

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Registration Number: 281686

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J L Eddis, Chairman Mrs S Geake G McGrath Lady Susannah O'Brien Dr A P Forsythe Simpson
Charity number	281686
Principal address	9 High Street Lambourn Hungerford Berkshire RG17 8XL
Auditors	Ross Brooke Ltd Suite 1 Windrush Court Abingdon Business Park Abingdon OX14 1SY
Bankers	Weatherbys Bank Sanders Road Wellingborough Northamptonshire NN8 4BX
Solicitors	Forsters LLP 31 Hill Street Mayfair London W1J 5LS
Investment advisors	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
Insurance and risk management consultants	Marsh Commercial 13 th Floor Castlemead Lower Castle Street Bristol BS1 3AG
Administrator and loss adjusters	SLS, a Crawford Company 1 st Floor 8 Exchange Quay Manchester M5 3EJ

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

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RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31 March 2021. The financial statements comply with the Charities Act 2011, the Trust Deed, 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).

Structure, governance and management

CONSTITUTION

Racing Industry Accident Benefit Scheme is a Registered Charity in England (registration number 281686) constituted under the Declaration of Trust dated 15 July 1975, as amended by Supplemental Deed dated 1 June 1980 and Supplemental Deed dated 28 January 1993. The Trustees have recently completed a review and update of the Trust Deed.

TRUSTEES IN THE PERIOD

The trustees who served during the year were:

J L Eddis, Chairman

Mrs S Geake

G McGrath

Lady Susannah O'Brien

Dr A P Forsythe Simpson

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The trustees of the Racing Industry Accident Benefit Scheme (RIABS) have specialist experience and expertise in a range of areas that are of benefit to the charitable activities of RIABS. The trustees' term of appointment is in accordance with the Trust Deed and the duration of the Scheme.

Trustees are sought in a variety of ways including recommendation from existing trustees and the secretariat. The Chairman and Board select new trustees. Selection is based on personal competence, specialist skills and the value the individual will contribute to RIABS.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

New trustees are introduced to the workings of the scheme by the secretariat, Rupert Arnold and Jill Crook, and are mentored by an existing and experienced trustee. The Chairman introduces the trustee to the workings of the Board, briefs the new trustee on recent and pending decisions made by the Board and makes himself available to respond to any questions. The secretariat provides continuous communication and offers the new trustee information and training opportunities.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees maintains a full and effective control over the charity and has ultimate responsibility for the activities and financial stability of the charity. Meetings are held twice yearly to make strategic and policy decisions, as well as to approve significant operational decisions. The Chairman and trustees are also consulted at appropriate times in addition to formal meetings.

The insurance and risk management consultants, Marsh Commercial, provide reports for the trustees and it is on their advice that the trustees set membership contribution levels.

The Executive of the National Trainers Federation (NTF) provides the management of RIABS, of which the Chief Executive, Rupert Arnold, and the Membership Executive, Jill Crook, are the Secretariat.

The implementation of policies and decisions as well as the day-to-day running of the charity is delegated to Rupert Arnold and Jill Crook.

CONNECTED CHARITIES AND ORGANISATIONS

In pursuit of its charitable objects, the charity works closely with charities and organisations within racing. Until 30th September 2019 Rupert Arnold was a member of the Board of Directors of the British Horseracing Authority (BHA) and is currently a Trustee of the NTF Charitable Trust and the Racehorse Trainers Benevolent Fund. J L Eddis is a trustee of RIABS and also Racing Welfare. G A McGrath is a trustee of RIABS and also The Racing Centre in Newmarket.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Trustees and management are aware of the types of risks the charity faces through their knowledge of the racing industry, experience of racehorse training establishments and through their working knowledge of RIABS. The charity's principal risks are assessed to be:

- Contributions not matching expenditure;
- Failure of Weatherbys to collect funds;
- An increased accident frequency;
- An unusually high number of long term injuries, disablement or fatalities;
- Failure of the loss adjusters to pay benefits in accordance with the agreed procedures;
- A significant decrease in assets under management.

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:

- A twice yearly meeting assessing the current trend of claims and projections for benefit payments to be made by the charity as approved by the trustees;
- Regular consideration by the trustees of financial results, variance from expectation and non-financial performance indicators;
- Review of level and scope of insurance cover;
- Delegation of authority and segregation of duties;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Formal agendas for all Board activity;
- Monitoring of payments by loss adjusters on a weekly basis.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities

PRINCIPAL OBJECTIVES

The principal objective of the charity is to provide for the discretionary payment of disablement benefits for the members (various classes of employees of racehorse trainers as stated in the Scheme Rules) who have suffered financial hardship following accidental injury, disablement or death arising from, and in the course of, employment including bona fide journeys between their normal place of residence and place of work and to provide a capital lump sum in the event of serious injury or death.

AIMS AND INTENDED IMPACT

To continue to maximise disablement benefits as provided under the charity's principal objectives.

MAIN OBJECTIVES AND PRINCIPAL ACTIVITIES FOR THE YEAR

The Scheme undertakes to pay benefits commencing on the fourth day of incapacity for a period of up to 104 weeks for injuries arising from an accident at work or travelling to and from their place of residence. The amount of benefit is the net wage for the week prior to the accident subject to a maximum of £400 per week and is the difference between the claimant's net wage and all statutory benefits receivable by the claimant as a result of the accident. Both employers and employees are obliged to contribute to the Scheme.

In the case of death a capital sum of £77,250 is paid. For permanent disabling injuries a capital sum of up to £154,500 as detailed in the Scheme Rules may be paid, subject to the terms and conditions of the Scheme's insurance policy and, where appropriate, independent review of medical information. Cover is extended to include medical and repatriation expenses up to a limit of £2,000,000 for employees travelling abroad with their horses. The cover is extended to include dental expenses to a limit of £5,000 in accordance with the Scheme rules.

In connection with benefits for temporary incapacity the Trustees of the Scheme may grant, withdraw, revoke or otherwise discontinue benefit at their sole and unfettered discretion. No person has any right to receive or require the payment of benefits under the Scheme and all benefits and payment of benefits are therefore ex gratia.

Achievements and performance

OPERATIONAL PERFORMANCE

Membership numbers were 5,214 (2020: 4,999) as recorded on the BHA database, to which a notional 75 is added to reflect persons at The British Racing School and Northern Horseracing College. A total of 166 (2020:287) weekly benefit claims were submitted as taken from the Renewal Report dated 01.04.2021 for the meeting on the 11th March 2021 for accidents during the period 1st April 2020 to 12th February 2021. It is anticipated that expenditure on these claims will be approximately £850,000 based on all claims running for the full 104 weeks' benefit period. Claims costs were £150,000 higher than in the same period last year.

There have been 1 (2020: 1) applications for capital benefit for accidents within the 166 (2020: 287) total above, although this number is expected to rise as there are ongoing weekly benefit claims that may be found to involve permanent disability. Capital benefit claims are the subject of an insurance policy as negotiated annually by the Trustees based upon advice received from Marsh Commercial.

INVESTMENT PERFORMANCE

The portfolio's primary performance comparator is Consumer Price Inflation (CPI) +2%. The increase in the capital value of the investment portfolio in the year ended 31 March 2021 was 12.2%, which is consistent with the performance of the FTSE 100 Index in the same period as the markets recovered following the Covid-19 pandemic. Over the year to 31 March 2021 the portfolio returned an income yield of 2.2% compared with a target of 2.71% based upon CPI +2%.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

REVIEW OF FINANCIAL POSITION

The net surplus in the year was £291,968 which includes £116,453 of investment gains (2020: net surplus £21,043) as shown on the SOFA (page 9). All investments of the Scheme have been acquired in accordance with the powers available to the trustees. All assets of the Scheme are held in furtherance of the charity's principal objective. The trustees consider that the assets of the Scheme are adequate and available to fulfil the obligations of the Scheme as they fall due.

The trustees are aware of the need to monitor the level of free reserves maintained by the charity and consider the current level to be adequate given the uncertain nature of and timing of any injury and disablement benefit that may have to be paid out.

RESERVES POLICY

All funds are unrestricted and are held in furtherance of the charity's principal activities and are maintained at levels considered prudent by the trustees. The total funds of the charity carried forward as at 31 March 2021 are £1,233,526 (2020: £941,558).

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.

There are no material restrictions on the operations and investment powers of the charity in pursuance of its charitable objectives.

Plans for the future

The trustees intend to continue to monitor the costs of the injury and disablement benefits paid out and to ensure the contribution level remains appropriate. In doing so, weekly contributions from 1 April 2020 rose by £0.20 in the year ended 31 March 2021 to £6.20 per week shared between employees and employers. The increase in claims cost has required an increase in contribution level to £7.00 per week with effect from 1 April 2021 which is shared between the employers and employees.

The Trustees are monitoring possible effects of Covid-19 pandemic and ensuring the charity continues to provide the benefits. The NTF organised a refund of contributions to employees who were furloughed through the Racing Foundation. The refunds ceased on 31 December 2020.

Objectives and activities for the public benefit

The trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Scheme's aims and objectives and in setting its policy on making discretionary payments to members.

The trustees of the Scheme carry out its objectives by:

- Administering the Scheme on a daily basis by liaising with trainers via the trainers' trade association, the National Trainers Federation, and with the loss adjusters, SLS, a Crawford Company;
- Applying their discretion to decide whether certain claims meet the Scheme's rules;
- Liaising with the Scheme's insurers regarding both temporary and capital claims and taking professional advice on the prudent management of the Scheme and its assets;
- Promoting the Scheme to racehorse trainers and their employees.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Racing Industry Accident Benefit Scheme provides a low cost and unique safety net for stable employees in British horseracing. Though industry studies have shown the risks are well managed, caring for racehorses can be dangerous and accidents are a regular occurrence. The Scheme ensures that where injury and disablement do occur, the Scheme members are protected from financial hardship.

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 in the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

This report has been approved by the trustees and signed on their behalf, by:



J L Eddis
Chairman

Dated:  2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RACING INDUSTRY ACCIDENT BENEFIT SCHEME

Opinion

We have audited the financial statements of Racing Industry Accident Benefit Scheme (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RACING INDUSTRY ACCIDENT BENEFIT SCHEME (CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit ; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 5), the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

We have considered:

- the nature of the charity and sector, control environment and operating performance;
- the charity's own assessment, including assessments made by key management, of the risks that irregularities may occur either as a result of fraud or error;
- any matters we identified having reviewed the charity's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed amongst the audit engagement team.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF RACING INDUSTRY ACCIDENT BENEFIT SCHEME (CONTINUED)**

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas in which management is required to exercise significant judgement, such as the disclosure of adjusting items. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Ross Brooke Limited
Statutory Auditor

Suite I
Windrush Court
Abingdon Business Park
Abingdon
OX14 1SY

Date: 28/1/22
Ross Brooke Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Income and endowments from:			
Other		3,000	3,000
Investments	2	19,649	27,931
Charitable activities	3	<u>1,595,729</u>	<u>1,623,663</u>
Total		<u>1,618,378</u>	<u>1,654,594</u> *
Expenditure on:			
Raising funds – investment management fees		5,309	5,407
– third party costs		76	157
Charitable activities	4	<u>1,437,478</u>	<u>1,541,270</u>
Total		<u>1,442,863</u>	<u>1,546,834</u>
Net income before gains and losses on investments		175,515	107,760
Net gains/(losses) on investments	8	<u>116,453</u>	<u>(86,717)</u>
Net income/(expenditure)		291,968	21,043
<i>Reconciliation of funds:</i>			
Funds brought forward		<u>941,558</u>	<u>920,515</u>
Funds carried forward		<u>1,233,526</u>	<u>941,558</u>

All income and expenditure derives from continuing activities.

The notes on pages 12 to 16 form part of the accounts.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

BALANCE SHEET

AS AT 31 MARCH 2021

	Note	2021	2020
		£	£
Fixed Assets:			
Investments	8	1,016,696	906,726
Current assets:			
Debtors	9	51,387	59,396
Cash at bank and in hand		<u>235,733</u>	<u>82,121</u>
Total current assets		287,120	141,517
Liabilities:			
Creditors: amounts falling due within one year	10	<u>(70,290)</u>	<u>(106,685)</u>
Net current assets		<u>216,830</u>	<u>34,832</u>
Total net assets		<u>1,233,526</u>	<u>941,558</u>
The funds of the charity:			
Unrestricted funds		<u>1,233,526</u>	<u>941,558</u>
Total charity funds		<u>1,233,526</u>	<u>941,558</u>

The notes on pages 11 to 15 form part of the accounts.

The accounts were approved by the trustees on 29th Dec 2021 and signed on their behalf by:



J L Eddis, Chairman

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	- 2020 £
Cash flows from operating activities:			
Net Income/(expenditure)		291,968	21,043
Deduct gains/add back losses on investments		(116,453)	86,717
Decrease/(increase) in debtors		8,009	(50,490)
Increase/(Decrease) in creditors		<u>8,605</u>	<u>(27,103)</u>
Net cash (used in) generated from operating activities		<u>192,129</u>	<u>30,167</u>
Cash flows from investing activities:			
Net movement on investment cash balances		<u>6,483</u>	<u>(74,786)</u>
Net cash generated from (used in) investing activities		<u>6,483</u>	<u>(74,786)</u>
Cashflow from financing activities:			
Repayment of debt		(45,000)	-
Receipts of issue of new loan		<u>-</u>	<u>45,000</u>
Net cashflow from financing activities		<u>(45,000)</u>	<u>45,000</u>
Increase/(decrease) in cash and cash equivalents		153,612	291
Cash and cash equivalents brought forward		<u>82,121</u>	<u>81,830</u>
Cash and cash equivalents carried forward		<u>235,733</u>	<u>82,121</u>

The notes on pages 12 to 16 form part of the accounts.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and updated October 2018 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The Trustees confirm that the charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

1.2 Income recognition

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

1.3 Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure relates to either raising funds (costs directly attributable to managing the investment portfolio) or to charitable activities. Expenditure on charitable activities is analysed between the charity's major activities in note 4.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date, based upon valuations provided by fund managers.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.5 Fund structure

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

2 INVESTMENT INCOME

	2021	2020
	£	£
UK equity dividends	4,735	11,795
Overseas equity dividends	3,584	3,457
Income from UK bonds	3,159	3,245
Income from overseas bonds	358	-
Income from other UK investments	4,490	5,381
Income from other overseas investments	2,504	2,778
Deposit account interest	<u>819</u>	<u>1,275</u>
	<u>19,649</u>	<u>27,931</u>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Member contributions – employee	782,303	794,835
Member contributions – employer	<u>813,427</u>	<u>828,828</u>
	<u>1,595,730</u>	<u>1,623,663</u>

4 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2021	2020
	£	£
Charitable activities		
Weekly benefit scheme	1,050,599	998,789
Capital benefit premium	320,615	519,848
Marsh Costs – commission	40,000	-
Crawfords cost	6,250	5,000
Governance and support costs (see below)	<u>20,014</u>	<u>17,633</u>
	<u>1,437,478</u>	<u>1,541,270</u>

RACING INDUSTRY ACCIDENT BENEFIT SCHEME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

5 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

	2021	2020
	£	£
Governance costs		
Audit fees	6,120	5,100
Administration charges	<u>9,169</u>	<u>9,267</u>
	<u>15,289</u>	<u>14,367</u>
Support costs		
Legal and professional fees	4,680	3,240
Bank charges and interest	<u>45</u>	<u>26</u>
	<u>20,014</u>	<u>17,633</u>

6 TRUSTEES

No expenses were reimbursed to Trustees (2020: £305 to three Trustees).
None of the Trustees received any remuneration during the current year or prior year.

7 EMPLOYEES

There were no employees during the year (2020: none).

8 FIXED ASSET INVESTMENTS

	Listed investments £	
Market value at 1 April 2020	906,726	
Income received into fund	18,082	
Transfer of cash	(19,256)	
Investment manager's fees	(5,309)	
Net gains/(losses) on investments	<u>116,453</u>	
Market value at 31 March 2021	<u>1,016,696</u>	
	2021	2020
	£	£
The investment assets are held:		
UK listed equities	162,046	204,742
Non-UK listed equities	304,522	164,349
UK bonds	178,280	230,428
Non-UK bonds	76,749	20,777
UK other securities	133,791	170,013
Non-UK other securities	110,040	78,350
Cash	<u>51,268</u>	<u>38,067</u>
	<u>1,016,696</u>	<u>906,726</u>
	£	
Historical cost:		
At 31 March 2021	<u>848,542</u>	
At 31 March 2020	<u>843,568</u>	

Investments are held primarily to provide an investment return for the charity.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

8 FIXED ASSET INVESTMENTS (CONTINUED)

The following are material investments that make up more than 5% of the Trust's investment portfolio:

	Holding	Value £
Trojan Investment Funds	17,380	50,754
Vanguard S&P 500 UCITS ETF	1,270	69,542
Ishares Physical Metals PLC	2,400	57,648

9 DEBTORS

	2021 £	2020 £
Other debtors	<u>51,387</u>	<u>59,396</u>

10 CREDITORS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Injury and disablement benefits	61,410	41,085
Accruals	8,880	20,600
NTF loan	<u>-</u>	<u>45,000</u>
	<u>70,290</u>	<u>106,685</u>

Last year a loan of £45,000 was made to Racing Accident Industry Benefit Scheme by the National Trainers Federation and this was repaid in April 2020.

11 FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

Weekly payments

The payment of weekly benefits is entirely discretionary, and the scheme is operated and administered by the Loss Adjusters, Crawford & Company, on behalf of RIABS. The trustees of the scheme may make, withdraw, revoke or otherwise discontinue benefit at their sole and unfettered discretion. No person has any right to receive or require the payment of benefits under the scheme and all such payments are therefore ex gratia.

Death and capital benefit claims

In the event of death, permanent total disablement from any occupation and partial disablement, benefits are due as per the Schedule of Permanent Disabilities. The maximum capital sum insured is £154,500 for claims arising from an occupational accident and this is extended to include medical and repatriation expenses up to a limit of £2,000,000 for employees travelling abroad with their horses.

On the advice of Marsh Commercial, the Trustees purchase an annual insurance policy, which covers the aggregate of all capital claims, as above, subject to an agreed excess. At each balance sheet date RIABS therefore has a contingent liability equal to the unused excess for unexpired policy years and associated claim periods.

RACING INDUSTRY ACCIDENT BENEFIT SCHEME
NOTES TO THE FINANCIAL STATEMENTS
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12 CONTROLLING PARTY

The Racing Industry Accident Benefit Scheme is controlled by its Board of Trustees as a body. Accordingly, there is no single individual that can, or does, exert control over the charity.

13 ANALYSIS OF CHARITABLE FUNDS

All of the assets and liabilities are held in respect of the unrestricted fund.

14 RELATED PARTY TRANSACTIONS

During the year RIABS paid £7,000 (2020: £7,000) to the National Trainers Federation for administration services provided during the year.

Transactions with Trustees are detailed in note 6.

