

EPSOM RACING STAFF WELFARE

Charity No: 1081453
Company No: 03842144

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



EPSOM RACING STAFF WELFARE
ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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EPSOM RACING STAFF WELFARE

(Charity Registration No: 1081453)

(Company No: 03842144)

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

Legal and Administrative Information

Charity Name: EPSOM RACING STAFF WELFARE

Charity Registration Number: 1081453

Company Registration Number: 03842144 (England and Wales)

Directors/Trustees: J.W.M Barlow (Chair) (appointed 11 February 2020)
J. Boyle
S. L. Dow
S. Durrant
A. J. Morton

Registered Office: 20B Park Lane
Newmarket
England
CB8 8QD

Banker: Barclays Bank Plc
Leicester
LE87 2BB

EPSOM RACING STAFF WELFARE

(Charity Registration No: 1081453)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, Governance and Management

Governing Document

The company is governed by its Memorandum and Articles of Association and is managed by a committee comprising the directors and trustees, all of whom are involved in the horseracing industry in Epsom. Any new directors or trustees would be chosen from the same source.

Objectives and Activities

The company's charitable objects are:

- (1) to advance the education of young people within the Epsom area by the provision of training and work experience in stable management and any aspects of riding so as to develop their physical, mental and spiritual capacities that they may grow to full capacity as individuals and as members of society;
- (2) to relieve the poverty or financial hardship of the said young people particularly by providing and subsidising the cost of accommodation for them and in such other ways as the trustees may decide and to relieve the poverty or financial hardship of persons who have retired from the racing industry by the provision of financial assistance to such persons; and
- (3) the provision of facilities for recreation or other leisure time occupation with the object of improving the conditions of life of those persons who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

The trustees organise two annual events to raise funds for such charitable objects. The principal event is the Epsom Owners' and Trainers' Awards Dinner held in November which is attended by more than 200 people. The second event is the Epsom Racehorse Trainers' Open Day held in August which affords visitors the opportunity to see the racehorses in training in Epsom and to meet the stable staff who look after them. Both events were cancelled as a result of measures imposed following the Covid outbreak.

The company provides affordable accommodation and other welfare benefits for stable staff pursuant to its charitable objects for the public benefit and the trustees have complied with their duty to have due regard to the Charity Commission's public benefit guidance.

Public Benefit

The activities that we carry out are described above. These activities are undertaken to meet our objectives and aims and to further our charitable purposes for the public benefit.

In setting and reviewing our objectives and aims, and in planning and carrying out our activities, we have due regard to the public benefit guidance published by the Charity Commission.

Recruitment and Appointment of Trustees

The Board carries out regular reviews of its skill sets and endeavours to recruit as required in order to forward the work of the charity.

Risk Management

The organisation has mitigated its financial risk by adopting a reserves policy which is outlined below. In-house financial monitoring is undertaken to ensure charity funds are being properly controlled and in accordance with its constitution objects.

EPSOM RACING STAFF WELFARE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and Financial Review

The trustees report net expenditure for the year ended 31st December 2020 of £7,005 (2019: net income of £12,400) which has reduced the unrestricted funds to £447,936 at 31st December 2020 (2019: £454,941). The charity was unable to hold either of its main fundraising events due to the impact of the Covid pandemic, resulting in a reduction of net income from fundraising events of £15,421.

The trustees intend to increase the unrestricted funds until they exceed the cost of the company's freehold property and the company is debt free.

Reserves Policy

The Trustees maintain a general reserve to cover unexpected large items of expenditure and to ensure that the main account can cover all costs throughout the year. A net current liability position of £30,546 existed at the year end (2019: £29,668).

Plans for Future Periods

On 9th November 2020 the Trustees approved the proposal to amalgamate with Racing Welfare, the effect of which will be to transfer the operations, assets and liabilities of the ERSW to Racing Welfare. The move will bring the benefit of improved services offered to beneficiaries through greater integration of services and reduction of associated costs allied with ensuring greater efficiencies in terms of both staff time, administration and management costs.

Trustees Responsibilities Statement

The trustees are responsible for preparing the Trustees' Report and the financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. 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.

Members of the Board of Trustees

The Trustees who served during the year and to the date of this report are set out on page 1.

Approved by the Board of Trustees on 6 July 2021 signed on its behalf by:

Simon Dow

Simon Dow (Aug 10, 2021 10:29 GMT+1)

Trustee: S.L. Dow

EPSOM RACING STAFF WELFARE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | Total funds | |
|---|----------|-----------------------|-----------------------|
| | | 2020 £ | 2019 £ |
| INCOME | | | |
| Charitable Activities | | | |
| - Rental income | | 17,371 | 16,020 |
| Other trading activities: Fundraising | | | |
| - Awards Dinner | | - | 30,139 |
| - Open Day | | - | 7,930 |
| - Donations | | 991 | 2,111 |
| | | <u>18,362</u> | <u>56,200</u> |
| EXPENDITURE | | | |
| - Raising Funds | 3 | - | 23,768 |
| - Charitable Activities | 4 | 25,367 | 20,032 |
| | | <u>25,367</u> | <u>43,800</u> |
| NET (EXPENDITURE) / INCOME | | (7,005) | 12,400 |
| Balances brought forward at 1 January 2020 | | <u>454,941</u> | <u>442,541</u> |
| Balances carried forward at 31 December 2020 | 8 | <u>447,936</u> | <u>454,941</u> |

All funds are unrestricted funds.

The notes on pages 6 to 8 form part of these Financial Statements.

EPSOM RACING STAFF WELFARE

BALANCE SHEET

AS AT 31 DECEMBER 2020

Registered charity 03842144

| | Notes | 2020 | 2019 |
|--|-------|----------|----------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 2 | 536,367 | 541,742 |
| CURRENT ASSETS | | | |
| Debtors | 5 | 2,248 | 6,207 |
| Cash at bank and in hand | | 24,706 | 11,592 |
| | | 26,954 | 17,799 |
| CREDITORS | | | |
| Amounts falling due within one year | 6 | (57,500) | (47,467) |
| NET CURRENT (LIABILITIES)/ASSETS | | (30,546) | (29,668) |
| | | 505,821 | 512,074 |
| CREDITORS | | | |
| Amounts falling due after more than one Year | 6 | (57,885) | (57,133) |
| NET ASSETS | | 447,936 | 454,941 |
| FUNDS | | | |
| Unrestricted funds | 7 | 447,936 | 454,941 |

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

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Trustees on 6 July 2021 and signed on its behalf by:

Simon Dow
 Simon Dow (Aug 10, 2021 10:29 GMT+1)

Trustee: S.L. Dow

The notes on pages 6 to 8 form part of these Financial Statements.

EPSOM RACING STAFF WELFARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

a) General information and basis of accounting

Epsom Racing Staff Welfare is a charity (no. 1081453) and a private company (no. 03842144) limited by guarantee, registered in England and Wales. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. The address of the registered office is given in the legal and administrative information on page 1 of these financial statements.

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 accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014 and Update Bulletin 1 issued on 2 February 2016, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

b) Assessment of going concern

On 9 November 2020 the Trustees approved the proposal to transfer the operations, assets and liabilities of the charity to Racing Welfare, subject to formal approval of the transfer deed. The move will see the assets restricted for continuing use in the Epsom area and will be overseen by a ERSW committee. As such the financial statements are prepared on a basis other than going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

c) Donations and legacies

Donations and legacies are included when receivable.

d) Allocation of costs

Direct charitable expenditure and the cost of governance of the charity have been allocated directly to the relevant expense for which the cost was incurred.

e) Taxation

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

f) Fixed assets

The charity's fixed assets are shown in the accounts at their cost. Depreciation is not provided on buildings as a provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life and because the expected residual value is not materially less than their carrying value.

Depreciation is provided on Freehold Improvements and Fixtures and Fittings at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

| | |
|-----------------------|----------|
| Freehold Improvements | 15 years |
| Fixtures and fittings | 5 years |

EPSOM RACING STAFF WELFARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

| 2. FIXED ASSETS | Freehold Property £ | Improve- ments to property £ | Fixtures and fittings £ | Total £ |
|------------------------|------------------------------------|---|--|-----------------------|
| Cost | | | | |
| At 1 January 2020 | 437,950 | 106,434 | 3,155 | 547,539 |
| Additions | - | 2,335 | - | 2,335 |
| At 31 December 2020 | <u>437,950</u> | <u>108,769</u> | <u>3,155</u> | <u>549,874</u> |
| Depreciation | | | | |
| At 1 January 2020 | - | 5,324 | 473 | 5,797 |
| Depreciation charge | - | 7,079 | 631 | 7,710 |
| At 31 December 2020 | <u>-</u> | <u>12,403</u> | <u>1,104</u> | <u>13,507</u> |
| Net Book Values | | | | |
| At 31 December 2020 | <u>437,950</u> | <u>96,366</u> | <u>2,051</u> | <u>536,367</u> |
| At 31 December 2019 | <u>437,950</u> | <u>101,110</u> | <u>2,682</u> | <u>541,742</u> |

The open market value of the company's freehold properties was valued in 2016 at £600,000 and the trustees deem this to be representative of the value at 31 December 2020.

3. FUNDRAISING EXPENDITURE

| | 2020 £ | 2019 £ |
|---------------|-------------------|-------------------|
| Awards Dinner | - | 18,839 |
| Open Days | - | 4,929 |
| | <u>-</u> | <u>23,768</u> |

4. CHARITABLE ACTIVITIES

| | 2020 £ | 2019 £ |
|---|-------------------|-------------------|
| Accommodation costs | | |
| Council tax | 3,992 | 4,042 |
| Water | 770 | 844 |
| Insurance | 263 | 447 |
| Maintenance, cleaning and gardening | 5,207 | 2,032 |
| Small fixtures and equipment | 730 | 1,679 |
| Lighting and heating | 2,832 | 1,851 |
| TV Licenses | 315 | 36 |
| Loan interest & bank charges | 753 | 903 |
| Management costs | 292 | 1,677 |
| Depreciation | 7,709 | 5,798 |
| Bad debts | 2,432 | - |
| | <u>25,295</u> | <u>19,309</u> |
| Support costs | | |
| Administration costs: independent examination | 72 | 723 |
| Total Charitable Expenditure | <u>25,367</u> | <u>20,032</u> |

EPSOM RACING STAFF WELFARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

| | | |
|--|---------------|---------------|
| 5. DEBTORS | 2020 | 2019 |
| | £ | £ |
| Rent arrears | 1,130 | 3,156 |
| Prepayments and accrued income | 1,118 | 3,051 |
| | <u>2,248</u> | <u>6,207</u> |
| 6. CREDITORS | 2020 | 2019 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Accounts payable | 713 | 1,740 |
| Accruals | 499 | 1,242 |
| Due to Stable Lads Welfare Trust Housing Association | 1,354 | 220 |
| Due to Racing Welfare | 54,934 | 44,265 |
| | <u>57,500</u> | <u>47,467</u> |
| Amounts falling due after more than one year: | | |
| Racing Welfare loans | <u>57,885</u> | <u>57,133</u> |

Loans falling due after more than one year include an unsecured loan in relation to 59 Headley Drive, bearing interest at the Bank of England base rate plus 1% with no set repayment date and an unsecured loan in relation to 63 Headley Drive bearing interest at 2.5% with no set repayment date.

Amounts due within one year to Racing Welfare represent an informal, unsecured loan that does not bear interest and is repayable on demand.

| | | | | |
|-----------------------------|------------------|----------------|--------------------|-----------------|
| 7. MOVEMENT IN FUNDS | Balance | | | Balance |
| | 1 January | Income | Expenditure | 31 |
| | 2020 | | | December |
| | | | | 2020 |
| Unrestricted Funds | <u>£454,941</u> | <u>£18,362</u> | <u>£25,367</u> | <u>£447,936</u> |

8. TRUSTEES REMUNERATION AND EXPENSES

No remuneration was paid to the trustees in either the current or previous years