A photograph of four riders on horses, likely at a polo field. The riders are wearing blue helmets and dark clothing. They are positioned in a line, facing forward. The background is a dense line of trees with green and some autumn-colored foliage. The foreground is a grassy field.

**BRS Education Limited**  
**(A company limited by guarantee)**

**Annual Report and Financial Statements**  
**Year ended 31 July 2021**

**Registered number: 08903538**  
**Charity number: 1161555**



## Who we are

- The BRS is the UK horseracing's centre of excellence for industry training. We nurture potential.
- Our mission is to be the training provider of choice for the industry.
- Our vision is to be accessible to, and provide training and education for, all those who wish to or are working in racing.

The BRS strives to maintain a culture and ethos, of which all participants can be proud, and one that is embodied by the following values:

- An environment founded on respect, honesty, dignity and integrity at all levels
- An open culture where every voice is heard
- A commitment to maintain the highest professional standards
- An environment of creativity, positivity and freedom of expression
- To put the future of those we train at the centre of everything we do
- To be kind, caring and compassionate and encourage everyone to be the best they can
- To have the highest human and equine welfare standards
- To enjoy carrying out our work while caring deeply about its purpose
- To be supportive and collaborative colleagues where all are valued

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

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**BRS EDUCATION LIMITED**  
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**OUR TRUSTEES**  
**FOR THE YEAR ENDED 31 JULY 2021**

**Julia Budd, Chair of Trustees**

"I find the British Racing School a truly inspiring place and it is a privilege to be involved. Everyone here cares deeply about improving the capabilities and life chances of our participants. We feel very proud of their achievements.

The Board of Trustees aims not to be a distant group, but fully integrated into the school, sharing its values and helping achieve its mission *to nurture potential*"

**Andrew Merriam, Deputy Chairman**

"As a lifelong lover of the sport of horse racing in which I am deeply involved and as the father of a former professional jockey, I am acutely aware of the importance of training and development of staff. My role as a trustee of BRS enables me to contribute in a small way towards that end."

**Simon Elliot**

"I value being a BRS Trustee because I want to help and support an organisation which I regard as being essential to the future of horse-racing and also offers worthwhile training and the development of life-skills for hundreds of young people every year."

**Steve Johnson**

"The School is invaluable in helping young people to achieve their potential in the racing industry. It's genuinely life-changing for many. The School's Trustees are knowledgeable, passionate, committed to excellence and demanding. It's invigorating to be part of such a strong team supporting the School's ambitious and successful programmes"

**Mark Pendlington**

"BRS is an international centre of excellence, inspiring and encouraging young people from all backgrounds, and with all talents and abilities into great jobs and careers in racing. What better role can there be than to help make this happen and to contribute to a secure and sustainable long-term future for the industry."

**Justin Wadham**

"A life full of horses has meant a life of fulfilment for me. So I want to be part of spreading the word ...and the opportunities"

**Hetta Stephens**

"I work at the coalface of the Racing Industry and witness first-hand the benefits of the BRS. Being a Trustee enables me to draw on my experience and enhance the students education."

**Glen Fendley**

"Growing up, watching racing on TV with my late dad are fond and enduring memories - and I have developed a life-long love for this great sport ever since; when you combine that passion with our mission to develop transformational career pathways into the racing industry for young people from diverse backgrounds, I am delighted to be able to help make a difference in this dream Trustee role."

**Claire Kubler**

"I have joined the BRS as a Trustee to help provide the very best development opportunities for individuals of all ages to reach their potential and thrive in the racing industry"



**BRS EDUCATION LIMITED**  
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**CHAIR OF TRUSTEES STATEMENT  
FOR THE YEAR ENDED 31 JULY 2021**

I am delighted to be reporting to you for the first time as Chair of The British Racing School (BRS), an organisation that I have admired for many years from afar, and one that has proved a constant source of inspiration since I joined the Board.

The coronavirus pandemic has made things challenging for many and the BRS has of course felt the impact, but we believe in looking forward and focusing on what we can do, and this attitude has stood the school in good stead. Under the guidance of a wonderful leadership group the whole team has pulled together and achieved a tremendous amount over the past eighteen months.

I am particularly proud of the progress we have made towards our goal of being a fully inclusive organisation and was delighted to welcome three new Trustees to the board, all of whom bring fresh perspectives that immediately proved of great value. We are signatories to the British Horseracing Authority Industry Commitment on diversity and inclusion and will continue to put ED&I front and centre in our decision making.

As in every year the trainees at the school have provided challenge, inspiration, and a great deal of pride and mention must be made of their dedication and hard work in the face of increased restrictions whilst on courses with us. I've heard it said that today's young people expect to get everything handed to them and want everything immediately, but this is not borne out at the BRS. We see (and encourage) plenty of ambition amongst our trainees and the typical work ethic is one of which any generation would be proud. This is demonstrated by 100% of those returning to us for their Apprenticeship End Point Assessment (EPA) passing that assessment and over 50% achieving a distinction.

The EPA comes after 12 to 18 months in the workplace, and I must thank the racehorse trainers we work with for the support and guidance they and their teams provide to the young people we place with them. The racing industry is full of opportunity and ensuring our trainees go to work for trainers where they can build solid foundations is of great importance. The mentoring Marco Ghiani received from Luca Cumani when he graduated from the BRS in 2016 undoubtedly put him on the path to becoming this year's Champion Apprentice Jockey and whilst Marco's success can be seen publicly there are countless other examples.

I must also mention the significant increase in the school's engagement with the local community, led by the Newmarket Pony Academy (NPA) initiative. We all recognise that the amazing facilities at the BRS can benefit a greater number of young people and we are committed to maximising the potential of our site and our people to ensure we have a positive impact on the lives of as many young people as possible.

Our plans to improve the learning and support we offer our apprentices in the workplace, to expand the NPA, to further develop a pathway for talented youngsters from minority backgrounds and to make our organisation environmentally sustainable demonstrate the relentless desire to be better. It is that commitment which makes the BRS such a special place.

The upcoming years will no doubt present challenges but, thanks to a superb team and the invaluable backing of our supporters, I am in no doubt that we are well placed to rise to them and to continue to find the opportunities.



**Julia Budd**  
Chair of Trustees

Date: 30.03.2022

## **BRS EDUCATION LIMITED**

**(A Company Limited by Guarantee)**

### **CHIEF EXECUTIVE'S REPORT FOR THE YEAR ENDED 31 JULY 2021**

The past two years have been challenging for all and the BRS is no exception, but I am immensely proud of the whole team and the successes they have achieved despite the additional challenges coronavirus has presented. As an organisation we have continued to fulfil our core purpose, the provision of education and training to young people seeking employment in horseracing, whilst making real progress against the objectives we set ourselves in relation to Equality, Diversity & Inclusion (ED&I) and Community Engagement.

The restrictions required as a result of the coronavirus pandemic curtailed a significant amount of the training we provide, but we were able, in close collaboration with the Education & Skills Funding Agency (ESFA) and British Horseracing Authority (BHA), to remain open throughout the pandemic for our residential Foundation Course training. This allowed us to place 143 young people into their first jobs with racehorse trainers, allowing them to make progress despite the pandemic and allowing us to continue to meet the needs of the industry for new staff.

We welcomed Julia Budd as our new Chair and our previous Chair Martin Mitchell became the School's first Patron as we were keen to continue to use his years of experience. Julia has held a number of positions in racing and is an owner so brings a wealth of racing and business knowledge to the role. We said goodbye to some Trustees, to whom we must say a huge thanks, and took the opportunity to invite people with more diverse backgrounds to apply for the position and hence our Board reflects our beneficiaries more than ever before. We also appointed respected former trainer James Eustace to act as our liaison with trainers and to keep under constant review the training we deliver, and we took the opportunity to hold a Culture Review with all the School's staff which highlighted some interesting results and challenged some pre-conceived ideas about how they view their workplace.

As always we have been focused on continuing to improve the training we offer and have fully embedded the changes that resulted from the Curriculum Review we conducted in 2019/20. The most significant change has been an increase in the length of our Foundation Courses with 9 week courses extended to 12 weeks and 12 week courses extended to 18 weeks. The additional time has allowed us to embed basic equitation to a far higher degree as well as introducing a skills for life package that better equips young people for the transition to independent living. We were especially pleased that the improvements made were endorsed by the Independent School Inspectorate who awarded the BRS its highest grade: "Excellent – exceeds expectations" across all areas. The summary of findings in the July 2021 report stated: "The quality of the curriculum, teaching and learner's achievements is excellent. Student's welfare... pastoral care, support and guidance for trainees are of a very high standard. Arrangements for safeguarding are excellent. The effectiveness of governance, leadership and management is excellent."

Now the Curriculum Review has been completed, we are focusing on our Apprenticeship delivery in the workplace. Under the guidance of the Training and Education Committee we are undertaking a review of the workplace to ensure we meet our exacting targets to achieve the highest retention rates after the trainees leave the school and undertake their apprenticeships with an employer. In the 2020/21 funding year 78% of graduates completed their apprenticeships and returned to undertake their End Point Assessment where 100% passed and just over half of achieved a Distinction.

We have not let the challenges of the last two years hold us back and I'm delighted that we have been able to extend our training offer to a wider age range. This has been achieved through the creation of the Newmarket Pony Academy, of which more later, and with the launch of the Horseracing Industry Foundation Degree, in partnership with Hartpury College. This foundation degree is aimed at those working in hands-on-roles with racehorses but seeking to continue their education and training and potentially move into senior administrative roles within the sport in the future and therefore is key to our aim to improve social mobility. These courses are in addition to the work we do with the Prince's Trust (supported by the Alborada Trust), the Flexible Learning programme (supported by the Saddler's Livery Company) and the host of other charities we work with. We have been at the forefront of establishing the Kickstart programme for horseracing (in conjunction with the Racing Foundation) and are providing the essential ready to work skills training for industry participants.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**CHIEF EXECUTIVE'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

Alongside our community programmes and the training for stable staff we have continued to deliver the coaching to apprentice and conditional jockeys through the BHA Jockey Coaching Programme (JCP). The JCP and Jockey Training and Development (JT&D) team has been boosted through a grant from the Racing Foundation which has allowed us to employ five jockey coaches on a permanent basis. The benefit of this being immediately demonstrated by BRS graduate Marco Ghani scooping the Champion Apprentice title, under the tutelage of his jockey coach Michael Hills. In addition to coaching current apprentice and conditional jockeys the coaching team is working closely with the Pony Racing Authority, Point to Point Authority and Racing To School to identify and nurture talented young riders, from all backgrounds, who have the potential to be the champions of the future.

Whilst we are seeing a great percentage of female jockeys entering the sport than ever before the numbers turning their potential into a sustained career remains far too low. The JT&D team have been working hard to address this through the introduction of a female jockey mentoring programme and through lobbying the BHA and Racecourse Association to improve facilities for female jockeys on racecourses. We have also written to the BHA to formally request that the introduction of a maternity support scheme is introduced, to complement the fantastic support already available to jockeys in areas such as injury and retirement.

To continue the theme of increasing opportunity I am delighted to report that the Newmarket Pony Academy (NPA) is now fully up and running and we are expecting to reach over 300 young people in the 2021/22 academic year. The NPA is working with local primary schools and providing one week programmes that introduce the children to horses and ponies, including giving most their first chance to ride. The programmes are designed to give the children lots of opportunities to work in teams and to develop confidence and self-belief and whilst the children have great fun the programme also supports the national curriculum with maths, English and science woven in. The feedback from the children, their teachers and their parents has been very positive and we are working to extend the schools programme, with afterschool and weekend clubs. In addition to the primary school programme we are delighted to be providing lessons to the pupils of the Newmarket Academy Polaris Unit once a week. These pupils have challenges with communication and interaction and spending time with the horses and ponies of the NPA is proving incredibly beneficial.

The NPA is also hosting the inaugural Khadijah Mellah Scholarship, an initiative launched by Naomi Lawson and Oli Bell, and funded by the Racing Foundation, which aims to increase the opportunities for young people from inner cities to access horseracing.

A huge thanks must go to the funders who have made the NPA possible, the Sir Peter O'Sullivan Charitable Trust, Godolphin, The Thompson Family Charitable Trust, Orbit Housing, West Suffolk Council and Jockey Club Estates.

Lastly on creating opportunities I must mention Harry Enright, who came to us with his dream of being the first one handed jockey. The BRS team have worked with Harry and his prosthetic designers to create a bespoke device that allows Harry to ride a racehorse effectively and we were all delighted to see Harry complete a foundation course here and go on to employment with Lawny Hill Racing.

Our horses' health welfare is paramount to the training we provide. We count ourselves very fortunate to be the custodians of 80 ex racehorses and we take this responsibility very seriously. Each horse has an annual veterinary check and is graded to define what training they can be used for. During the year we became a member of the National Equine Welfare Council and we comply with the Equine Industry Welfare Guidelines and we published an Equine Welfare Policy statement to recognise the importance of maintaining the highest equine welfare standards.

**BRS EDUCATION LIMITED**  
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**CHIEF EXECUTIVE'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

Mindful of the need to continue to maintain world-class facilities but ensure that we futureproof the infrastructure of the school we are working towards a full assessment and strategic plan ensuring that all decisions are mindful of the environmental impact and to ensure the School's future is sustainable. We will start with the easy wins to make the estate more ecologically friendly and work our way up from there.



**Grant Harris**  
Chief Executive

Date: 30.03.2022



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2021**

The Trustees present their annual report together with the audited financial statements of BRS Education Limited for the period 1 August 2020 to 31 July 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

**FINANCIAL REVIEW**

Activity levels in the year to 31 July 2021 began to return to pre-covid levels but the impact of the pandemic remained a factor and the need to continue to provide our core training without the ability to run the full range of industry courses or host conferences and events resulted in expenditure continuing to outstrip income. However, after accounting for investment income and gains the Charity's net surplus for the period, before depreciation, was £231,946 (2020 net deficit £8,682).

The Trustees are mindful of the requirement to balance the needs of the Charity's current beneficiaries with the needs of future generations over the long term and therefore aim to balance income and costs over the long term. The Trustees have approved a budget for 2021-22 that forecasts a breakeven position before accounting for depreciation.

The operation of the Charity is funded from three main sources. The largest source is funding from the Education and Skills Funding Agency for the delivery of Study Programs and Apprenticeships; £1,048,258 was received in the year ended 31 July 2021 (2020: £1,153,502).

Secondly, the Charity receives industry funding via The British Horseracing Authority which originates from the Horserace Betting Levy Board and from a deduction from prize money under rule F119. The amount received in the year was £1,053,631 (2020: £1,022,373).

Thirdly, the Charity generates income from various training activities, including courses for jockeys, trainers and other participants within the horseracing industry. A total of £711,507 (2020: £498,488) course fees were generated in the year, marking a return to pre-pandemic levels.

Like many organisations we have accessed the Government's job retention scheme with 3 employees furloughed (2020: 17) and income of £14,360 received (2020: £57,550).

The vast majority of the resources expended in the year relate to the costs of delivering Apprenticeships and courses for the racing industry, and thus supporting the key objectives of the Charity. Costs are closely monitored and controlled with savings being made where possible.

The apportionment of all costs relating to charitable activities between the Delivery of Traineeships, Study Programs and Apprenticeships and other courses highlights the mutual reliance these activities have upon each other. The Charity is only able to break even if income from all activities remain at their current level or increase, whilst no single activity could support the high operating costs on its own.

The Trustees expect that the normal level of activity can be sustained for the foreseeable future.

**Fundraising**

The Charity is registered with the Fundraising Regulator and all fundraising activities undertaken are carried out with reference to the Code of Fundraising Practice and best practice recommendations. The Charity does not use the services of any external fundraising companies.

During the year no complaints were received in relation to the Charity's fundraising practices.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**Trading Performance**

Turnover of BRS Training Limited remained low as a result of the COVID-19 restrictions and the impact on our ability to host conferences and events. The fixed costs of BRS Training Limited were reduced as far as possible to limit losses and as a result the loss for the year was restricted to £19,001 (2020: loss £87,979). Conference and events have now recommenced, and bookings are increasing, the Trustees have approved the 2021/22 budget which forecasts a return to profit.

**Investment powers and policy**

The Trustees intend that the real value of the fund's investments be maintained and enhanced over the long term by investment in a balanced portfolio.

Investment powers relating to the Paul Mellon Fund are governed by the restrictions imposed by the Executors of the Estate of the late Paul Mellon, which permit the funds to be invested in the manner shown in note 21 to the financial statements.

Other than those relating to the Mellon Fund, above, there are no material restrictions on the operations and investment powers of the Charity in pursuance of its charitable obligations.

The Charity's investment management is delegated to Cazenove Capital Management and managed on a balanced mandate. Performance is measured regularly against a range of FTSE indices, the ARC Sterling Balanced Private Client Index (PCI) and CPI +3%.

**Reserves policy and going concern**

The Trustees have considered the expected future income and expenditure of the Charity and the likely impact of COVID-19 and have confirmed the aim to maintain 'free reserves' equivalent to 6 months running costs; of this amount a sum equivalent to 3 months running costs will be held in cash or Index Linked Gilts. This policy is currently met. The Charity had unrestricted reserves of £3,305,842 (2020: £3,498,152).

The level of reserves held in restricted funds is dictated by the specific restrictions imposed by the donors as detailed in note 21 to the financial statements.

All funds are held in furtherance of the Charity's principal activities.

The long-term impact of the coronavirus pandemic remain unknown, however, the continuing demand for our training, both from young people and employers, indicates a strong need for our services. This demand combined with our contracts with the Education and Skills Funding Agency and Horseracing Betting Levy Board, and our reserves, results in the Trustees being confident the Charity can continue to operate for the foreseeable future.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Office**

The British Racing School, Snailwell Road, Newmarket, Suffolk, CB8 7NU

**Registered Charity Number**

1161555

**Company Number**

08903538

**Our advisers**

**Independent Auditor**

James Cowper Kreston, Chartered Accountants and Statutory Auditor, 2 Communication Road, Greenham Business Park, Greenham, Newbury, Berkshire, RG19 6AB

**Bankers**

Barclays Bank Plc, 58 High Street, Newmarket, Suffolk, CB8 8NH

**Solicitors**

Edmondson Hall, 25 Exeter Road, Newmarket, Suffolk, CB8 8AR

**Directors and Trustees**

**Trustees**

Julia Budd, Chair of Trustees  
Andrew Merriam, Deputy Chair  
Simon Eliot  
Lydia Hislop  
Steve Johnson  
Mark Pendlington  
Justin Wadham  
Hetta Stephens (appointed)  
Glen Fendley (appointed)  
Claire Kubler (appointed)  
Martin Mitchell (resigned)  
James Given (resigned)  
Alan King (resigned)

**Chief Executive**

Grant Harris

**BRS EDUCATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**STRUCTURE, GOVERNANCE & MANAGEMENT**

**Governing Instrument**

The Apprentice School Charitable Trust was first established in 1980, on the 1 April 2016 the assets and liabilities of The Apprentice School Charitable Trust were transferred to BRS Education Limited (BRS).

BRS Education Limited is a company registered in England and Wales under company number 08903538 and is governed by its memorandum and articles of association. It does not have share capital and the liability of members is limited by guarantee.

BRS Education Limited is a charity under the terms of the Charities Act 2011 and its registration number is 1161555.

**Recruitment and Training of Trustees**

The Trustees of the BRS have specialist experience and expertise in a range of areas that are of benefit to the activities of the Charity. Trustees serve for a term of 3 years after which they may stand for further terms of 3 years.

In order to ensure that we continue to recruit high-calibre Trustees from diverse backgrounds the Trustee Board has agreed that for all future board vacancies, an appointments committee made up of Trustees and Senior Managers will be formed to advertise for, interview and select new Trustees. Increasing the diversity of the Board is a strategic aim of the Charity.

New Trustees attend a briefing session on the aims, objectives and strategy of the Charity and are briefed on recent and pending decisions made by the Board. In addition, new Trustees spend one day observing the day to day operations of the Charity, are provided with a Trustee handbook and attend an external Trustee Training Course.

All Trustees undergo Disclosure and Baring Service and Section 128 checks.

**Organisational Structure**

The Board of Trustees maintains full and effective control over the Charity and has ultimate responsibility for the activities and financial stability of the Charity. Quarterly meetings are held to make strategic and policy decisions, as well as consideration of major capital expenditure and significant operational decisions. The Chair and Trustees are also consulted at appropriate times in addition to formal meetings.

There are separate Safeguarding, Equality & Diversity, Training & Education and Finance & Remuneration Committees which report to the main board.

The implementation of policies and decisions and the day to day running of the charity are delegated to the Chief Executive, along with the Senior Management Team.

The Charity has a wholly owned trading subsidiary, BRS Training Limited (Company number 03501079). BRS Training Limited was incorporated in 1998 in order to allow the Charity to generate income from non-charitable activities. The income generated by the trading subsidiary is used to support the charitable activities of the Charity. BRS Training Limited is controlled and managed in parallel with the Charity.



**BRS EDUCATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**Connected Charities and Organisations**

The Charity works closely with charities and other organisations within the horseracing industry, the education sector and with charities and groups involved in increasing opportunities for young people. It is involved in the British Horseracing Authority Vocational Training Strategy Group which sets out the policy and strategy for training in the racing industry. It also works closely with Racing Welfare, the Injured Jockeys Fund and other charitable and representative organisations within racing and is a member of the European Association of Racing Schools (EARS) and the International Federation of Horse Racing Academies (IFRA).

The Charity holds contracts with the Education and Skills Funding Agency and West Suffolk College for the delivery of Government funded Apprenticeships, Traineeships and Study Programmes.

**Pay policy for senior staff**

The key management personnel of the Charity comprise the Chief Executive, the Operations Director and the Finance Director. The total employee benefits of the key management personnel in the period were £293,561 (2020: £293,492).

The Finance Sub-committee, comprised of the Chairman and two Trustees, set the remuneration and benefits of the key management personnel with reference to performance and market conditions.

**Risk Management and Internal Control**

The Board of Trustees and Management are aware of the types of risk the charity faces through their knowledge of the horseracing industry, experience of training organisations and through their working knowledge of the Charity. Appropriate strategies are in place to mitigate these risks and risk management is an ongoing procedure, embedded in the day to day operations of the Charity.

The Trustees have overall responsibility for ensuring the Charity has appropriate systems of internal control. These systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

They include:

- an annual budget approved by the Trustees
- regular consideration by the Trustees of financial results, variance from budgets and non-financial performance indicators
- delegation of authority and segregation of duties
- established organisational structure and lines of reporting
- formal written policies
- a risk register
- clear authorisation and approval levels
- formal agendas for all Board activity

**BRS EDUCATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

The principal risks that may impact the Charity are outlined below.

**1. Government Funding**

The Charity is heavily reliant on continued Government funding. In the year ended 31 July 2021 Government funding amounted to 37% (2020 34%) of income from charitable activities. This level of dependency is expected to continue in the future. The Trustees are aware that Government policy and funding is subject to continual change and that this may result in a reduction in the Charity's Government funding in the future.

This risk is mitigated in a number of ways

- A dedicated Government Contracts Manager is employed to ensure regular contact with the relevant Government departments and to ensure continued compliance with the terms of the Charity's contracts.
- The Charity is a member of the Association of Education and Learning Providers and senior members of staff regularly attend seminars to ensure the Charity is aware of planned changes to Government funding.
- The Charity maintains a strong relationship with local MPs and the Minister for Skills.
- The Charity continues to diversify the training it delivers to reduce the dependence on Government funding.

**2. Industry Funding**

The Charity is reliant on funding provided by the horseracing industry and any reduction in the level of funding received would have an impact on the ability of the Charity to meet the needs of its beneficiaries. In 2019 the Charity benefited from an uplift in funding from the horseracing industry and income at this higher level was maintained in 2020 and 2021. The horseracing industry has proved more resilient than first expected, to the impact of the coronavirus pandemic and as a result the outlook for future industry funding is brighter than at this time last year, however, challenges to the industry's finances remain and we are therefore far from complacent.

This risk of a reduction to industry support is mitigated in a number of ways

- Trustees and senior members of staff meet regularly with representatives of the British Horseracing Authority and other trade bodies to ensure the Charity continues to meet the education and training needs of the industry.
- The Charity continues to diversify the training it delivers to reduce the dependence on Industry funding.

**3. Safeguarding**

The safeguarding of trainees and vulnerable people is taken very seriously at the Charity and the Trustees are aware of the potentially serious implications of any incident at the Charity, for the individuals affected and for the Charity.

This risk is mitigated in a number of ways

- The Charity operates a Safeguarding Sub-Committee made up of two Trustees, the Charity's Designated Safeguarding Lead and the two Deputy Designated Safeguarding Lead's. The committee is chaired by a Trustee with safeguarding experience in an educational environment.
- The Safeguarding Sub-Committee reviews the Charity's safeguarding policies quarterly to ensure the Charity continually meets best practice standards.
- The Safeguarding Sub-Committee conducts a Safeguarding review annually, this review includes interviewing staff and trainees.

**BRS EDUCATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

- The Charity follows best practice in maintaining DBS and Section 128 checks for Trustees and Staff.
- The Charity follows the NSPCC's Safer Recruitment Procedures when recruiting Trustees and staff.
- Given the inherent risks of working with racehorses, considerable emphasis is placed on health and safety. We have comprehensive procedures in place to ensure that we eliminate where possible, any potential health and safety risk. To provide this, health and safety is integrated into all our activities and the Charity employs a dedicated Health and Safety Consultant.
- The Charity's Health & Safety Consultant reports to the Trustees on a quarterly basis.
- All staff receive Safeguarding training during the annual staff training week and at quarterly staff meetings.



**BRS EDUCATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company 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. 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

**Disclosure of information to auditor**


Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**Auditor**

The auditor, James Cowper Kreston, has indicated its willingness to continue in office. The designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
**Julia Budd**  
Chair of Trustees  
Date: 30.03.2022

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRS EDUCATION LIMITED**

**Opinion**

We have audited the financial statements of BRS Education Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2021 and of the Group's 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRS EDUCATION LIMITED (CONTINUED)**

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRS EDUCATION LIMITED (CONTINUED)**

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

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

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

**Use of our report**

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

*MN Farwell*

**Michael Farwell MA FCA DChA (Senior statutory auditor)**  
for and on behalf of

**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor  
2 Communications Road  
Greenham Business Park  
Greenham  
Newbury  
Berkshire  
RG19 6AB

Date: *8/4/2022*

**BRS EDUCATION LIMITED**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	211,788	123,750	335,538	421,396
Charitable activities	5	2,813,396	-	2,813,396	2,674,363
Income from BRS Training Ltd	6	75,366	-	75,366	158,558
Investments	7	26,427	14,042	40,469	45,842
Other income	8	215,479	-	215,479	159,987
<b>Total income</b>		<b>3,342,456</b>	<b>137,792</b>	<b>3,480,248</b>	<b>3,460,146</b>
<b>Expenditure on:</b>					
<b>Raising funds:</b>					
Costs of BRS Training Ltd		121,036	-	121,036	238,909
Investment management		11,347	4,672	16,019	16,518
Charitable activities	9	3,650,529	220,120	3,870,649	3,604,390
Other expenditure		24,266	-	24,266	3,885
<b>Total expenditure</b>		<b>3,807,178</b>	<b>224,792</b>	<b>4,031,970</b>	<b>3,863,702</b>
<b>Net expenditure before net gains/(losses) on investments</b>		<b>(464,722)</b>	<b>(87,000)</b>	<b>(551,722)</b>	<b>(403,556)</b>
<b>Net gains/(losses) on investments</b>		<b>216,207</b>	<b>104,050</b>	<b>320,257</b>	<b>(47,815)</b>
<b>Net (expenditure)/income</b>		<b>(248,515)</b>	<b>17,050</b>	<b>(231,465)</b>	<b>(451,371)</b>
Transfers between funds	20	56,205	(56,205)	-	-
<b>Net movement in funds</b>		<b>(192,310)</b>	<b>(39,155)</b>	<b>(231,465)</b>	<b>(451,371)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,498,152	2,594,554	6,092,706	6,544,077
Net movement in funds		(192,310)	(39,155)	(231,465)	(451,371)
<b>Total funds carried forward</b>		<b>3,305,842</b>	<b>2,555,399</b>	<b>5,861,241</b>	<b>6,092,706</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 44 form part of these financial statements.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08903538**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 JULY 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	3,135,321	3,472,721
Investments	15	2,707,385	2,384,457
		<u>5,842,706</u>	<u>5,857,178</u>
<b>Current assets</b>			
Stocks	16	21,294	22,625
Debtors	17	305,082	190,951
Investments	18	166,939	201,432
Cash at bank and in hand		158,260	228,505
		<u>651,575</u>	<u>643,513</u>
Creditors: amounts falling due within one year	19	(633,040)	(407,985)
<b>Net current assets</b>		<u>18,535</u>	<u>235,528</u>
<b>Total assets less current liabilities</b>		<u>5,861,241</u>	<u>6,092,706</u>
<b>Total net assets</b>		<u>5,861,241</u>	<u>6,092,706</u>
<b>Charity funds</b>			
Restricted funds	20	2,555,399	2,594,554
Unrestricted funds	20	3,305,842	3,498,152
<b>Total funds</b>		<u>5,861,241</u>	<u>6,092,706</u>

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

  
.....  
**Julia Budd**  
Chair of Trustees

Date: 30.03.2022

The notes on pages 21 to 44 form part of these financial statements.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08903538**

**COMPANY BALANCE SHEET**  
**AS AT 31 JULY 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	2,997,476	3,306,748
Investments	15	2,857,385	2,534,457
		<u>5,854,861</u>	<u>5,841,205</u>
<b>Current assets</b>			
Stocks	16	13,493	14,403
Debtors	17	331,473	213,516
Investments	18	166,939	201,432
Cash at bank and in hand		134,597	220,632
		<u>646,502</u>	<u>649,983</u>
Creditors: amounts falling due within one year	19	(615,276)	(392,601)
<b>Net current assets</b>		<u>31,226</u>	<u>257,382</u>
<b>Total assets less current liabilities</b>		<u>5,886,087</u>	<u>6,098,587</u>
<b>Total net assets</b>		<u>5,886,087</u>	<u>6,098,587</u>
<b>Charity funds</b>			
Restricted funds	20	2,555,399	2,594,588
Unrestricted funds	20	3,330,688	3,503,999
<b>Total funds</b>		<u>5,886,087</u>	<u>6,098,587</u>

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

.....  
**Julia Budd**  
Chair of Trustees

Date: 

The notes on pages 21 to 44 form part of these financial statements.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	24	(17,127)	24,667
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		40,469	45,842
Proceeds from the sale of tangible fixed assets		10,000	-
Purchase of tangible fixed assets		(135,409)	(90,583)
Movement of investments		(2,671)	43,850
<b>Net cash used in investing activities</b>		(87,611)	(891)
<b>Change in cash and cash equivalents in the year</b>		(104,738)	23,776
Cash and cash equivalents at the beginning of the year		429,937	406,161
<b>Cash and cash equivalents at the end of the year</b>	25	325,199	429,937

The notes on pages 21 to 44 form part of these financial statements

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**1. General information**

BRS Education Limited is a company limited by guarantee incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. Its registered office and principal place of business is British Racing School, Snailwell Road, Newmarket, Suffolk, CB8 7NU.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

BRS Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**2.2 Going concern**

The Trustees have considered the impact of the global COVID-19 pandemic at the year end on the ability of the charity to continue trading for the foreseeable future. This review has included considering the impact of the pandemic to the date of signing the financial statements and updating financial projections. Based on this review and taken together with existing financing facilities the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

**Course fees**

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees received in advance are held as liabilities and taken to income in the period in which the service is given.

**Donations**

Donations receivable for the general purposes of the Charity are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the Trustees.

**Other income**

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

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the Trustees and all the costs of complying with constitutional and statutory requirements, such as the costs of preparing financial statements and satisfying public accountability.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**2. Accounting policies (continued)**

**2.5 Basis of consolidation**

The financial statements consolidate the accounts of BRS Education Limited and all of its subsidiary undertakings ('subsidiaries').

**2.6 Government grants**

Government grants relating to Coronavirus Job Retention Scheme (CJRS) are recognised in the period to which they relate.

**2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.8 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 2-20%
Training equipment	- 10-33%
Motor vehicles	- 25%
Fixtures and fittings	- 33%
All weather gallops	- 5-15%

**2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

The Charity does not acquire put options, derivatives or other complex financial instruments.

A risk faced by the Charity is volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised and unrealised investment gains and losses are combined in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**2. Accounting policies (continued)**

**2.10 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.11 Debtors**

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

**2.12 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.

**2.13 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.14 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

**2.16 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

The cost of these contributions is charged in the SOFA as incurred.

The Trust has no liability beyond making its contributions and paying across the deductions for the employees' contributions.



**BRS EDUCATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

**2. Accounting policies (continued)**

**2.17 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group 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 funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions:**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Critical areas of judgement:**

**Tangible fixed assets (see note 14)**

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 values.

**BRS EDUCATION LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

**4. Income from donations and grants**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	43,218	60,000	103,218	238,880
Grants	154,210	63,750	217,960	124,966
Government grants	14,360	-	14,360	57,550
<b>Total 2021</b>	<b>211,788</b>	<b>123,750</b>	<b>335,538</b>	<b>421,396</b>
<b>Total 2020</b>	<b>213,096</b>	<b>208,300</b>	<b>421,396</b>	

**5. Income from charitable activities**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from the Education and Skills Funding Agency	1,048,258	1,048,258	1,153,502
Industry contribution towards stable staff training	1,053,631	1,053,631	1,022,373
Course fees received	711,507	711,507	498,488
<b>Total 2021</b>	<b>2,813,396</b>	<b>2,813,396</b>	<b>2,674,363</b>
<b>Total 2020</b>	<b>2,674,363</b>	<b>2,674,363</b>	

**6. Income from other trading activities**

**Income from non charitable trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from BRS Training Ltd	75,366	75,366	158,558
<b>Total 2020</b>	<b>158,558</b>	<b>158,558</b>	

**BRS EDUCATION LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

**7. Investment income**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	26,427	14,042	40,469	45,842
Total 2020	31,408	14,434	45,842	

**8. Other incoming resources**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Miscellaneous income	69,357	69,357	29,434
Rental income	70,849	70,849	85,179
Accommodation charge income	74,671	74,671	44,854
Profit on disposal of fixed assets	602	602	520
Total 2021	215,479	215,479	159,987
Total 2020	159,987	159,987	

**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Stable staff training	2,992,519	220,120	3,212,639	2,995,983
Other courses	658,010	-	658,010	608,407
Total 2021	3,650,529	220,120	3,870,649	3,604,390
Total 2020	3,406,892	197,498	3,604,390	



**BRS EDUCATION LIMITED**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Analysis of expenditure on charitable activities (continued)**

**Summary by expenditure type**

	<b>Staff costs 2021 £</b>	<b>Depreciation 2021 £</b>	<b>Other costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Stable staff training	1,447,615	361,285	1,403,739	3,212,639	2,995,983
Other courses	296,499	73,998	287,513	658,010	608,407
<b>Total 2021</b>	<b>1,744,114</b>	<b>435,283</b>	<b>1,691,252</b>	<b>3,870,649</b>	<b>3,604,390</b>
<b>Total 2020</b>	<b>1,647,797</b>	<b>433,104</b>	<b>1,523,489</b>	<b>3,604,390</b>	

**10. Analysis of expenditure by activities**

	<b>Direct costs 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Stable staff training	2,562,621	650,018	3,212,639	2,995,983
Other courses	525,283	132,727	658,010	608,407
<b>Total 2021</b>	<b>3,087,904</b>	<b>782,745</b>	<b>3,870,649</b>	<b>3,604,390</b>
<b>Total 2020</b>	<b>2,818,104</b>	<b>786,286</b>	<b>3,604,390</b>	

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**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Stable staff training 2021 £	Other courses 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,447,615	296,499	1,744,114	1,647,797
Direct costs	798,280	228,784	1,027,064	857,874
Horse costs	291,124	-	291,124	288,371
Governance costs	25,602	-	25,602	24,062
<b>Total 2021</b>	<b>2,562,621</b>	<b>525,283</b>	<b>3,087,904</b>	<b>2,818,104</b>
<b>Total 2020</b>	<b>2,348,729</b>	<b>469,375</b>	<b>2,818,104</b>	

**Analysis of support costs**

	Stable staff training 2021 £	Other courses 2021 £	Total funds 2021 £	Total funds 2020 £
Depreciation	361,285	73,998	435,283	433,104
Support costs	288,733	58,729	347,462	353,182
<b>Total 2021</b>	<b>650,018</b>	<b>132,727</b>	<b>782,745</b>	<b>786,286</b>
<b>Total 2020</b>	<b>647,254</b>	<b>139,032</b>	<b>786,286</b>	

**11. Auditor's remuneration**

	2021 £	2020 £
Fees payable to the auditor in respect of: Audit and preparation of the BRS Education Limited annual accounts	8,560	7,580
Fees payable to the auditor in respect of: Audit and preparation of the BRS Training Limited annual accounts	5,000	4,500
BRS Training Limited corporation tax fee	640	630

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**12. Staff costs**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	1,465,438	1,368,459	1,463,438	1,368,459
Social security costs	125,319	127,001	125,319	127,001
Other pension costs	153,357	152,337	153,357	152,337
	<u>1,744,114</u>	<u>1,647,797</u>	<u>1,742,114</u>	<u>1,647,797</u>

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	Group 2020 No.
Chief executive	1	1
Training staff	29	23
Administrative staff	16	18
Facilities management	8	11
	<u>54</u>	<u>53</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	1	1

The key management personnel of the parent charity and the group comprise Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £293,561 for the year (2020: £293,492).

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020: £NIL).

During the year, one Trustee received remuneration for lecturing services totalling £1,463 (2020: one Trustee £1,645).

During the year, one Trustee was reimbursed travel expenses totalling £84 (2020: four Trustees £1,367).



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**14. Tangible fixed assets**

**Group**

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 August 2020	7,929,498	418,849	234,905	810,143	9,393,395
Additions	84,774	-	28,500	22,135	135,409
Disposals	-	-	(17,734)	-	(17,734)
At 31 July 2021	<u>8,014,272</u>	<u>418,849</u>	<u>245,671</u>	<u>832,278</u>	<u>9,511,070</u>
<b>Depreciation</b>					
At 1 August 2020	4,572,339	379,733	183,234	785,368	5,920,674
Charge for the year	397,445	14,031	23,958	27,977	463,411
On disposals	-	-	(8,336)	-	(8,336)
At 31 July 2021	<u>4,969,784</u>	<u>393,764</u>	<u>198,856</u>	<u>813,345</u>	<u>6,375,749</u>
<b>Net book value</b>					
At 31 July 2021	<u>3,044,488</u>	<u>25,085</u>	<u>46,815</u>	<u>18,933</u>	<u>3,135,321</u>
At 31 July 2020	<u>3,357,159</u>	<u>39,116</u>	<u>51,671</u>	<u>24,775</u>	<u>3,472,721</u>

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**14. Tangible fixed assets (continued)**

**Group (continued)**

Included in land and buildings is freehold land at valuation of £250,000, with a historical cost of £250,000 which is not depreciated.

On 16 August 1996 the freehold property comprising The British Racing School together with an associated cottage was valued at £990,000 by J A Gibson FNAEA of Black Horse Agencies Januarys. The valuation was prepared on the basis of open market value for the property's existing use and also its potential for other uses within the racing and bloodstock industry.

This valuation was adopted in the financial statements for the year ended 31 March 1996 and all subsequent expenditure on freehold land and buildings has been included at cost. Depreciation has been provided on such amounts in accordance with the accounting policy disclosed in note 2 to the financial statements.

In implementing FRS15 'Tangible Fixed Assets', and in implementing FRS 102, the Trustees decided to retain the land and buildings at the current carrying amount of £8,014,272 which comprises the valuation of £990,000 at 31 March 1996 augmented by expenditure since that date.

In adopting this policy the Trustees are satisfied that the current carrying amounts have not been subject to impairment and the valuation has not therefore been formally updated.

Had the valuation at 31 March 1996 not been adopted the carrying amount of the freehold land and buildings would have been a cost of £8,989,676, accumulated depreciation of £5,945,188 resulting in a net book value of £3,044,488.

**Company**

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 August 2020	7,508,068	318,721	234,905	751,749	8,813,443
Additions	84,774	-	28,500	22,135	135,409
Disposals	-	-	(17,734)	-	(17,734)
At 31 July 2021	7,592,842	318,721	245,671	773,884	8,931,118
<b>Depreciation</b>					
At 1 August 2020	4,308,216	286,487	183,234	728,758	5,506,695
Charge for the year	374,585	14,031	23,958	22,709	435,283
On disposals	-	-	(8,336)	-	(8,336)
At 31 July 2021	4,682,801	300,518	198,856	751,467	5,933,642

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**14. Tangible fixed assets (continued)**

**Company (continued)**

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Net book value</b>					
At 31 July 2021	<u>2,910,041</u>	<u>18,203</u>	<u>46,815</u>	<u>22,417</u>	<u>2,997,476</u>
At 31 July 2020	<u>3,199,852</u>	<u>32,234</u>	<u>51,671</u>	<u>22,991</u>	<u>3,306,748</u>

**15. Fixed asset investments**

Group	Investment Funds £	Rory MacDonald and James Harris Fund £	Mellon Fund £	Total £
<b>Cost or valuation</b>				
At 1 August 2020	1,642,342	150,253	591,862	2,384,457
Cash movement	32,582	(319)	2,163	34,426
Management fee	(11,479)	(490)	(4,050)	(16,019)
Investment income	27,614	6,474	6,381	40,469
Unrealised/realised gains/(losses)	216,340	16,366	87,551	320,257
Drawdown	-	(20,000)	(36,205)	(56,205)
At 31 July 2021	<u>1,907,399</u>	<u>152,284</u>	<u>647,702</u>	<u>2,707,385</u>
<b>Net book value</b>				
At 31 July 2021	<u>1,907,399</u>	<u>152,284</u>	<u>647,702</u>	<u>2,707,385</u>
At 31 July 2020	<u>1,642,342</u>	<u>150,253</u>	<u>591,862</u>	<u>2,384,457</u>



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**15. Fixed asset investments (continued)**

**Group Material Investments**

Investments representing individually over 5% of the portfolio valuation at the year end were:

	<b>31 July 2021 £</b>	<b>Portfolio % 2021</b>
UK Based Equities	240,921	8.90
Non-UK Equities	1,190,455	43.97
UK Bonds	238,317	8.80
Non-UK Bonds	327,746	12.11
Alternatives - structured products and other	709,946	26.22

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**15. Fixed asset investments (continued)**

Company	Investments in subsidiary companies £	Investment Funds £	Rory MacDonald and James Harris Fund £	Mellon Fund £	Total £
<b>Cost or valuation</b>					
At 1 August 2020	150,000	1,642,342	150,253	591,862	2,534,457
Cash movement	-	32,582	(319)	2,163	34,426
Management fee	-	(11,479)	(490)	(4,050)	(16,019)
Investment income	-	27,614	6,474	6,381	40,469
Unrealised/realised gains/(losses)	-	216,340	16,366	87,551	320,257
Drawdown	-	-	(20,000)	(36,205)	(56,205)
At 31 July 2021	<u>150,000</u>	<u>1,907,399</u>	<u>152,284</u>	<u>647,702</u>	<u>2,857,385</u>
<b>Net book value</b>					
At 31 July 2021	<u>150,000</u>	<u>1,907,399</u>	<u>152,284</u>	<u>647,702</u>	<u>2,857,385</u>
At 31 July 2020	<u>150,000</u>	<u>1,642,342</u>	<u>150,253</u>	<u>591,862</u>	<u>2,534,457</u>

On 29 January 1998 BRS Education Limited acquired the whole of the issued share capital of BRS Training Limited, a company incorporated on that date and registered in England and Wales.

BRS Training Limited commenced trading on 1 April 1998 and its principal activities are the provision of conference and event services, including room hire and catering. A summary of its trading activity is disclosed in note 31.

**16. Stocks**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Merchandise and bar stock	7,801	8,222	-	-
Animal feed and bedding	13,493	14,403	13,493	14,403
	<u>21,294</u>	<u>22,625</u>	<u>13,493</u>	<u>14,403</u>

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**17. Debtors**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
<b>Due within one year</b>				
Trade debtors	139,019	108,246	112,763	71,499
Amounts owed by group undertakings	-	-	82,476	69,310
Other debtors	5,693	4,757	-	-
Prepayments and accrued income	160,370	77,136	136,234	72,707
Tax recoverable	-	812	-	-
	<u>305,082</u>	<u>190,951</u>	<u>331,473</u>	<u>213,516</u>

**18. Current asset investments**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash for investment	<u>166,939</u>	<u>201,432</u>	<u>166,939</u>	<u>201,432</u>

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**19. Creditors: Amounts falling due within one year**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank overdrafts	1,459	1,441	1,459	1,441
Trade creditors	53,267	43,349	51,640	41,748
Other taxation and social security	45,994	43,421	45,994	43,421
Other creditors	64,877	38,441	64,877	38,441
Accruals and deferred income	467,443	281,333	451,306	267,550
	<u>633,040</u>	<u>407,985</u>	<u>615,276</u>	<u>392,601</u>
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Deferred income at 1 August 2020	200,715	326,426	197,497	324,670
Resources deferred during the year	264,652	200,715	262,107	197,497
Amounts released from previous periods	(200,715)	(326,426)	(197,497)	(324,670)
	<u>264,652</u>	<u>200,715</u>	<u>262,107</u>	<u>197,497</u>

Deferred income relates to amounts received in advance for courses that have yet taken place and advance receipts for services to be performed under contractual agreements.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
<b>Unrestricted funds</b>						
Charitable company and subsidiary	3,392,508	3,342,456	(3,716,954)	56,205	216,207	3,290,422
Development fund	105,644	-	(90,224)	-	-	15,420
	<u>3,498,152</u>	<u>3,342,456</u>	<u>(3,807,178)</u>	<u>56,205</u>	<u>216,207</u>	<u>3,305,842</u>
<b>Restricted funds</b>						
Building Fund	1,456,787	-	(140,183)	-	-	1,316,604
Mellon Fund	634,294	6,313	(4,182)	(36,205)	87,684	687,904
New Barn Fund	98,558	-	(39,439)	-	-	59,119
Rory MacDonald and James Harris Fund	149,508	7,729	(490)	(20,000)	16,366	153,113
Moller Wing conversion	37,720	-	(2,453)	-	-	35,267
Simulator Fund	9,600	-	(7,200)	-	-	2,400
Gym conversion	120,000	-	-	-	-	120,000
Recreation room	78,700	-	-	-	-	78,700
Front loader (Godolphin)	8,787	-	(2,556)	-	-	6,231
The Newmarket Pony Academy	600	108,750	(28,289)	-	-	81,061
IT suite	-	15,000	-	-	-	15,000
	<u>2,594,554</u>	<u>137,792</u>	<u>(224,792)</u>	<u>(56,205)</u>	<u>104,050</u>	<u>2,555,399</u>
<b>Total of funds</b>	<u>6,092,706</u>	<u>3,480,248</u>	<u>(4,031,970)</u>	<u>-</u>	<u>320,257</u>	<u>5,861,241</u>

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**20. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
<b>Unrestricted funds</b>						
Charitable company and subsidiary	3,718,607	3,237,412	(3,570,402)	53,384	(46,493)	3,392,508
Development fund	194,448	-	(88,804)	-	-	105,644
	<u>3,913,055</u>	<u>3,237,412</u>	<u>(3,659,206)</u>	<u>53,384</u>	<u>(46,493)</u>	<u>3,498,152</u>
<b>Restricted funds</b>						
Building Fund	1,600,153	-	(143,366)	-	-	1,456,787
Mellon Fund	658,048	7,524	(5,233)	(33,384)	7,339	634,294
New Barn Fund	137,997	-	(39,439)	-	-	98,558
Rory MacDonald and James Harris Fund	173,024	6,910	(1,765)	(20,000)	(8,661)	149,508
Moller Wing conversion	45,000	-	(7,280)	-	-	37,720
Simulator Fund	16,800	-	(7,200)	-	-	9,600
Gym conversion	-	120,000	-	-	-	120,000
Recreation room	-	78,700	-	-	-	78,700
Front loader (Godolphin)	-	9,000	(213)	-	-	8,787
The Newmarket Pony Academy	-	600	-	-	-	600
	<u>2,631,022</u>	<u>222,734</u>	<u>(204,496)</u>	<u>(53,384)</u>	<u>(1,322)</u>	<u>2,594,554</u>
<b>Total of funds</b>	<u>6,544,077</u>	<u>3,460,146</u>	<u>(3,863,702)</u>	<u>-</u>	<u>(47,815)</u>	<u>6,092,706</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds - notes**

The Development Fund was created as a designated fund to provide for future capital expenditure on the facilities to enable the School to carry out training in line with industry demand.

The Building Fund comprises net incoming resources for which the uses are expressly restricted to the construction and development of the facilities at The British Racing School in pursuance of the charity's stated objectives.

The Mellon Fund comprises an initial donation of £349,005 in 2001 and a further donation of £49,162 in 2002 from the Executors of the Estate of the late Paul Mellon and its use is restricted to expenditure on the welfare of the horses at The British Racing School. The maximum amount which may be drawn down annually for this purpose is limited to 5% of the fair market value of the assets of the fund. The income of the fund is required to accumulate and add to the principal, subject to amounts spent within the prescribed use, as described above.

The New Barn Fund comprises net incoming resources for which the uses are expressly restricted to the construction and development of the new American barn at The British Racing School in pursuance of the charity's stated objectives.

The James Harris Legacy was received in 2016 and was restricted to the provision of support to young people wishing to access the training provided by The British Racing School. The Rory MacDonald Memorial Fund was created as a result of a fundraising campaign in 2017, in memory of Rory MacDonald, who served as the Chief Executive of The British Racing School from 1992 - 2014. The Rory MacDonald and James Harris Fund has been invested with Cazenove and is managed collectively.

The fund will be held to provide funding for young people wishing to attend courses at The British Racing School for whom there is no Government support. The funds will also be used to market the courses offered by The British Racing School to potential trainees from groups for whom there is limited Government funding, but who could benefit from the training provided and go on to successful careers in the racing industry.

The Moller Wing conversion comprises a donation of £45,000 in 2019 which is restricted towards the conversion of the Moller Wing at the British Racing School, the expenditure relates to depreciation.

The Simulator Fund relates to income received during 2019 towards the purchase of a new racing simulator. The simulator was purchased in 2019 and expenditure relates to depreciation.

The Gym Conversion fund relates to a donation in the year which is restricted towards the conversion of the gym to additional accommodation, this opportunity is a result of the access The British Racing School now has to the Injured Jockeys Fund gym in Peter O'Sullivan House. The project is on hold because of the COVID-19 pandemic.

The Recreation Room fund relates to a donation in the year which is restricted towards the construction of a recreation room to serve the additional accommodation which will result from the gym conversion. The project is on hold because of the COVID-19 pandemic.

The Front Loader fund relates to a donation in the year which was used to fund the purchase of a front loader, the expenditure relates to the depreciation.

Transfers from the Mellon Fund and the Rory MacDonald and James Harris Fund relate to the annual draw downs in line with the restrictions of the funds.

The Newmarket Pony Academy (NPA) works with local primary schools to provide one-week programmes that introduce the children to horses and ponies and the NPA Fund relates to donations made through the year towards the project, donations received in the year and subsequently will allow the project to run for an initial three-year period, during which time we will work to create a sustainable funding model for the project over the long term.

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IT suite - a donation was received in the year to fund the redevelopment of our IT suite, including upgrading the computers and purchasing new classroom furniture, the redevelopment has now been completed.

**22. Summary of funds**

**Summary of funds - current year**

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
General funds	3,498,152	3,342,456	(3,807,178)	56,205	216,207	3,305,842
Restricted funds	2,594,554	137,792	(224,792)	(56,205)	104,050	2,555,399
	<u>6,092,706</u>	<u>3,480,248</u>	<u>(4,031,970)</u>	<u>-</u>	<u>320,257</u>	<u>5,861,241</u>

**Summary of funds - prior year**

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
General funds	3,913,055	3,237,412	(3,659,206)	53,384	(46,493)	3,498,152
Restricted funds	2,631,022	222,734	(204,496)	(53,384)	(1,322)	2,594,554
	<u>6,544,077</u>	<u>3,460,146</u>	<u>(3,863,702)</u>	<u>-</u>	<u>(47,815)</u>	<u>6,092,706</u>

**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,721,931	1,413,390	3,135,321
Fixed asset investments	1,866,368	841,017	2,707,385
Current assets	350,583	300,992	651,575
Creditors due within one year	(633,040)	-	(633,040)
<b>Total</b>	<u>3,305,842</u>	<u>2,555,399</u>	<u>5,861,241</u>



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**23. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,870,056	1,602,665	3,472,721
Fixed asset investments	1,600,655	783,802	2,384,457
Current assets	435,426	208,087	643,513
Creditors due within one year	(407,985)	-	(407,985)
<b>Total</b>	<b>3,498,152</b>	<b>2,594,554</b>	<b>6,092,706</b>

**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	Group 2021 £	Group 2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(231,465)	(451,371)
<b>Adjustments for:</b>		
Depreciation charges	463,411	460,053
(Gains)/losses on investments	(320,257)	47,815
Investment income	(40,469)	(45,842)
Loss/(profit) on the sale of fixed assets	(602)	-
Decrease in stocks	1,331	577
Decrease/(increase) in debtors	(114,131)	225,363
Increase/(decrease) in creditors	225,055	(211,928)
<b>Net cash provided by/(used in) operating activities</b>	<b>(17,127)</b>	<b>24,667</b>

**25. Analysis of cash and cash equivalents**

	Group 2021 £	Group 2020 £
Cash in hand	158,260	228,505
Cash for investment	166,939	201,432
<b>Total cash and cash equivalents</b>	<b>325,199</b>	<b>429,937</b>

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**26. Analysis of changes in net debt**

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash at bank and in hand	228,505	(70,245)	158,260
Bank overdrafts repayable on demand	(1,441)	(18)	(1,459)
Liquid investments	201,432	(34,493)	166,939
	<u>428,496</u>	<u>(104,756)</u>	<u>323,740</u>

**27. Pension commitments**

During the year ended 31 March 2007 the Charity set up a Group Personal Pension Scheme for those of its employees who wished to participate. The pension cost charge for the year represents contributions payable by the Charity into this pension scheme.

The Charity was required to comply with the automatic enrolment workplace pensions regulations from 1 August 2015. The Charity has amended the Group Personal Pension Scheme to ensure that it was compliant with the workplace pension regulations.

**28. Operating lease commitments**

At 31 July 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	<u>3,189</u>	<u>1,500</u>	<u>3,189</u>	<u>1,500</u>

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**29. Related party transactions**

Other than the transactions disclosed in note 13, the Trustees consider that no other related party transactions occurred during the year.

**30. Controlling party**

BRS Education Limited is controlled by its Board of Trustees. Accordingly, there is no single individual that can, or does, exert control over the Charity.

**31. Principal subsidiaries**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
BRS Training Limited	03501079	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Loss for the year £</b>	<b>Net assets £</b>
BRS Training Limited	116,270	(135,238)	(18,968)	125,152

