

# THE ROYAL PIGEON RACING ASSOCIATION INCLUDING THE BRITISH HOMING WORLD ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2023

## Statement of Council's responsibilities

The Rules of The Royal Pigeon Racing Association require the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association as at the end of the financial year and of the profit or loss of the Association for that period. The Council confirms that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st October 2023. The Council also confirms that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis. The Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the rules. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Council.  
L. Blacklock, President

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE ROYAL PIGEON RACING ASSOCIATION INCLUDING THE BRITISH HOMING WORLD

### Opinion

We have audited the financial statements of The Royal Pigeon Racing Association including The British Homing World for the year ended 31st October 2023, which comprise the Profit and Loss Account, Balance Sheet, related notes and accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31st October 2023 and of its loss for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

### 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Association 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 council members' 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 Association's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were approved.

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

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### Respective responsibilities of members and auditors

As explained more fully in the Statement of Council's Responsibilities, set out on page 1, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. In preparing the financial statements, the council members are responsible for assessing the Association'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 council members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council of the Association; and the overall presentation of the financial statements.

### 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.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Association.
- Conclude on the appropriateness of the Councils' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Association's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries with unusual characteristics.

A further description of our responsibilities is available 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 this report

This report is made solely to the Council of the Association, as a body. Our audit work has been undertaken so that we might state to the Council of the Association 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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Harris (Senior Statutory Auditor)  
for and on behalf of Hazlewoods LLP. Statutory Auditor

#### HAZLEWOODS LLP

Chartered Accountants and Registered Auditors  
Windsor House, Bayshill Road, Cheltenham,  
Gloucestershire GL50 3AT

**Statement of accounting policies:** The accounting policies that the Association has adopted to determine the amounts included in respect of material items shown in the balance sheet and also to determine the income and expenditure are shown below. They have been consistently applied and are in accordance with applicable Accounting Standards.

**Basis of accounting:** The financial statements have been prepared on the historical cost basis of accounting.

**Income:** Income, which excludes VAT, represents subscriptions, licences and receipts from services provided to members, and is accounted for on the accruals basis.

**Fixed assets:** Fixed assets are stated in the balance sheet at cost less depreciation.

**Depreciation:** Depreciation is calculated so that fixed assets are written off over their estimated useful lives in annual instalments on the following basis: Freehold buildings 2% of cost per annum; pigeon loft 33.3% of cost per annum; computer equipment 33.3% of cost per annum; office furniture, fittings and equipment 10% and 15% of net book value per annum; motor vehicles 25% of cost per annum; mobile display unit 25% of cost per annum, one-loft race assets 10% of cost per annum. The freehold land, publishing rights, collections and books are not depreciated as their estimated residual values are expected to be higher than their carrying amounts.

**Stocks:** Stocks are stated in the balance sheet at the lower of cost and net realisable value, after making due allowances for obsolete and slow-moving items. Cost is based on original purchase price and is calculated using the first-in, first-out method.

**Pension costs:** The Association participates in defined contribution money purchase pension schemes. The assets are held separately from those of the Association in independently administered funds. The pension charge in the accounts represents the contributions payable to the funds during the year.

<b>Appendix A</b>			<b>Appendix B</b>		
<b>ANALYSIS OF MISCELLANEOUS EXPENDITURE FOR THE YEAR ENDED 31st OCTOBER 2023</b>			<b>FUTURE OF THE SPORT RESERVE FOR THE YEAR ENDED 31st OCTOBER 2023</b>		
	<b>2023</b>	<b>2022</b>		<b>2023</b>	<b>2022</b>
Staff Christmas parties	398	260	At 1 November 2022	52,559	63,577
Staff eye tests and contribution to glasses	130	265	One-Loft Race profit	22,051	37,734
Health & Safety	—	11	Yearling Race profit	80	8,952
Staff training	—	167	Donations received	—	—
Deposit box for medals	400	—	Development project	—	—
Miscellaneous	(15)	212	Other expenses	(49,898)	(54,319)
	<u>£914</u>	<u>£915</u>	Loss on F.O.S.	(27,767)	(7,633)
			Depreciation	(4,117)	(3,385)
			At 31 October 2023	<u>£ 20,675</u>	<u>£ 52,559</u>
			<b>1 OTHER EXPENSES</b>		
			FoS expenditure	8,400	11,616
			Development officer salaries and expenses	40,793	41,188
			Young Fancier expenditure	705	1,515
				<u>£49,898</u>	<u>£ 54,319</u>

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st OCTOBER 2023**

	Notes	2023 £	2022 £
<b>INCOME</b>			
Surplus on trading account (page 9)		402,152	467,672
Other income	1	143,227	135,929
		<u>545,379</u>	<u>603,601</u>
<b>EXPENDITURE</b>			
Advertising		1,571	364
Council meetings and travelling expenses	2	18,620	22,565
Car expenses	3	19,919	12,068
Legal and professional		10,150	8,620
Subscriptions		1,021	485
Wages and salaries	4	436,376	401,835
Temporary Staff	4	55,167	4,825
Employer's N.I.		32,800	29,793
Pension contributions		17,145	20,425
Maintenance of equipment		18,715	19,603
Printing, stationery, postage and telephone		25,926	18,171
Property expenses	5	30,014	58,158
Software costs		1,345	1,170
Audit, accountancy and taxation		25,105	23,798
Depreciation		27,351	28,871
Sundries	7	18,369	27,095
Members Insurance		49,013	35,513
Property and other insurance		14,752	13,934
President's allowance		2,000	2,000
Finance charges	6	8,811	9,417
		<u>(814,170)</u>	<u>(738,709)</u>
Loss for the year before taxation		<u>(268,791)</u>	<u>135,108</u>
Taxation charge	8	(13)	(10,093)
Retained loss for the year		<u>£ (268,804)</u>	<u>£ (145,200)</u>

All of the above results derive from the continuing operations of the Association.

The Association has no recognised gains or losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss for the year before taxation and the retained loss for the year stated above, and their historical cost equivalents.

**BALANCE SHEET - FOR THE YEAR ENDED 31st OCTOBER 2023**

<b>FIXED ASSETS</b>			
Tangible assets	9	498,726	515,124
Investments	10	17,680	17,680
		<u>516,406</u>	<u>532,804</u>
<b>CURRENT ASSETS</b>			
Stocks		59,908	55,162
Debtors	11	164,763	94,356
Cash at bank and in hand		600,130	805,706
		<u>824,801</u>	<u>955,224</u>
<b>CURRENT LIABILITIES</b>			
Cash received in advance		267,302	189,212
Creditors: amounts falling due within 1 year	12	178,249	134,356
		<u>445,551</u>	<u>323,568</u>
<b>NET CURRENT ASSETS</b>		<u>379,250</u>	<u>631,656</u>
<b>NET ASSETS</b>		<u>£ 895,656</u>	<u>£ 1,164,460</u>
<b>Financed by</b>			
<b>RESERVES</b>			
Profit and loss reserve	13	874,981	1,111,900
Future of Sport reserve	13	20,675	52,559
		<u>£ 895,656</u>	<u>£ 1,164,460</u>

The financial statements on pages 7 to 13 were approved January 2024 – L. Blacklock, President

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2023**

	2023	2022
<b>1. OTHER INCOME</b>		
Subscriptions and licences	88,120	96,131
Contributions from members for insurance	49,013	35,513
Online auction hosting for customers	292	842
Appeal receipts	30	30
Federation registration fees	702	775
Interest receivable	–	1,997
Credit card handling charge	–	345
Sundry income	–	25
Donations received	5,070	30
Profit on sale of Reddings House	–	48
Coronavirus Job Retention Scheme Grant	–	193
	<u>£ 143,227</u>	<u>£ 135,929</u>
<b>2. COUNCIL AND TRAVELLING EXPENSES</b>		
Council meetings	14,250	19,913
Hotel & overseas expenses	4,370	2,652
	<u>£ 18,620</u>	<u>£ 22,565</u>
<b>3. CAR EXPENSES</b>		
Car lease	11,783	8,011
Fuel	5,724	1,069
Maintenance and parking	1,666	1,506
Insurance and tax	746	1,482
	<u>£ 19,919</u>	<u>£ 12,068</u>
<b>4. WAGES &amp; SALARIES</b>		
Chief Executive Officer	47,430	45,046
Editor	46,227	44,026
Other staff	346,719	317,263
One-Loft Race staff admin costs	(4,000)	(4,500)
	<u>£ 436,376</u>	<u>£ 406,660</u>
<b>5. PROPERTY EXPENSES</b>		
Rent and rates	9,026	37,396
Light and heat	7,296	4,770
General maintenance	1,175	200
Repairs and maintenance	4,772	6,489
Canteen and cleaning	5,177	2,936
Storage	2,568	6,367
	<u>£ 30,014</u>	<u>£ 58,158</u>
<b>6. FINANCE CHARGES</b>		
Card processing charges	8,091	8,293
Bad debts	–	404
Direct debit charges	720	720
	<u>£ 8,811</u>	<u>£ 9,417</u>
<b>7. SUNDRIES</b>		
Blackpool and other show costs	11,828	17,334
Prize money and awards	2,397	862
Miscellaneous expenses (Appendix A)	914	915
Gifts and bereavement	501	1,360
Dinner and MDU show costs	2,729	2,599
Donations	–	4,025
	<u>£ 18,369</u>	<u>27,095</u>
<b>8. TAXATION</b>		
UK Corporation tax	–	–
Under provision from previous year	13	10,093
	<u>£ (13)</u>	<u>£ (10,093)</u>

<b>9. FIXED ASSETS</b>	<b>One-Loft Race Assets</b>	<b>Land and buildings</b>	<b>Publishing Rights</b>	<b>Collections &amp; books</b>	<b>Computer Equipment &amp; Fittings</b>	<b>Motor vehicles</b>	<b>Mobile Display Unit</b>	<b>Total</b>
Cost	£	£	£	£	£	£	£	£
At 1st November 2022	29,993	581,552	7,104	121	147,647	15,226	489	782,132
Additions	–	3,537	–	–	7,510	–	–	11,047
At 31st October 2023	<u>29,993</u>	<u>585,089</u>	<u>7,104</u>	<u>121</u>	<u>155,157</u>	<u>15,226</u>	<u>489</u>	<u>793,179</u>

**Depreciation**

At 1st November 2022	14,275	113,575	500	–	122,942	15,226	489	267,007
Charge for the year	3,086	11,776	–	–	12,584	–	–	27,446
At 31st October 2023	<u>17,361</u>	<u>125,351</u>	<u>500</u>	<u>–</u>	<u>135,526</u>	<u>15,226</u>	<u>489</u>	<u>294,453</u>
Net book value at 31st October 2023	12,632	459,738	6,604	121	19,361	–	–	498,726
at 31st October 2022	<u>15,718</u>	<u>467,977</u>	<u>6,604</u>	<u>121</u>	<u>24,705</u>	<u>–</u>	<u>–</u>	<u>515,125</u>

**10. INVESTMENTS**

Medals at 1st November 2022 and 31st October 2023

2023  
£ 17,680

2022

**11. DEBTORS**

Trade debtors	69,540	21,997
Prepayments and accrued income	31,269	52,716
Membership insurance debtor	21,930	6,617
Other debtors	42,024	13,026
	<u>£ 164,763</u>	<u>£ 94,356</u>

**12. CREDITORS: Amounts falling due within one year**

Trade creditors	42,859	59,754
Corporation tax	–	–
Other taxation including social security payable	79,843	29,998
Accruals and deferred income	46,971	30,556
Other creditors	2,005	7,445
Liberation sites recharge	6,571	6,603
	<u>£ 178,249</u>	<u>£ 134,356</u>

**13. STATEMENT OF MOVEMENT ON RESERVES**

	Profit & Loss Reserve £	Future of Sport Reserve £	Total £
At 1st November 2022	1,111,901	52,559	1,164,460
Retained loss for the year	(236,920)	(31,884)	(268,804)
At 31st October 2023	<u>£ 874,981</u>	<u>£ 20,675</u>	<u>£ 895,656</u>

**TRADING ACCOUNT FOR THE YEAR ENDED 31st OCTOBER 2023 – RECEIPTS FROM SERVICES PROVIDED**

	2023	2022
Life Rings	149,125	161,184
Direct cost of sales	(45,358)	(45,938)
	103,767	115,246
Rubber Racing Rings	10,828	13,430
Direct cost of sales	(9,969)	(11,473)
	859	1,956
Transfers	18,692	23,939
Direct cost of service	(9,161)	(10,242)
	9,531	13,697
Distances	1,335	1,636
Direct cost of service	(150)	(132)
	1,185	1,504
Continental racing	1,620	939
Direct cost of shipping	(174)	(1,131)
	(1,446)	(192)
Seals and pliers	11,379	11,724
Direct cost of sales	(5,658)	(6,482)
	5,721	5,242
Paper and other sales	668,774	743,073
Direct cost of sales (including postage and carriage)	(366,957)	(413,004)
	301,817	330,070
Inland Liberation	15,182	13,825
Direct cost of sales (incl postage)	(429)	(353)
	14,753	13,472
Lost bird expenditure		(9,160)
		(5,688)
Future of the Sport income	157,150	221,511
Donations	–	–
Expenditure including prizes	(135,019)	(174,827)
Other expenditure	(49,898)	(54,319)
	(27,767)	(7,633)
<b>SURPLUS CARRIED TO PROFIT AND LOSS ACCOUNT (page 6)</b>	<u>£ 402,152</u>	<u>£ 467,672</u>