

The idea behind a projected cash flow document is a planning document to provide us (the Directors) with an estimate of the 2023 income and expenditure and it is based on the previous year's figures along with estimations for additional new costs. We shared it with members at the Member's Meeting where we explained each of the figures. Please be aware that these are projected figures, it does not mean that we will spend this money, or in these categories, we may have to spend more, we hope to spend less.

The projected cash flow had not yet been widely shared with members (not at the Member's Meeting) as two figures in the cash flow are not confirmed, and these should be confirmed any day.

We did make it available as a screen share during the AGM but the Directors made it clear at the time that figures were only **estimates**. The two unknowns were firstly the Trot Britain contribution towards insurance costs for the season, as at the time of the AGM we were in discussion with Trot Britain regarding sharing the insurance and costs however this had not yet been confirmed so we did not want to produce a false figure. The second item which is not confirmed is the website development cost, we have spoken with the developers however are still waiting for an accurate quote to be produced. The place holder figure of £5000 is from early discussions two years ago before the database was built and completed, and was given before any detail of our requirements was discussed.

INCOME FIGURES

Licence Fees and Horse Fees: These are purely based on the total number of licences and pacing horse race fees from the 2022 season and have been spread across the busiest licence period for the BHRC. Licence applications will be received after May however these are much less in volume. We understand that the number of licence holders and horses will fluctuate year on year however a cash flow is simply an estimate of income which is why we used last year's figures.

Fines – Track: This is based on the 2022 figure for the 50% of the track fines which the BHRC retains.

Fines – Integrity: Again, this is based on the figures from the previous year for fines given for integrity cases.

Recoverable Costs Integrity: These are the recoverable costs when a positive test is received for confirmatory analysis etc, and which are all paid by the responsible person.

Track Fees: These include the clearing fees, track affiliation fees and track insurance costs. Once again this has approximately been based on the figures from the previous year but adjusted slightly for the number of meetings.

Transfer from Bounce Back Loan: The BHRC took out a loan several years ago which has been agreed to be used to cover the costs of the database development and the new website. The income is the transfer of money to cover the costs listed further down in the expenditure table.

Annual Membership Fee: This is based on the number of members in 2022 and is the £50 annual registration fee that all owners, trainers and drivers pay as part of their licence.

Trot Britain Insurance: This is an approximate figure for Trot Britain's contribution to the events and drivers insurance policy for the 2023 season.

EXPENDITURE

Insurance: The renewal of the BHRC insurance policy takes place on the 1st of December each year and is then paid in 3 months instalments over December, January and February. The figures for

January and February are based on the current policy and the figure in December is an estimate based on the fact that the insurance increases in price each year.

Wages: The wages cover the secretary's salary year round and also includes possible additional funding during the busiest months of the racing season, May through September, for additional support in the office. This figure is unknown as in previous years considerable more has been paid out in wages.

Rent: The BHRC has found an office local to the current secretary to rent at the cost shown. The move into the office has not yet happened which is why there is no rent figure in January or February.

Drone: The drone was introduced last year mid-season. The BHRC subsidised all tracks which used the drone in the 2022 season (£200 per meeting). This figure has been based approximately on the number of meetings this season and the subsidisation required for the drone in 2023.

Vet: The BHRC subsidises the vet for early qualifying meetings to enable them to go ahead, this is an approximate cost based on last year's figure.

Legal and Professional Fees: This figure covers any Legal Fees, Accountancy Fees and Software, Handicapping costs as well as IT support and web hosting. Again these are approximate costs based on a few previous years figures. It is hoped that we do not need to use some of the money allocated into this section. Contrary to social media posts, our accountants fees are less now than they have been for some considerable time.

Database/Website Design: The database and handicap system have now been completed and are ready for the 2023 season. The payment in January is accurate for the final instalment of the build costs. The website design figure of £5000 is a guess based on previous conversations, we are in discussion with the developers at the moment to get an accurate quote for the new website. Unfortunately our old system was completely broken. We did try investing some money with the old programmer to try to get the system to work, unfortunately it was beyond repair. This has left us with no alternative but to invest in a new bespoke system.

Office Misc Costs: This is a petty cash amount and could be used for small stationary items, paper, ink, general office supplies etc.

Calendar: Covers printing costs for the Calendar. The Calendar is offered to everyone who takes an annual registration as either a digital copy or a printed version. The vast majority of licence holders have selected to still have a printed version. We have discussed moving to digital, but with some many licence holders still opting for a paper version, we have for now made the decision to stay with a paper version. We have (following suggestions from licence holders), tried to be greener, sending just one copy to households of multiple licence holder occupancy, unless they request further copies. A digital copy is put online to try to encourage people to move to digital, and also to try to sell our wonderful sport.

Postage, Printing, Labels, Envelopes: This covers the postage of both AGM voting slips and the Calendars, as well as any postage through the year of recorded delivery letters etc

Stationary: This covers the annual printing of Rule Books, Stewarding Books, Integrity Books as well as the new Treatment and Medication books (which we have now received advertising revenue for, and which is also to go in the updated Cash Flow).

Integrity: This includes the costs of integrity kits, supplies for the black box, lab fees, postage etc for integrity. Although the expenditure is recorded at £34,000 then are an income entries too, therefore the net cost for trying to pursue a clean sport, a level playing field is £17,000.

BBL Repayment: Monthly Repayment of the bounce back loan.

World Pay: These are the card processing costs for all transactions. This figure is approximate as we have negotiated a new deal with the provider for 2023 so have yet to see how this will affect the costs for this year.

Prakas: Annual repayment of the Prakas fund to Trot Britain.

The projected cash flow is a fluid document, and will change week by week, month by month, and our aim is to run a balanced budget. As with all organisations a Profit and Loss Account and Balance Sheet show very different figures and do not always reflect the true financial position of a company. They are produced retrospectively so do not help with planning and critical decisions as a Projected Cash Flow can. The Projected Cash Flow is very much a working document for the directors.