

	31.12.24	31.12.23
	£'000	£'000
Apiafi Associates	16	46
Great British Racing	-	100
British Horseracing Authority	-	107
Greatwood Charity	-	20
Racing to School	19	18
Jo Foster Racing	20	20
National Horseracing Museum	60	53
Racing Together	-	19
Autism in Racing	19	-
The Racing Centre	36	-
The Urban Equestrian Academy	44	-
Riding A Dream Academy	112	-
	<u>326</u>	<u>383</u>

People:

British Horseracing Authority	85	53
The British Racing School	-	24
Industry People Board	122	153
Durham University	-	84
Urban Equestrian Academy	-	20
Women in Racing	117	64
National Association of Racing Staff	-	35
National Horseracing College	-	98
The Concussion Foundation	20	30
Scottish Racing	-	319
Newmarket Charitable Foundation	35	-
	<u>379</u>	<u>880</u>

Equine:

Horserace Betting Levy Board	200	113
Retraining of Racehorses	321	-
Horse Welfare Board	-	87
	<u>521</u>	<u>200</u>

THE RACING FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

**6. GRANTS PAYABLE - continued
Environment and Emerging Issues:**

British Horseracing Authority	-	124
Jockey Club	-	25
Stable Carbon Ltd	-	30
World Horse Welfare	-	80
The British Racing School	-	11
	-	<u>270</u>

Adjustments to the current year grant expenditure in relation to prior year grants awarded:

- 214

Total grant expenditure **1,226** **1,947**

Grants reduced/withdrawn:

People:

Racing Welfare	-	(78)
University of Liverpool	-	(20)
National Horseracing College	-	(10)
Durham University	(10)	-
Imperial College London	(10)	-
University of Exeter	(9)	-
	<u>(29)</u>	<u>(108)</u>

Equine:

Horse Welfare Board	-	(87)
Horserace Betting Levy Board	(11)	-
	<u>(11)</u>	<u>(87)</u>

Community Engagement:

Future Proof	(12)	-
	<u>(12)</u>	-

Adjustments to the current year grant expenditure in relation to prior year grants withdrawn:

- 68

Net grant expenditure **1,174** **1,820**

THE RACING FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

6. GRANTS PAYABLE - continued

All grants were made to organisations. No grants were made to individuals.

7. SUPPORT COSTS

	Management £'000	Finance £'000	Information technology £'000
Support costs	297	6	69
Governance - Auditor's fee	<u>-</u>	<u>-</u>	<u>-</u>
	<u>297</u>	<u>6</u>	<u>69</u>
		Governance	
	Other £'000	costs £'000	Totals £'000
Support costs	75	21	468
Governance - Auditor's fee	<u>-</u>	<u>21</u>	<u>21</u>
	<u>75</u>	<u>42</u>	<u>489</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23
	£'000	£'000
The auditing of accounts of any associate of the charity	21	20
Other operating leases	<u>5</u>	<u>15</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023.

THE RACING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

9. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

Trustee's expenses of £365 (2023: £600) are included in charitable activities. Expenses were reimbursed to 3 trustees (2023: 5).

10. STAFF COSTS

	31.12.24	31.12.23
	£'000	£'000
Wages and salaries	230	239
Social security costs	22	22
Other pension costs	27	22
	<u>279</u>	<u>283</u>

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23
	4	5
Employees	<u>4</u>	<u>5</u>

Key management personnel incurred total remuneration costs of £202k during the year (2023: £182k).

1 employee earned between £95-100k during the period (2023: 1 - £90-95k).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £'000	Endowment fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM			
Donations and legacies	22	-	22
Investment income	<u>1,806</u>	<u>275</u>	<u>2,081</u>
Total	<u>1,828</u>	<u>275</u>	<u>2,103</u>
EXPENDITURE ON			
Raising funds	-	131	131
Charitable activities			
Support costs	581	-	581
Grants payable	1,820	-	1,820
Governance - Trustee expenses	1	-	1
Governance - Auditor's fee	20	-	20

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £'000	Endowment fund £'000	Total funds £'000
Total	<u>2,422</u>	<u>131</u>	<u>2,553</u>
Net gains on investments	<u>587</u>	<u>3,828</u>	<u>4,415</u>
NET INCOME/(EXPENDITURE)	(7)	3,972	3,965
RECONCILIATION OF FUNDS			
Total funds brought forward	2,348	77,866	80,214
TOTAL FUNDS CARRIED FORWARD	<u>2,341</u>	<u>81,838</u>	<u>84,179</u>

12. TANGIBLE FIXED ASSETS

	Computer equipment £'000
COST	
At 1st January 2024 and 31st December 2024	<u>15</u>
DEPRECIATION	
At 1st January 2024	14
Eliminated on disposal	<u>(1)</u>
At 31st December 2024	<u>13</u>
NET BOOK VALUE	
At 31st December 2024	<u>2</u>
At 31st December 2023	<u>1</u>

THE RACING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

13. FIXED ASSET INVESTMENTS

	Listed investments £'000
MARKET VALUE	
At 1st January 2024	78,674
Additions	10,319
Disposals	(11,799)
Revaluations	<u>6,000</u>
At 31st December 2024	<u>83,194</u>
NET BOOK VALUE	
At 31st December 2024	<u>83,194</u>
At 31st December 2023	<u>78,674</u>

All investments held by the Foundation are registered on recognised UK, USA and International stock exchanges.

The market value of fixed asset investments at the year-end date is £83,193k (2023: £78,676k). The historical cost of fixed asset investments is £67,095k.

14. DEBTORS

	31.12.24 £'000	31.12.23 £'000
Other debtors	1,570	1,530
Prepayments & Accrued Income	<u>228</u>	<u>275</u>
	<u>1,798</u>	<u>1,805</u>
Amounts falling due after more than one year:		
Other debtors	<u>4,590</u>	<u>6,146</u>
Aggregate amounts	<u>6,388</u>	<u>7,951</u>

THE RACING FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£'000	£'000
Grant Commitments < 1 Year	1,888	2,990
Social security and other taxes	-	4
Other creditors	15	-
Accrued expenses	<u>61</u>	<u>69</u>
	<u>1,964</u>	<u>3,063</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.24	31.12.23
	£'000	£'000
Grant commitments > 1 year	<u>1,171</u>	<u>1,691</u>

17. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	At
	£'000	£'000	31.12.24 £'000
Unrestricted funds			
General fund	2,341	959	3,300
Endowment funds			
Expendable endowment	81,838	5,041	86,879
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>84,179</u>	<u>6,000</u>	<u>90,179</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
General fund	1,824	(1,663)	798	959
Endowment funds				
Expendable endowment	-	(161)	5,202	5,041
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,824</u>	<u>(1,824)</u>	<u>6,000</u>	<u>6,000</u>

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.12.23 £'000
Unrestricted funds				
General fund	(9,794)	(7)	12,142	2,341
Designated	<u>12,142</u>	<u>-</u>	<u>(12,142)</u>	<u>-</u>
	2,348	(7)	-	2,341
Endowment funds				
Expendable endowment	<u>77,866</u>	<u>3,972</u>	<u>-</u>	<u>81,838</u>
TOTAL FUNDS	<u>80,214</u>	<u>3,965</u>	<u>-</u>	<u>84,179</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
General fund	1,828	(2,422)	587	(7)
Endowment funds				
Expendable endowment	<u>275</u>	<u>(131)</u>	<u>3,828</u>	<u>3,972</u>
TOTAL FUNDS	<u>2,103</u>	<u>(2,553)</u>	<u>4,415</u>	<u>3,965</u>

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.12.24 £'000
Unrestricted funds				
General fund	(9,794)	952	12,142	3,300
Designated	<u>12,142</u>	<u>-</u>	<u>(12,142)</u>	<u>-</u>
	2,348	952	-	3,300
Endowment funds				
Expendable endowment	77,866	9,013	-	86,879
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>80,214</u>	<u>9,965</u>	<u>-</u>	<u>90,179</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
General fund	3,652	(4,085)	1,385	952
Endowment funds				
Expendable endowment	275	(292)	9,030	9,013
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>3,927</u>	<u>(4,377)</u>	<u>10,415</u>	<u>9,965</u>

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2024

18. RELATED PARTY DISCLOSURES

Grants

During the year, no grants were awarded to the Jockey Club (2023: £25k). Julia Budd was Chair and a Trustee of the Racing Foundation and Member of the Jockey Club during the year, Rishi Persad was a Trustee of the Racing Foundation and a Member of the Jockey Club during the year. At the year end the balance due to the Jockey Club was £0 (2023: £0).

During the year, no grants were awarded to the British Racing School (2023: £36k), although one grant of £112k was made to the Riding A Dream Academy (2023: £0), which is now part of the British Racing School. Julia Budd was Chair and a Trustee of the Racing Foundation and Chair and a Trustee of the British Racing School during the year. At the year end the balance due to the British Racing School was £0k (2023: £28k) and the balance due to the Riding A Dream Academy (including prior year grant commitments) was £185k.

During the year, one grant of £19k was made to Racing to School (2023: £18k). Susannah Gill was a Trustee of the Racing Foundation until 9th April 2024 and an Ambassador for Racing to School during the year, although the grant award was made after she had resigned as a Racing Foundation Trustee. At the year end the balance due to Racing to School was £0.

During the year no grants (2023: £0) were made to the Thoroughbred Breeders Association, no grants (2023: £0) to the National Trainers Federation, no grants (2023: £0) to The Professional Jockeys Association and no grants (2023: £35k) to the National Association of Racing Staff. All these bodies are Members of the Thoroughbred Group, who are one of the three Members of the Racing Foundation. At the year end the balance due to the Thoroughbred Breeders Association was £55k (2023: £144k) and the National Association of Racing Staff was £0 (2023: £35k).

During the year, one grant of £85k (2023: £284k) was made to the British Horseracing Authority, (BHA). The BHA is one of the three Members of the Racing Foundation. At the year end the balance due to the BHA was £79k (2023: £237k).

Other payments

During the year, £1,162 was paid to the British Racing School for room hire and catering costs for Racing Foundation meetings and events. Julia Budd was Chair and a Trustee of the Racing Foundation and Chair and a Trustee of the British Racing School during the year.

During the year, £1,000 was paid to Racing to School as a bursary to subsidise the cost of tickets for small charities attending the Racing to School/Racing Together 'Industry Day' community engagement conference. Susannah Gill was a Trustee of the Racing Foundation until 9th April 2024 and an Ambassador for Racing to School during the year.

During the year, £260 was paid to the Thoroughbred Breeders Association (TBA) to cover the expenses for guest speakers at the Racing Foundation conference. The TBA is a member of the Thoroughbred Group, which is one of the three Members of the Racing Foundation.

THE RACING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2024

18. RELATED PARTY DISCLOSURES - continued

During the year, £189 was paid to the Racehorse Owners Association (ROA) to cover the expenses for guest speakers at the Racing Foundation conference. The ROA is a member of the Thoroughbred Group, which is one of the three Members of the Racing Foundation.

During the year, £601 was paid to Russell Reynolds Associates, to cover catering costs for Racing Foundation events and meetings held at the company's offices. Meeting rooms were provided free of charge. Julia Budd was Chair and a Trustee of the Racing Foundation and a Partner at Russell Reynolds Associates during the year.