

Charity Registration No. 1182855

Company Registration No. CE017096 (England and Wales)

RACING TO RELATE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

RACING TO RELATE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	AJ C Pratt P L Drown J J Harbord	(Appointed 22 January 2021)
Charity number	1182855	
Company number	CE017096	
Registered office	82 St John Street London EC1M 4JN	
Independent Examiner	Lee & Co Chartered Accountants 26 High Street Rickmansworth WD3 1ER	

RACING TO RELATE

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RACING TO RELATE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MAY 2021

The RACING TO RELATE Trustees present their report and the unaudited financial statements as a charitable incorporated organisation (CIO) for the charity's year ended 31 May 2021.

The financial statements comply with current statutory requirements, the charity's Foundation Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Our registered office is in central London at the offices of Beavis Morgan LLP. Key Trustee meetings have taken place here where possible with fewer meetings here than envisaged as one might expect in this COVID landscape, and our remote home-working / virtual online set up has stood us in good stead to cope with recent events.

Objectives and activities

The charity's objects as stated in the Foundation constitution are:

"THE RESCUE AND REHOMING OF FORMER RACEHORSES VULNERABLE TO ABANDONMENT, ABUSE, MISUSE OR NEGLECT AND IN NEED OF CARE AND ATTENTION THROUGH THE REHABILITATION AND RETRAINING OF SUCH HORSES "

The charity's activities are related to advancing the objects of the charity and in the initial stages are primarily research, education, advocacy and communication.

The RACING TO RELATE Trustees shall review the objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. RACING TO RELATE reports the success of each key activity and the benefits the charity has brought to date. The review also helps the RACING TO RELATE Trustees ensure the charity's objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the objectives that have been set.

Our Vision and Purpose

Humans are connected inextricably to the Thoroughbred. The Thoroughbred has given its all to us, both on the racetrack and off. Within this off-track realm, Racing To Relate (R2R) was established to help protect the welfare of former Thoroughbred racehorses in new careers helping people within Equine Assisted Services (EAS) and beyond. Our vision is for long term positive impact on Thoroughbred welfare in the context of these very special horse and human relationships beyond racing.

Our strategic aims include providing leadership, based on evidence, on how best to use former racehorses as reflected in the first goals of our charity set out below. We then intend to improve access to EAS post racing careers, and optimise equine welfare outcomes within this increasingly popular and diverse field. The initial creation of a comprehensive body of evidence will provide us with an essential foundation that will enable us to achieve our vision.

Strategy

In furtherance of our objectives, the Trustees are committed to overseeing our charity's Phase One Strategy under the following main headings:

Benefit / Stakeholder Beneficiary Value

- Informed, evidence-based leadership on use of Thoroughbreds in equine assisted therapy.
- Improved access to equine assisted therapy.
- Enhanced equine and human welfare in this sector of activity.

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Capacities

- Engage and align stakeholders, developing effective partnerships (including charities with similar and/or complimentary objectives)
- Ensure high quality research and information.
- Develop effective and joined up advocacy.

Learning & Growth

- Effective communication ensuring shared understanding and buy into our strategy.
- Ensure adequate specialist / technical expertise.
- Gather and disseminate sound research and evidence.

Resources

- Secure funding for Phase One (years 1 to 5).
- Strengthen our financial and organisational sustainability.
- Use resources strategically and efficiently.

Our First Goals in Action :

One of our priorities is to gain a better understanding of the diverse ways in which horses are already incorporated into programmes to assist people, and how former racehorses might fit more into this picture in the future, so that we can develop evidence-based guidelines on selection and retraining for EAS in collaboration with the Racing, Retraining and EAS sector.

We have continued to make considerable headway towards the first three main goals for our charity:

1- To gather data on EAS especially when involving former racehorses.

Action : we have launched the Bristol University online Survey for our collaborative research study. This survey of the whole of the EAS sector is an important part of our phase one audit of EAS. This is already resulting in enhanced engagement with the EAS sector and we are in various partnership discussions with key international EAS organizations to further mutual goals for equine welfare.

2- To implement a long term research programme to study both horse welfare and the impact of EAS on participants to increase the scientific evidence base and inform best practice.

Action : in 2021 we created a specific platform for our R&D work, called Thoroughbred Assisted™ to be a central focus for knowledge-sharing and inter-sector collaborations. We expect this to bring widespread benefits across the EAS and the Thoroughbred sectors for both equine and human welfare.

3- To engage and educate the racing industry and their equine welfare partners; the EAS sector; and the general public, on existing and potential utilisation of former racehorses in EAS.

Action :

Engagement : we are fast gaining recognition as a racing charity with endorsement from national and international horseracing authorities and institutions including the International Forum for Aftercare of Racehorses (IFAR), the British Horseracing Authority (BHA), Racing Together, Horse Racing Ireland (HRI), S. African Jockey Club (NHRA), New Zealand Racing, and official national retraining charities, Retraining of Racehorses (RoR, UK), Au-delà des Pistes (ADDP, France), Treo Eile (Ireland), and Thoroughbred Aftercare Alliance (TAA, USA).

Education :

We were invited to participate in the first Horses and Humans Research Foundation Educational Conference in North Carolina in the USA in October 2021 to present our Thoroughbred Assisted™ R&D project aims. This was a great success and brought the opportunity to connect, learn and share our work with leading research institutions and their research programmes and EAS stakeholders.

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

We have been invited to participate in the 'Racing Together' Webinar Series for their episode entitled : 'The enduring power of racehorses to help people - exploring the horse-human connection'. Racing Together represents and champions British racing's community engagement and education activity and is a partnership of charities and other organisations who work across the sport to benefit others.

Our PhD research project with University of Bristol :

A Pioneering and Collaborative Study: 'Selection and Education of Former Racehorses (Thoroughbreds) for Equine Assisted Therapy: Developing the Evidence base for a Global Standard

This 3 year PhD research with the University of Bristol project forms part of wider long term research goals as set out in the first goals of our Charity and has kindly been made possible with funding from the John Pearce Foundation. This research will inform our strategy now and in the future in line with Good Impact Practice.

"Although there is a wealth of evidence to suggest we humans benefit from Equine Assisted Therapy, there is - as yet - little research on the role of former racehorses in this field. Sensitive, responsive, and used to being handled by humans, they can be uniquely suited to supporting people in need; but what traits makes an individual horse right for the job? What is the best practice for retraining horses for this purpose? How can we ensure their welfare even as they help people with theirs?"

At a time when racehorse welfare is gathering significant global attention, Racing To Relate CIO stepped up and said "let's find out". Their collaborative research with the University of Bristol aims to create an evidence-based standard for off-track racehorses working as therapy animals, using their new Thoroughbred Assisted™ platform to share guidelines, champion best practice, and engage with audiences both in racing in beyond. I couldn't be more thrilled that the John Pearce Foundation is supporting this important step in their journey, joining colleagues at the British Horseracing Authority, the Sir Peter O'Sullivan Charitable Trust and the Childwick Trust - to name a few!"

- Emilie Greener, Charity Manager at The John Pearce Foundation

The research comprises three phases : AUDIT - SELECTION & WELFARE - EDUCATION. Work on the audit phase is underway with a quantitative comparative survey of horses, including former racehorses in EAS programmes and racehorse retraining programmes with any EAS focus in the UK, France, USA and ROI.

Robust data and evidence

The racing industry have clearly identified a need to develop evidence-based guidelines and best practices on selection, education and use of post racing Thoroughbreds in EAS to ensure optimal equine welfare outcomes post racing. We have pioneered this study to responsibly meet our commitment to evidence-based leadership in this sphere and as an independent Thoroughbred welfare charity, we aim to make a significant contribution to wider and crucial racing industry efforts on post-career care for Thoroughbreds.

The recently established Horse Welfare Board issued their first strategic report in February 2020 entitled 'A Life Well Lived' to apply across the lifespan of Thoroughbred racehorses including after their racing careers, calling for (at page 34) :

- Substantive welfare standards
- Effective communication and education
- Robust data and evidence

Collaboration

Our emphasis on collaboration aims to cultivate raised stakeholder awareness, consensus and implementation of evidence based best practices that will optimise equine welfare outcomes post racing. RACING TO RELATE plays an important role to facilitate regular reporting of information / data and stakeholder liaison at key stages along the phases of the research project, and the study has been designed to allow open access to final results.

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Collaboration in action :

Pilot at Horses For People, Ballygraffan in Northern Ireland with DRCOH

The Down Royal Corporation of Horsebreeders approached us to collaborate and co-fund a pilot project in Northern Ireland with four Thoroughbreds from training into EAS. This has provided our researchers with a valuable opportunity to test out protocols for later phases of field trials and look at the realities of taking horses from the track. The project has been under the controlled and expert eye of an experienced team of equine professionals, vets, farriers and therapists, with guidance and supervision from both Bristol University and CAFRE (College of Agriculture, Food and Rural Enterprise, Northern Ireland).

The PhD study and this first Thoroughbred Assisted pilot have already attracted considerable interest from key international stakeholders in the Thoroughbred and EAS communities. We are incredibly grateful to all the people involved and we hope this interest is the beginning of some inspiring collaborations with industry professionals across both sectors. The pilot has become a superb opportunity to work together, exchange ideas and experience and shape these future collaborations. As we develop, we are learning more and more about the important work in this EAS and welfare context. We look forward to the opportunity to share our collective knowledge-building processes over the coming year.

Much scope for benefit

Equine and human welfare

By ensuring Thoroughbreds with suitable personalities, education and welfare adapt to their new career successfully, this project will help the racing industry deliver support for post retirement careers in EAS in line with their strategic aims including 'to continually strive for best practice outcomes every single day of their life' (Sykes, BHA).

This ambitious study will directly benefit equines (improving welfare) and humans, professionals and patients involved in EAS programmes (securing interventions and improved human-horse relationship) both directly and indirectly.

There is scope to benefit all Thoroughbred retraining and aftercare organisations, selecting and retraining Thoroughbreds from a recognised standard could increase the retrainers' client types, also funding / potential income streams / partnerships with EAS service providers commercial and charitable to share horses and facilities.

Once tested on Thoroughbreds intended for EAS, the selection process and welfare assessment could be adapted to all types of post racing careers optimising welfare outcomes across the many second careers promoted and supported by RoR, IFAR, the Industry, equine and racing charities and foundations alike.

Increased understanding - clearing the way for better access :

It is important to note the extensive scope of EAS services that include therapy (mental health, psychotherapy and physical therapy), education, learning, personal development and specialist horsemanship services. We are liaising with EAS sectors to keep up to date with moves to standardise terminology and reduce confusion for stakeholders and decision makers.

Vital early funding and ongoing support in 2021 from established charitable racing foundations including The Peter O'Sullivan Charitable Trust (£25,000), The Childwick Trust (£25,000) and the John Pearce Foundation (3 year research award allocated to our collaborative University of Bristol Study of £157,000) have been hugely important to our charity's progress. The Down Royal Corporation of Horsebreeders (DRCOH), an organisation established by Royal Charter and with a keen focus on promotion of the Thoroughbred and their ongoing welfare in Northern Ireland, have co-funded a pilot study with us at Horses For People in Ballygraffan linked to our research with University of Bristol and with participation of CAFRE. An excellent example of what such industry-level support can help us to achieve.

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

We are immensely grateful to these funders and partners for their support which enables us to pursue our charitable activities in line with our charity's vision.

We now have a CAF (Charities Aid Foundation) account and online donation facility and we are recognised for gift aid.

Covid-19 Pandemic

The global health pandemic has certainly caused considerable disruption to the charity sector including leading racing foundations and charities. We were very fortunate to have successfully funded a new programme of research during this health crisis and include questions specifically on impact of Covid-19 on EAS programmes and Thoroughbred retrainers as part of the AUDIT phase of the research to help inform our strategy and other racing charities going forward.

Plans for the future

R2R is emerging more visibly as we position ourselves to lead the field on the use of Thoroughbreds in EAS (as per our Stakeholder & Beneficiary Value). We are doing this by working hard to progress our goals relating to Capacities and Learning & Growth. Much emphasis will be on effective communication, both online and otherwise, including two websites, our online R&D platform for knowledge collaboration www.thoroughbredassisted.org and our foundation website www.racingtorelate.org, together with a social media strategy and specialist multimedia and marketing initiatives.

We are particularly keen to deepen engagement with experts in the Mental Health sector in 2022. There already exists much anecdotal and scientific evidence indicating the benefits of EAS for people with mental and physical disabilities. But we need to develop an equally deep understanding of both human and horse welfare considerations within EAS.

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Structure, governance and management

The Board meets four times a year, and gives detailed consideration to monitoring the progress of the Charity in achieving its performance and quality objectives, current and future projects, financial matters, as well as the identification and management of risk. The Trustees and the CEO have developed a budget to achieve the objectives of the Charity and the CEO has been charged by the Board to be responsible for the delivery of this plan, reporting to the Board on monthly performance.

The Trustees delegate responsibility for the day-to-day operation and management of the Charity to the CEO. The CEO attends charity networking events and meets with colleagues so that any relevant information, such as new Charity Commission requirements, and sectoral developments relating to good practice and impact measurement, are reported to the Trustees.

The Trustees consider recruitment of new Trustees as the need arises. Applications from suitable candidates would be sought by identifying specific gaps in professional skills and seeking recommendations of professionally qualified candidates, if necessary, placing advertisements in suitable publications. A new Trustee would be provided with information on the activities, financing and management structure of the Charity, together with Charity Commission guidance and codes of conduct related to the roles and responsibilities of Trustees.

Financial review

The results for the CIO's year end were in line with the trustees' expectations, with income from grant awards representing income for the year of £54,760. Total expenditure in the year was £26,843.

A cautious approach to expenditure was adopted. There were cash balances of £ 66,304 at the year end.

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Investment policy

The Charity holds cash balances.

Going concern

We have been successful in attracting funding towards core operational costs of £50,000 for 2021 and full funding for our three year research project with the University of Bristol (Total of £157,000), of which £16,660 is allocated to RACING TO RELATE for project liaison costs during the duration of this project representing £4,760 for the 2020-2021 financial period. Figure for 2021 - 2022 is £11,900. We are currently in grant making application process for ongoing funds from key racing charitable foundations and Thoroughbred industry stakeholders and hope to increase this figure to cover operational costs and to further our aims of providing industry-level support via a 'Thoroughbred Assisted' fund that we hope to be operational by the end of 2022.

Reserves Policy

The Trustees have set a policy of maintaining reserves equivalent to six months' expenditure. This is reviewed periodically.

Restricted and unrestricted funds

The funds at the year end include unrestricted fund and restricted fund.

Risk

The major risks to which the Charity is exposed have been identified by the Trustees and procedures established to mitigate these risks are monitored and reviewed regularly and have been recorded in the risk register. We minimise finance risk by the preparation and monitoring of monthly accounts, budgets; strategic risk by the maintenance of good practice in the allocation of grants; and operational risk and regulation compliance risk through the regular review of activities and the use of professional advisers.

Statement of Trustees' responsibilities

Law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

RACING TO RELATE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Independent examiner

Lee & Co Chartered Accountants were appointed as the charity's independent examiner during the year and has expressed its willingness to continue in that capacity.

This report was approved by the Trustees on.....17.02.2022..... and signed by:



A J C Pratt
Trustee
Dated: 17.02.2022...



P L Drown
Trustee
Dated: 17.02.2022.....



J J Harbord
Trustee
Dated: 17.02.2022...

RACING TO RELATE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RACING TO RELATE

I report to the Trustees on my examination of the financial statements of Racing to Relate (the charity) for the year ended 31 May 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



John Lee FCA
Lee & Co Chartered Accountants
26 High Street
Rickmansworth
WD3 1ER

Dated: 17/2/22

RACING TO RELATE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2020 £
	Notes			
Income from:				
Donations and legacies	3	50,003	36,632	60,081
Investments	4	-	-	39
Total income		50,003	36,632	60,120
Expenditure on:				
Charitable activities	5	19,886	6,957	29,677
Net income for the period/ Net movement in funds		30,117	29,675	30,443
Fund balances at 1 June 2020		30,443	-	-
Fund balances at 31 May 2021		60,560	29,675	30,443

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

RACING TO RELATE

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		473		806
Current assets					
Debtors	9	26,222		1,015	
Cash at bank and in hand		66,304		30,302	
		92,526		31,317	
Creditors: amounts falling due within one year	10	(2,764)		(1,680)	
Net current assets			89,762		29,637
Total assets less current liabilities			90,235		30,443
Income funds					
Restricted funds	12	29,675			
Unrestricted funds		60,560			30,443
		90,235			30,443


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2021.

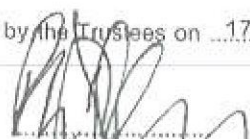
The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its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

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

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

The financial statements were approved by the Trustees on 17/02/2022.


A J C Pratt
Trustee


P L Drown
Trustee


J J Harbord
Trustee

Company Registration No. CE017096

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Charity information

Racing to Relate is a charitable incorporated organisation (CIO) incorporated in England and Wales (Registered Charity No.1182855). The registered office is 82 St John Street, London, EC1M 4JN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Resources expended

All costs are allocated to expenditure categories reflecting the use of the resources. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT Equipment	33.33% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2 Critical accounting estimates and judgements

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.

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	50,003	36,632	86,635	60,081

4 Investments

	Total	Unrestricted funds
	2021 £	2020 £
Interest receivable on cash at bank	-	39

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

5 Charitable activities

	Support Costs	Support Costs
	Total	Total
	2021	2020
	£	£
Depreciation and impairment	333	194
Insurance	1,016	1,015
Travelling and subsistence	1,254	16,519
Management fees	-	378
Printing and stationery	38	396
Telephone and internet	903	969
Legal fees	1,800	3,738
Promotional expenses	-	1,326
Bank charges	240	68
Consultancy fees	-	2,850
Computer and website costs	6,564	544
Research and study costs	6,957	-
Accountancy Fees	2,400	1,140
Professional Fees	600	540
Entertainment	210	-
Subscription	528	-
Charitable and Donation	4,000	-
	<u>26,843</u>	<u>29,677</u>
Analysis by fund		
Unrestricted funds	19,886	29,677
Restricted funds	6,957	-
	<u>26,843</u>	<u>29,677</u>

Website costs

6 Trustees

None of the Trustees received any remuneration or benefits from the charity during the year.

7 Employees

There were 0 employees during the year.

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

8 Tangible fixed assets

	IT Equipment £
Cost	
At 1 June 2020	1,000
At 31 May 2021	1,000
Depreciation and impairment	
At 1 June 2020	194
Depreciation charged in the year	333
At 31 May 2021	527
Carrying amount	
At 31 May 2021	473
At 31 May 2020	806

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	26,222	1,015

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,164	-
Accruals and deferred income	600	1,680
	2,764	1,680

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

RACING TO RELATE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 May 2021
	Balance at 1 June 2020	Incoming resources	Resources expended	
	£	£	£	£
Restricted fund	-	36,632	(6,957)	29,675
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13 Unrestricted funds

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds			Balance at 31 May 2021
	Balance at 1 June 2020	Incoming resources	Resources expended	
	£	£	£	£
General fund	30,443	50,003	(19,886)	60,560
	<u> </u>	<u> </u>	<u> </u>	<u> </u>