

Registrar

THE BRITISH HORSE SOCIETY

Stoneleigh Deer Park , Kenilworth , Warwickshire CV8 2XZ

incorporated on 5th November 1947

registered number 444 742

charity number 210504

ANNUAL ACCOUNTS 1997

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THE BRITISH HORSE SOCIETY

Patron: Her Majesty The Queen
President: The Rt Hon The Lord Vestey DL

NOTICE OF MEETING

Notice is hereby given that the fiftieth annual general meeting of the British Horse Society will be held at Saddlers' Hall, Gutter Lane, Cheapside, London EC3V 6BR (by kind permission of the Worshipful Company of Saddlers) on Wednesday 17th June 1998 at 11 a.m. for the following purposes:

A Resolutions

Resolution 1 to receive and adopt the Trustees' report and accounts and the auditors' report thereon for the year ended 31st December 1997

Resolution 2 to re-appoint the auditors

Resolution 3 to authorise the Trustees to fix the remuneration of the auditors

Only full members, aged seventeen years and over on 17th June 1998, are entitled to attend and vote at the annual general meeting. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his or her behalf. A proxy need not be a member of the Society.

B To receive any matters members may wish to raise

by order of the Board of Trustees

Michael Franklin FCA

Secretary

25th March 1998



Note

To be effective, forms of proxy must be duly completed and returned so as to reach the Company Secretary, British Horse Society, Stoneleigh Deer Park, Kenilworth, Warwickshire CV8 2XZ not less than 48 hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

LEGAL AND ADMINISTRATIVE DETAILS

Legal status

The Society was incorporated on 5th November 1947, as a company limited by guarantee, having no share capital. The charity registration number is 210504 and the company registration number is 444742.

The British Horse Society (Trading Company) was incorporated on 11th September 1991 as a wholly owned subsidiary of the Society. The results have been consolidated within the accounts of the Society.

Trustees/directors

The Society is governed by its Board of Trustees. Members of the Board are the directors of the company and the trustees of the charity.

The Board consists of 12 members elected by the membership and one member co-opted by the Board. The Chairman and Treasurer are elected by the Board from amongst its number. The Board appoints a President.

The principal officers of the Society are

Acting Chief Executive
Head of Finance and Administration

Mr Michael Clayton
Mr M C Franklin FCA

Registered office

The Society's principal office is its registered office at Stoneleigh Deer Park, Kenilworth, Warwickshire CV8 2XZ.

Bankers

The Society's principal bankers are

National Westminster Bank plc
59 The Parade
Leamington Spa CV32 4BH

Solicitors

The Society's solicitors are

Messrs Wright Hassall & Co
9 Clarendon Place
Leamington Spa CV32 5QP

Messrs Bircham & Co
1 Dean Farrar Street
Westminster SW1H 0DY

Audit and tax advisors

The Society's auditors and tax advisors are

Messrs Kidsons Impey
Park House
Station Square
Coventry CV1 2NS

REPORT OF THE TRUSTEES

A(i) Objects

The Society has two principal objects:

- (a) to promote the interests of horse and pony breeding and to encourage the use and protection of horses and ponies
- (b) to promote and facilitate the acquisition and distribution of the knowledge of the various arts and sciences connected with the horse and pony and the use and management thereof.

In order to achieve these objects, Council had delegated to the following committees the following specific responsibilities:

committee	primary responsibility
Training and education	to maintain and develop sound doctrine in the field of horsemanship; to improve the standard of riding, driving and the training of horsemen and horses and the standard of horse management
National	to plan, co-ordinate and control the following activities of the Society: access and rights of way; breeding; riding and road safety and welfare

The "sports disciplines" of horse trials, endurance riding, horse driving trials and vaulting ceased to be the responsibility of the Society at the end of 1996. Dressage remained within the Society throughout 1997. Its function was to promote and improve the standards of riding and training of horses and horsemanship in Great Britain.

Affiliated Riding Clubs	to assist and encourage those interested in the horse and equitation, to improve and maintain the standard of horsemanship and horsemastership and to seek to preserve and develop public riding facilities
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In addition to the above executive or policy committees, the Society has administrative and service sections and two trading sections. These sections comprise:

administration
chief executive and director of administration
members records and services

service

- establishment
- finance
- computer services
- switchboard and post
- print
- marketing

trading

- merchandising
- riding schools and stables

The service sections provide office accommodation and the usual office services to all sections of the Society and those services are charged at a rate intended to cover costs.

A(ii) Policies

The Society has continued to promote the primary responsibilities outlined above and to represent the interests of the horse to the authorities at every level.

A(iii) Changes in policies

There have been no changes in the general policies of the Society during the year.

A(iv) Organisation

The Society is organised into departments with responsibilities as outlined above. In addition there are representative committees of volunteers at UK Sports Council regional level and county level, which are responsible for the local execution of the Society's activities assisted by the Society's nine employed development officers. Council amended its Articles of Association at an Extraordinary General Meeting held on 21st October 1997 as a result of which Council was replaced by a Board of 12 Trustees on 1st January 1998.

B Development review

Membership

On 31st December 1996 membership stood at 65,017 and had increased by 1.75% over the previous twelve months. On 31st December 1997 the membership stood at 59,484, a fall of 8.51% due to the Horse Trials Group members transferring to the newly formed British Horse Trials Association. Although this represents a loss of 5533 members, with the Horse Trials Group membership at 8652 in December 1996 a higher dropout figure was anticipated.

Fund Raising

During 1997 the Appeals Department performed the dual task of the Jubilee year and fund raising.

Three major royal events were organised, two with our then President, HRH Prince of Wales, and one with our patron, HM The Queen. County Show displays, First Day Cover Stamps and a designated Horseman's Sunday helped us to celebrate a memorable year.

Fundraising continued for the Regions and for the new Rescue & Rehabilitation Centre at Welford. The Riding Schools Competition funded by the Elise Pilkington Trust finally became a reality and we continue to seek further sponsorship for our Safety 2000 campaign. Our Affinity card continues to produce much needed revenue and we are grateful to Beneficial Bank, our card providers, for their continued support and sponsorship.

Thanks to the many trusts, companies and individuals who supported us so generously throughout 1997

PR & Marketing Department

The Marketing and PR Department concentrated its efforts on enhancing the Society's attractiveness to the ordinary rider. With this in mind we spent much of the summer creating a new corporate identity for the Society, to replace the Jubilee logo and to give the Society a fresh, bright and invigorating look.

New membership tiers were developed ready for introduction in January 1998 and a series of discounts on products and services were secured to enhance the members' benefits package for 1998. On the recruitment front, our membership advertising campaign generated over 1,000 new members. The pre-Christmas incentive of offering free Christmas cards to each new member was extremely effective. A pilot "special recruiter" scheme was begun in the southern Region to increase membership; if this is successful the scheme will be adopted in other regions in 1998.

PR highlights of 1997:

Newmarket Raceday:

Channel 4 - very successful interview with Michael Clayton resulting in over 20 immediate telephone enquiries to HQ.

The Field: a photographic feature on the raceday appeared in the May issue. Interviews were held with East Anglian Daily Times, Cambridge Evening News, Q103, SGR FM and BBC Radio Suffolk.

Urban Riding Scheme:

Times Educational Supplement visited school in Leeds at the beginning of July, interviewing the school teacher and pupils as well as John Goldsmith and Jo MacInnes. Article appeared in August.

Horseman's Sunday:

This initiative generated coverage in over 50 local papers as well as on radio and television.

The opening of the BHS Rescue Centre at Welford:

The launch event was covered by all of the 13 local papers - some giving it a full page, as well as 5 local radio stations and local television including BBC Pebble Mill, Midlands Today and Central TV News and the BBC Newsroom Southeast. The launch was also covered by the equestrian press, including Horse and Hound. Horse & Pony magazine agreed to include the BHS Rescue Centre as part of their global campaign which involves a regular feature on the Centre. This should help raise substantial sums from their readers.

The BHS Safety Department appeared on national television on The Clothes Show and on 999, and BBC Countryfile featured a piece on ragwort and another on children working at riding schools.

Safety 2000:

Secured the support of Noel Edmonds to front the campaign and the endorsement of the RAC. Good response to pleas for people to come forward with their road incident stories. Half page article in Daily Telegraph on horses and road safety in December.

Syndicated column:

Regular columns have been established with a growing number of local newspapers with equestrian pages. These columns are BHS branded and appear every month on an appropriate seasonal topic.

Media Training Days:

These were held in five regions during 1997: the North West, South West, Wales, Eastern Region, East and West Midlands. They have been extremely well received with very positive evaluation from delegates who attended.

Relocation

In 1997 the Society purchased a freehold site in the Stoneleigh Deer Park about one mile from their present offices. Work started in October 1997 to refurbish the existing buildings. The move to the new site is scheduled for late March/early April 1998. The new offices provide a far more effective and spacious working environment, with large open plan areas as well as individual offices. There are two conference rooms, plus areas for catering facilities, and a large functional area for printing and storage. In spite of atrocious weather over Christmas, it is anticipated these dates will be met. The grounds at the Deer Park provide a most attractive setting of lawns and well established trees. The Society expects the new offices to be a major asset with upgraded administrative standards and new information technology installed in the offices.

National Committee

Hundreds of volunteers throughout the country made the Society's Golden Jubilee year memorable in so many different ways. On a bright February day our President, HRH The Prince of Wales, launched the Jubilee Year at the Royal Mews. A spectacular parade of over fifty horses were ridden, driven or led through London to meet His Royal Highness, watched by many spectators. Other highlights included the Jubilee Race Day at Newmarket, attended by Her Majesty The Queen, the Society's Patron since 1954, the BHS Pageant performed daily in the main arena at the Suffolk and Great Yorkshire Shows, where thousands of spectators learnt more about the invaluable work of the Society, and the Jubilee marquee at the Bath & West Show covering all aspects of the Society's work. The year ended on a high note with the St James's Palace Reception attended by HRH The Prince of Wales, who found time to talk to many of the volunteers present. The BHS was fully represented at Badminton, Burghley, the Royal International Horse Show and Olympia as well as many other shows and events.

During the year the National Committee was involved in the huge task undertaken by Mrs Van Reyk and her team in restructuring the BHS for 1998. The Society would like to thank Mr Michael Overton MRCVS, Chairman of the National Committee, together with all its members, past and present, and the nine Development officers for all their hard work on its behalf since the inception of the National Committee in 1988.

Scotland

The full Scottish Committee met three times and the Chairmen's Committee twice. Apart from much discussion on the BHS restructuring, the major efforts actioned were:

Jubilee year: a series of regional shows with a high profile final show was the main input for the year. The shows were targeted at grass roots riders, with each class designed with this in mind. Sponsorship was obtained from Royal Mail for one class at all the shows. eight regions held qualifying shows which were well supported although the weather did its best to drown out three of them. Our final show on October 5th was a grand occasion with sponsors for most of the classes. Following the show there was a Gala Display with some famous names topping the bill and a parade of the Top Scot competitors from all disciplines.

The Royal Mail stamp launch was held at Haughhead and featured the winners of the Royal Mail Jubilee show qualifying classes being given their awards by Ian Stark.

The Scottish Riding Clubs' Caledonia championships were the venue for the BHS Scotland's Horseman's Sunday, brilliantly led by Capt. Ben Coutts with our horse ambulance as the pulpit.

National Riding Week: Although slow to start several main efforts were made. An excellent Trailer Towing and Safety day by Grampian Region, and two of the Jubilee Shows were held during the week. Some of the Riding Schools had a good response to the Take A Friend Riding Scheme, but as the week coincided with Easter, most were already fully booked. Robin Cook MP joined a ride out with Lothian Region.

Medical Equestrian Association Scotland: At the instigation of Col R Paterson, the Medical Adviser to BHS Scotland, this association was established and held a seminar at Gleneagles for doctors and others involved with medical cover. A series of training days is currently taking place which are being well received, particularly by Pony Club and Horse Trials helpers.

Training sub-committee: SSC Grant Aid: The SSC changed the way training grants are awarded, and no basic training grant or selective grants were received. However, performance planning grant of £2,000 was awarded for Scottish Home International Teams, which indicates the current Sports Council strategy. Overall we received £2,500 less than last year.

Lottery Revenue Funding: We had a notable first in Scotland last year, being the first country in Britain to obtain Lottery Revenue funding totalling £37,000 for a number of our competitors. This was not a lot when spread over 16 competitors, and the paperwork involved was extensive, but the awards were thankfully accepted. The next round of applications for equestrian competitors starts in September 1998. Each discipline needs to have set their criteria and identified competitors to be put forward for this.

Training Courses: Eric Smiley FBHS tutored instructors register refresher courses in Inverness and Alloa, both very well attended. The annual 2-day Ferdi Eilberg course had to be postponed to February 1998. The "Ian Stark" courses for promising young eventers continue - part funded from the Home International Team training grant. 4 Regional Show Jumping Course Builders courses took place, funded from the Billy Bowes Memorial Fund. Regional training is increasing and the co-ordination brought about by the sub-Committee meetings is helping to identify and satisfy needs, and prevent duplication of effort.

Access sub-committee: A new 57 mile route, the Buccleuch Country Ride, was officially opened in June. A partnership effort between BHS Scotland, TRSS, Scottish Borders Enterprise, Scottish Borders Tourist Board and Scottish Borders Council, it is hoped to be the first of many. Scottish Access Officer Ann Fraser put a huge amount of work into getting this route up and running.

Negotiations with the Forestry Commission on access to FC land continue. This is exceptionally important to Scotland with the very large FC holdings and the lack of legal bridleways.

A new three year funding arrangement for the Scottish Access Officer was negotiated with SNH to run to June 2000.

Safety sub-committee: Two risk assessment days were held and the annual Safety seminar also majored on risk assessment. The new safety video has been well received and we maintain our liaison with the Car Driving Instructors, formulated two years ago at the seminar, where actually the idea for the video was born from the demonstrations laid on that day.

Welfare sub-committee: A start was made on appointing County Welfare representatives to assist the regional Representative. Proper training for all welfare volunteers is taking place under the Director Welfare.

A Welfare Officers training day was held at the University of Glasgow. Attendance included delegates from ILPH, SSPCA, and Strathclyde Police. The co-operation between the welfare organisations in Scotland continues, and is very real benefit.

Six new Equine Assessors - all veterinary surgeons - have been appointed, and a training evening held for them.

The Highland R&R centre now has its own trailer bought with assistance from Ross-shire Pony Club, BHS Welfare and a generous local business.

An information sheet on the Welfare of Animals (Transport) Order 1997 is being produced by our Legal Adviser, and should be ready in the Spring. The previous sheet now being outdated.

Wales

Promotion of off road riding continued well in 1997. In Monmouthshire a long distance route was opened by Mr Michael Griffiths, Chairman of the Countryside Council for Wales, and outside Cardiff a new three mile route was opened just after Christmas. More than ever, county councils seem to be keen to work with the BHS particularly in South Wales. In 1998 Caerphilly County Council will join the BHS and other user groups including NFU and FUW to link paths which will reach into Blaenau Gwent creating miles of safer riding for riders in South Wales.

Pressure in being kept up on windfarm developers to try and keep a recommended 200 metre safety zone along all bridlepaths sited on windfarms.

'Headcounts' have been undertaken by dedicated volunteers in Clwyd and Glamorgan and these are nearing completion; it has proved to be a mammoth task and due credit must go to those involved.

Last summer a countryside convention was held in Cardiff where numerous countryside user groups were represented: David Bellamy was the principal guest and he was enrolled as a BHS member.

Training days for instructors and volunteers have been held through Wales in 1997. 'Bridleway Gate' days for National Park and Local Authority staff proved to be so successful that they are to be held nationwide (funds permitting). These sessions, operated as a pilot scheme brought home the need for safe practice when opening routes and inserting gates on bridlepaths.

The Inner City childrens courses have now been expanded in the Principality to include the Night Riders scheme which is aimed at the jobless and schools leavers. This pilot scheme has attracted the attention of Mr Alan Howarth, Minister of Sport who is to visit Wales to see it for himself. This visit is expected to attract extensive media coverage and hopefully in its wake, more sponsorship so even more young people will benefit.

The horse ambulance attended over twenty shows and events in 1997 attracting publicity and generous donations for the Welsh Committee.

The BHS hospitality marquee at the Royal Welsh Show was again a focus for members. During the four days, polls were taken on windfarms and foxhunting with some interesting results. Each year a different aspect of the Society's work is focused on and 1998 will be the turn of the welfare department.

Ireland

Membership: in the north we have managed to remain positive showing a 0.2% rise between September 1996 and 1997. Unfortunately in the Republic there has been a drop of 1% over the same period. This is believed to be due to the extra insurance premium required. For a family of three this amounts to a premium of £45.00 in addition to their subscription.

Yellow Pages: the block advertisement for Approved Schools in Northern Ireland continues to be successful. It now incorporates 17 of our Approved Schools in a more prominent presentation and is entirely self-financing. This helps to promote the Society as well as the schools.

Communication: the Horseman's Annual was again sent free of charge to all members throughout Ireland. The Development Officer negotiated approximately £4,500 in advertising. The print cost amounted to £5,200 with postage approximately £1,800. As committee members help pack and deliver to those in their own area postal costs are kept to a minimum.

Training and Education: the number of instructors of all grades on the Register remains disappointing, there being only 46 throughout Ireland. There are now 4 college courses in the province leading to various qualifications. The NVQ system continues to attract a considerable number of students both through the City and Guilds as well as the Society. As the former is a less expensive route the Society is losing potential income. We will run a seminar for riding school proprietors early in 1998 and will invite those from all schools. In the province there are 100 schools licensed but only 25 in the Society's Approval Scheme.

There are a further 19 "Approved" schools in the Republic, an overall loss during the year.

Royal Ulster Agricultural Show: the Society was again represented at this show the major agriculture show in the province where our marquee is now an established feature. This year was our best, we gained 13 new members and increased our income to £4,021.30. By subletting to other equestrian organisations we are able to cover the costs.

Tourism: Mrs Laird, our representative on the Tourism sub-committee received one of the first Centre Manager Certificates from Professor Vittoria de Sanctis, President of the Federation Internationale de Tourisme. The first examinations for other certificates have been held.

Access: we have held a meeting with the Ulster Rural Riders Association, an affiliated access group, who would welcome a greater role on the part of the Society in opening up off road riding facilities in the province. This will be taken further in 1998.

Horseman's Sunday: we held a service, as did the other regions, on 28th September. This was held at the Lakeland Equestrian Centre and was well attended, it might be worth considering for another year.

Welfare

Welfare Committee: In January, following the retirement of Mrs Marjorie Langford OBE, Mr Michael Clayton was appointed Chairman of the Welfare Committee. The Committee's structure was altered to facilitate meetings involving Regional Welfare Officers whose collective voice had, hitherto, not been heard. This brought about an immediate improvement in communications between county welfare representatives and staff at headquarters.

Training: In June, the Regional Welfare Officers' Group agreed the need for a more structured training programme for County Welfare Representatives. It was also agreed that training of all BHS welfare personnel would, henceforth become mandatory, with each volunteer being required to attend an approved training session not less than once every two years.

A national training seminar was held at Leamington Spa in October, and this was followed in November by a similar event in Glasgow. Additionally, the Director of Welfare and his Assistant, separately attended seven other local training sessions throughout the country during 1997.

Rescue and Rehabilitation: The highlight of the year was, undoubtedly, the opening of the new BHS Equine Rescue Centre at Welford on Avon, in Warwickshire. Using rented premises surrounded by 25 acres of pasture the Society was thus enabled to care for up to 40 horses and ponies in distress, and preparing them to be moved to new, caring homes where they will be able to live normal active lives. By the end of the year staff at Welford had cared for

fourteen horses and ponies, two of whom have already been re-homed. The Centre was already attracting significant fundraising and plans were in hand to use the Centre for welfare training of volunteers in the future.

In addition to this valuable work the Centre also provides a useful focus, by means of which the Society's long standing commitment towards equine welfare is being projected to a wider audience. The aim in 1998 is to use Welford as a training base for BHS welfare volunteers.

Case Management: Throughout the year the Society's Regional Welfare Officers and the County Welfare Representatives have remained extremely active. Much of this work is unsung and discreet, in deference to the need to protect the identity of the horse owners who have sought the Society's advice on specific aspects of horse care. About 900 welfare concerns were dealt with in this matter and in one case the BHS representative played a key role in a successful prosecution brought by RSPCA.

Welfare Awards: In March, the *Horse and Hound* Welfare Award was presented to Mrs Marjorie Langford OBE, in recognition of her outstanding service as Chairman of the Welfare Committee between 1977 and 1997.

At a special awards ceremony at Saddlers Hall in June, Mrs Carole Marson was presented with the BHS Welfare Award for her dedication to Welfare in Wales. For a number of years Mrs Marson, using her own private car, has taken the BHS Wales caravan to the horse sales at Llannybydder, where she has been able to dispense useful advice to horse owners.

Horse and Pony Breeds Committee

Essen Equitana: In March, the BHS organised a successful display of British Native Ponies at the internationally renowned Essen Equitana show in Germany. This venture - the first of its kind, involving representatives from the Shetland, Highland, Fell, Dales, New Forest, Exmoor, Dartmoor and Welsh breeds, plus a Hackney pony - was performed in front of enthusiastic, packed audiences throughout the nine day event. This also provided an opportunity to display the qualities and talents of UK pony breeding by distributing information about the breeds to visitors to the BHS stand in the international hall of this vast exhibition.

European Pony Championships: The European Games were held at Hartpury College, Gloucestershire in July. A joint venture by the BHS and the Supporters of British Breeding produced a display by 52 British bred ponies as part of the opening ceremony, which was held in the presence of Her Royal Highness The Princess Royal.

Horse passports: In anticipation of new legislation - due to come into force in January 1998 - regarding the mandatory acquisition of Equine Passports for all registered equidae born after that date, the Society supported approaches to MAFF officials by representatives of the semi feral mountain and moorland

breeds whose future viability is threatened by this measure. As a result of this a partial derogation for these breeds was incorporated into the UK Order. The Society will continue to support the breed societies in their endeavours to preserve this important aspect of the nation's equine heritage.

Access and Rights of Way

Stiles on bridleways: After years of campaigning, the British Horse Society has succeeded in persuading the Department of Environment, Transport and Regions (DETR) to rewrite part of its Circular 2/93. Until now the guidance has been misleading in that it suggested that highway authorities could ignore stiles (with no gates) on bridleways if they were recorded as having been there when the definitive map was first drawn up. The Department's rewritten advice makes it clear that stiles on bridleways prevent riders from exercising their legal rights and should therefore be treated as illegal obstructions and removed.

District plans: The department issued a paper to all district authorities asking them to include equestrian interests in their local plans. It was emphasised that issues relating to riding and carriage driving should be mentioned in the transport chapter as well as the one dealing with recreation. Local authorities tend to forget that equestrians have as much right and often as much need to use roads as any other group and the initiative has generally been favourably received.

Windfarms: The department has been in correspondence with the DETR urging specific reference in PPG22 to equestrian needs when windfarms are to be sited near bridleways or byways or roads used by horses. We continue to press for a minimum distance between the base of a turbine and nearest public right of way or minor road.

Briefing to MPs : A list of MPs with an equestrian/access interest has been compiled and a briefing note detailing the problems riders and carriage drivers face sent to each of them. This will be done on a regular basis.

Forestry Commission: The department has held three meetings with representatives of Forest Enterprise in the continued attempts to abolish their discriminatory permit and charging system. Discussions seem to be bearing fruit and it is hoped that the outcome can be publicised in late summer 1998.

Quiet roads: The Society has endorsed the Countryside Commission's campaign to impose 20mph speed limits on certain rural roads. This is in order to protect carriage drivers, riders, walkers and cyclists who in many cases have no choice but to use the roads in order to reach their local rights of way. The department will be working with the CPRE (Council for the Protection of Rural England), the RA (Ramblers' Association) and CTC (Cyclists' Touring Club) to strengthen this campaign.

Electric fencing: The Society has raised with the Rights of Way Review Committee the danger of using electric fencing alongside rights of way and is

reviewing with others the effectiveness or otherwise of the voluntary code agreed with CLA, NFU and BHS.

Training: In 1997 the AROW department organised six rights of way training days for volunteers from all user groups. A repeat run of Day 2 of its Foundation level training was run in five venues throughout the country, and in November the first day of Intermediate level training was piloted in York. The Countryside Commission grant-aided the Society 50% of the costs of all the training days in England.

Awards: Mrs Anne Lee, Consultant to the AROW department and formerly its Director, was presented with an MBE in recognition for her work in promoting equestrian access. Mr Nigel Redfern, BHS County Access and Bridleways Officer (CABO) Cumbria and Mrs Jane Cox (CABO) Devon, received the BHS Award of Merit for their years of dedication as access volunteers. Mrs Catriona Cook (RABO) Yorkshire, received the Horse & Hound Access Award, in recognition of all her achievements.

Sustrans: Discussions continued at national and local level to ensure that equestrian interests are not prejudiced when a route becomes part of the National Cycle Network. In discussion with the BHS and the Ramblers' Association, Sustrans agreed to change its manual for paths in order to take better account of equestrian needs.

BHS Native Pony Pilgrimage: Planning was undertaken for this major BHS event to be held in 1998. It involves all nine of the native pony breed societies working alongside the BHS to plan rides from each of the real breeding grounds leading into the Royal Show on 8th July 1998.

Severed Bridleways: The department wrote to the Department of Transport with 16 examples of where motorway construction or road improvement works had effectively severed a bridleway route and asking them to take steps to reinstate the links. We are still discussing the cases.

National Riding Week: In addition to local and regional events run by local volunteers, the AROW department held two key events. The first was the public presentation of a "shopping list" of equestrian access issues to the then Secretary of State for Environment, John Gummer, and the Secretary of State for Transport, Sir George Young. The presentation was made by Lord Vestey and Angela Rippon, both on horseback, in the Dean's Yard at Westminster Abbey and attracted considerable press attention. The second event was the launch of the Western Fells on Horseback in Cumbria. The launch was attended by three mayors, representatives of the Lake District National Park, Sustrans, and local riders.

Northern Ireland: A new initiative was launched in Northern Ireland to persuade the Northern Ireland Office and all the local authorities of the need to devote more attention and resources to the provision of riding routes in the

province. This initiative was a partnership between the department, the Northern Ireland Committee and the Ulster Rural Riders Association.

Horse and head counts and county bridleways strategies: Work has progressed in carrying out the horse and head counts in Lancashire, Devon, Essex, Warwickshire and in a number of the new unitary districts in north and south Wales. This work has been possible thanks to a generous grant from the Elise Pilkington Trust. The first phase is to undertake detailed counts of the number of horses and equestrians in the areas and then research the bridleway/byway resource. This information is then used to inform the production of a county or district bridleways strategy. The Lancashire Strategy was published in November 1997 and we expect to see the others published towards the end of 1998. The work does not stop there as we then have the challenge of encouraging implementation and we are in discussions with the CLA to explore ways in which they might assist in making positive contacts with landowners.

ARROW: The department published two new .. *on horseback* books covering West Sussex and South Warwickshire. Research work continued in a number of other locations including Kent and Surrey, and on a linear route on the east coast through Lincolnshire, Humberside and Yorkshire. We also published a fully revised edition of *Bed & Breakfast for horses*.

New leaflets: Two new leaflets were published in 1997: *Some equestrian statistics* is designed to help persuade local authorities of the financial contribution equestrians make to the local economy and of the need to make better provision for them. *Hill and moorland riding* is directed at the more adventurous rider who would like to investigate Britain's wilder areas. Advice on safety precautions is included. These leaflets are available free of charge on receipt of an SAE.

Liaison: Meetings were held at Chairman and Chief Executive level with the Countryside Commission and the Countryside Council for Wales. The department represented the Society on the Outdoor Pursuits Division of CCPR (Central Council of Physical Recreation) and on CROWC (Central Rights of Way Committee). Liaison meetings were also convened with the National Trust, the Woodland Trust, the Ramblers' Association and the Cyclists Touring Club. The department was represented at meetings of the Greenway Committee.

Safety

Safety 2000: Safety 2000 the Society's campaign to reduce horse related traffic accidents was launched at the Church House Conference Centre, Deans Yard, Westminster on Thursday, 6th March 1997. The Minister for Road Safety, Mr John Bowis MP, attended and spoke about the Department of Transport's support for the campaign. The launch reception included a preview of the newly produced "Horse Sense for Motorists" video which later in the year won a Prince Michael of Kent Special Award for Road Safety. The motoring world, driver training industry and Road Safety professional bodies were all well represented at the Launch.

The "Horse Sense for riders" video was produced in the summer (price £5.99) advising riders on road safety technique and promoting the BHS Riding and Road Safety test. It also gives advice on horse and rider protective equipment. Complimentary posters of the same title were produced and despatched to 4000 outlets including saddlers, feed merchants, livery yards and Riding Establishments. The well known television presenter, Noel Edmonds, agreed to front the campaign and the RAC have given their full endorsement to the campaign with offers of support for its promotion.

The Driving Standards Agency agreed to incorporate the Horse Sense for Motorists video in the Government's training School curriculum for examiners and instructors at Cardington, Bedfordshire and to promote the video at 174 DSA exhibitions annually.

Sefton Awards 1997: The Sefton Awards, given in recognition of outstanding service to equestrian safety were presented by HRH Prince Michael of Kent. The Awards ceremony took place at Knightsbridge Barracks, courtesy of the CO, Lt Col H G Scott, on 20th March. The three recipients of the Awards were Mrs Marjorie Langford OBE., Dr Julia Ballard (Atlanta project) and Professort Leo Jeffcott (Atlanta project)

National Riding Week: Safety Day in National Riding week was Wednesday, 26th March, and provided an excellent opportunity for a demonstration on the unpredictability of the horse in traffic and its vulnerability as a road user, which was given at Mudchute City Farm, Docklands, London. The event was well attended by Local Authority Road Safety Officers, the Police and Driving Instructors. Other Safety events included a Trailer Towing demonstration in Aberdeenshire and Horse Awareness Seminar in Wales.

Health and Safety and Risk Assessment Training for Riding and Road Safety Examiners and Safety Representatives: Three national training days in Risk Assessment and Health and Safety were held in 1997 in England, Scotland and Wales. The training was provided by Richard Baker, Health and Safety Consultant in accordance with the Department's updated policy for Examiner training. The new formally structured Risk Assessment procedures for Road Safety Examiners comply with the "Management of Health and Safety at work Regulations 1992"

Horse Related Traffic Accident Statistics: The Police Stats 19 form, the recording of road traffic accidents, came under review in 1997 and the Safety Department submitted a paper to the Review Standing Committee for the inclusion of Horse RTA's to be recorded as an individual category within Stats 19. Our paper was supported by similar papers from ROSPA, the Greenway Committee and Local Authorities. It was reported at the PACTS Road User Behaviour Working Party Meeting on 8th January 1998 that the STATS 19 Review panel propose to include the ridden horse as an individual categorisation and the revision would be introduced from January 1999.

Protective Headgear: in March 1997 the harmonised European Standard EN1384 was published and the standards BS 4472 (1988) and BS 6473 were subsequently withdrawn as national standards by the BSI. At the meeting of Council, 26th November 1997, the BHS updated its policy on hats recommending hats to the standards PAS 015 or EN 1384 with either a Kitemark or SE1. From 1st January 1998 the foregoing standards became mandatory protective headgear for all BHS examination candidates, competitors in BHS organised events and clients of BHS Approved schools provided with helmets.

Prince Michael of Kent Road Safety Awards: The Horse Sense for Motorists video won a Prince Michael of Kent "Special" Road Safety Award. The Awards ceremony was held at The Savoy on 5th December 1997 and the Award was collected on behalf of the Society by Mrs Sheila Berry, Chairman Safety Policy Committee.

Training and Education

As the Golden Jubilee year drew to a close, the Training & Education Committee organised a 'Celebration of 50 Years of Equestrian Teaching'. The key address to a gathering of some 170 guests across the range of equestrian sport was given by Mike Sprackling OBE, MSC (Canada) who must be the most successful sports coach certainly in the UK, if not wider. In 20 years as an international rowing coach his athletes have won 115 medals at Olympic and world Championships whilst he himself was a Gold Medal winner at the 1958 Commonwealth Games. He highlighted major training needs and it was fascinating to hear of the similarities between riding and rowing. Following him Diana Mason and Richard Davison, David Broome CBE, then Baron Blixen-Finecke and Christopher Bartle described the frustrations, highlights and training demands of international competition in dressage, show jumping and eventing respectively.

The evening closed with the presentation of four scrapbooks with photographs, first hand reports and press cuttings mainly of the 1956 Stockholm and 1960 Rome Olympics. These were compiled by Babne and Kay Moseley and presented to the T&E Chairman by Baron Blixen-Finecke.

This prompted thoughts on how the work of Training and Education has developed and grown from the start of the BHS Horsemanship and Examinations Committee to the present day. The original committee expanded to include Riding Establishments and now takes in Equestrian Tourism as well as a major role in international work. Almost all the competitive and training organisations except for racing, polo and breed societies are represented on the newly constituted Training & Education Advisory Group;.

From a small beginning with examinations for riding instructors, qualifications are offered also for stable managers, grooms, those using draught horses and those in equestrian tourism establishments. More than 12,000 examination candidates and 1,000 NVQ students were catered for in 1997.

The number of approved establishments continues to increase and at the end of the year was 735, all of which are listed in 'Where to Ride'. This directory together with the companion annuals 'Where to Train' and the 'Register of Instructors', both introduced in the last six years set the international benchmark for the professional, competition and leisure riders.

Finally, the development of the International Trainer's Passport, international training events such as the Horse Trials Clinic at Hartpury in July and an increase in international examinations highlight 50 years of Training & Education.

Riding Clubs

Any report on British Riding Club activities must portray the enthusiasm and commitment of the many people who give so much of their time to make things happen for riding club members around the country. This dedication, coupled with sound management, ensures that the number of Clubs affiliated to the British Horse Society continues to grow as does the number of members joining local clubs. The level of participation in competitions, training and other events continues to increase.

The 1997 competitions season was successful although appalling weather conditions in some parts of the country took their toll. There was a record number of entries at our National Championships although qualifiers for the horse trials championships at Everdon were hit by torrential rain early on in the summer. Despite this set-back clubs were well represented. The National Championships at Malvern were bigger and better than ever before and for the first time included a senior novice show jumping championship. The unique atmosphere of the Malvern Championships, the largest event of its kind, was never more apparent.

British Riding Clubs training programmes were particularly successful in 1997. Once again clubs were able to benefit from stable management training provided free to members through the support of Robinson Animal Healthcare. The National training weekend continued to develop and reinforce the skills of our network of Horsecare Advisers many of whom went on to successfully pass their Phase Assessors examinations and join the British Riding Clubs panel of examiners.

We were delighted to be able to continue to support regional training with grants going to each of the twenty-three Riding Clubs Areas.

One of the highlights of the year was the special appearance by Herr Arthur Kottas, chief rider of the Spanish Riding School, who took time out during his UK tour to present a lecture demonstration for British Riding Clubs members. The 'Arthur' lecture demonstration was completely sold out and our thanks go to the Worshipful Company of Saddlers who enabled us to subsidise the cost of tickets for affiliated riding club members through the provision of a generous training grant.

In 1997 ten new clubs applied and were granted provisional affiliation. A further five applications are awaiting approval. Two clubs were granted full affiliation and a further six are pending. Eight clubs disaffiliated in 1997. Membership growth of 10.8% was achieved over the previous year.

Merchandising

In addition to its routine daily retail and mail order business, the bookshop provided major displays at Badminton, Royal Show, Equine Event, National Dressage Championships, Horse of the Year Show and, for the first time in many years, Olympia. Through the Development Officers, Merchandising was represented at most UK horse and county shows. The department ventured overseas for the first time and was represented at Equitana in Essen Germany and Louisville Kentucky.

BHS products, particularly greetings and Christmas cards, were exhibited to the equestrian and general trade through the Spring Gift Fair at the NEC and the British Equestrian Trade Association Fair. A trade catalogue of BHS cards and pins was mailed to 10,000 retailers during July. As in previous years, the department saved its major mail order campaign for its Christmas catalogue, the Society's single largest communication tool, which was delivered to all BHS bookshop customers by direct mail and appeared as a loose-leaf insert in the major equestrian magazines. The Society's Christmas card business continued its success with sales of over 475,000 cards.

Chairman's summary of developments

Its golden jubilee year was a time for celebration of so many achievements by the BHS throughout the postwar years, but ironically it was the year when the Society had the courage and drive virtually to re-invent itself. It was a time-consuming and expensive task, but by the end of the year the Society had produced a new administrative structure capable of speeding up its decision making processes.

Furthermore, the Society was coming to terms with the full implications of the departure of the Pony Club and sporting disciplines which became autonomous bodies within the new British Equestrian Federation. Horse Trials, Driving, Endurance and Vaulting departed, followed by the end of 1997 by Dressage. All would operate independently but within the new British Equestrian Federation of which the BHS is a major part.

The sporting disciplines were to remain as sub-tenants of the BHS in its offices which remain leased at Stoneleigh Park from the Royal Agricultural Society of England, together with the British Equestrian Centre riding school and other buildings, until the year 2017.

Such arrangements hinged upon the move expected in 1998 of the BHS headquarters staff to new offices about half a mile away at the Deer Park site,

Stoneleigh. Decisions taken in 1997 by the BHS Council to restructure its organisation, and to complete the purchase and go ahead with refurbishment of the new offices are among the most important in the Society's history. The Society in 1997 secured a valuable freehold on its own offices on a site likely to appreciate greatly in value in years ahead.

BHS Council grappled with the intricate task of approving the many amendments made necessary to its Articles of Association in the major organisational changes. From the end of 1997, the body with executive power would be a Board of 12 Trustees with the ability to co-opt two further members if necessary.

The BHS Council would continue to meet as a sounding board for communication with membership and the wider equestrian world.

The Society's structure of specialist committees leading the initiatives in each core activity - training and education, access and bridleways, safety and welfare - would be replaced by guidance committees. In future, staff Directors in each core activity would report direct to the Chief Executive who would receive policy from the BHS Board. The Board would appoint its own Finance Committee and a Committee to advise it on its powers and duties as Trustees.

The Society's unique valuable national structure of regional and county chairmen, and committees, backed by staff Development Officers and volunteers working in specialist tasks, remains in place as the essential backbone of its work for the good of the horse.

The retiring Council elected the first four members of the new Board: Dr Sheila Bell, Mrs Jane Goldsmith, Mr Mark Chamberlayne and Mr Michael Clayton. The remaining eight were elected by the Society's full membership: Mrs Catriona Cook, Mr Peter Cook, Mr Harry Greenway, Mr Peter Houghton-Brown, Mrs June Self, Miss Marie Stokes, Mrs Mary Tapping and Mr Christopher Waterhouse.

One third of the new Board would be re-elected every year under the Society's amended Articles, the first year to start from the annual general meeting in June 1998.

It was anticipated that one serious consequence of the departure of the sporting disciplines could be a loss of membership in cases where individuals chose to relinquish BHS membership but to remain members of new autonomous sporting bodies. In fact, membership loyalty was a most encouraging feature of 1997, with the total membership remaining near 60,000 by the end of the year.

However, in anticipation of problems arising from the departure of the sporting disciplines, new tiers of membership were decided upon in 1997 for the following year: gold membership (£36), silver (£18) and bronze (£9) with personal accident and liability insurance cover attaching to the gold membership. Special family, junior and corporate rates are in the membership structure.

The financial implications of the severance of the sporting disciplines through losses, or dilution of membership income streams were serious concerns for the General Purposes and Finance Committee in 1997, but at the end of the year income from subscriptions exceeded budget. As well as the overall membership of some 60,000, the affiliation of a further 40,000 members of Riding Clubs remained in place, although there were serious concerns for the new Board to resolve in this area too.

The spirit of "go it alone" manifested itself in 1997 from some Riding Clubs representatives who at their annual conference expressed dissatisfaction with the form of affiliation with the BHS, mainly on the grounds of lack of flexibility in spending their funds.

Members of the newly elected Board resolved to tackle this as quickly as possible in the new year, and stressed the major importance they attached to the Society's firm links with the Riding Clubs in the best interests of British Equestrianism. The ability to speak with one voice on behalf of some 100,000 equestrian enthusiasts is increasingly important in modern Britain where there are so many interests competing for resources and grants.

BHS finances in 1997 were adversely affected by a number of one-off major items, including some £43,000 resulting from the previous decision to abandon the Action for Horses income raising scheme. The complications arising from the need to restructure consumed very considerable management time and attention, and material costs such as the considerable legal services involved, added significantly to 1997 costs.

The prospect of a third successive annual deficit for 1997 prompted the annual meeting to resolve that the new Board should strive to achieve a break-even or surplus on the 1998 account. Reserves remained substantial and capable of covering foreseeable contingencies.

It can be seen that 1997 was a year of immense change for the Society, imposing heavy demands on its elected officers and staff in dealing with a host of diplomatic, organisational and administrative changes.

Tribute was paid at the final Council meeting in 1997 to the retiring Chairman, Mr Edward Bonnor-Maurice, for his commitment to the Society during its most turbulent period of change. He in turn, paid special tribute to the Chief Executive, Colonel Tim Eastwood.

Many hours of voluntary work were put in by working parties dealing with the restructure, the departure of disciplines, and the move to the Deer Park. The Society will always be in their debt for shouldering exceedingly heavy burdens, backed always by the permanent staff, at a most difficult time. The challenge for the new Board and staff would be to define the Society's role more precisely, to achieve a streamlined, more efficient administration, and to engage in projects which would attract the attention and support of new members, especially younger members of the riding fraternity.

The Society had the immense honour to have as its President in its Jubilee Year the Prince of Wales. As reported more fully elsewhere, His Royal Highness launched the Society's 50th year celebrations and was host to a magnificent reception for BHS volunteers at St James's Palace. Her Majesty The Queen has been the Society's Patron since its inception and the Presidency of the BHS further emphasised the royal family's practical and concerned connection with equestrianism at all levels.

One of the most encouraging and reassuring indications for the future of the BHS as Britain's leading equestrian charity was the news in 1997 that Her Royal Highness The Princess Royal had accepted an invitation to become President in 1998, succeeding Lord Vestey who has given so much support.

Princess Anne's long experience and commitment to equestrianism, as a competitor, and as a former President of the FEI, will be invaluable in the crucial years of development ahead, and everyone looks forward to Her Royal Highness's assumption of this leading role at the 1998 annual general meeting.

There is every reason for the British Horse Society to be absolutely confident that it can build on the changes achieved in its Jubilee Year to ensure that it grows and flourishes in the 21st century as an invaluable beacon for standards and best practice in the riding and care of horses, and in protecting the best interests of equestrianism.

C Financial review

That the Society would have a difficult year was never in any serious doubt. The setting of the budget, in the autumn of 1996, was not an easy task in view of the extreme uncertainty over the number of members who would remain in 1997. As has proved the case over recent years, the members of the Society demonstrated their loyalty and subscriptions exceeded budget.

The 1997 deficit was grossly inflated by the large transfer of funds to the Pony Club as part of their move to independent charitable status.

Council had agreed in 1996 to transfer to the Pony Club their element of Society reserves. £388,374 was paid over, accounting for 54% of the diminution in reserves overall for 1997.

Action for Horses, a new income initiative was tested in December 1996 and early 1997. When the trial proved unpopular the scheme was aborted in the spring, costing the Society some £43,000. The Jubilee year celebrations cost some £12,000 more than had been expected. A new surface was installed in the BEC school, following difficulties with the rubber based one, at a cost of £15,000. Much resource was expended, by volunteers and staff, on dealing with the proposed departure of the dressage department and with the reconstruction of the Society.

However, there were bright spots in the financial year. Training and education provided some £51,000 more than budget and the new management of the dressage department turned a budget deficit of £30,000 into a surplus of £55,000. The BEC operated successfully and the proceeds from the sale of the former Society business brought a welcome credit of some £179,000. In September the Society opened its rescue centre at Welford in the expectation that it would draw upon reserves. However, members of the Society and the public responded magnificently, providing more funds than were needed for the four months of operation, leaving the centre funded into 1998.

Additional funds were voted to the marketing department and the new corporate image and style, as well as tiers of membership have resulted.

Also during 1997, the Society decided to acquire and refurbish freehold offices for its own use, thus releasing space to the other occupants of its existing premises. Negotiations over the acquisition and over the subsequent licensing of existing premises have taken much management time. No professional valuation has been made of the Society's premises. The Board is of the opinion that the market value of its interests in property is in excess of the balance sheet value.

In summary, 1997 was a difficult year when the Society's attention was distracted from its primary objectives. With the departure of the dressage department on 1st January 1998, with a new board working to a new constitution and with the imminent prospect of new offices with modern facilities, 1998 promises to be an exciting and hopeful year, with the Society able to concentrate on its main objects.

D Assets and obligations

The Society has a policy, in relation to unrestricted funds of aiming to have in reserves sufficient to cover the value of fixed and trading assets plus two months expenditure and a further 15% of annual costs. As a result of the acquisition of the site on Stoneleigh Deer Park, for use as administrative offices, the Society's requirement for reserves will be reviewed by the Board, which considers that it has adequate reserves to fund current plans.

The designated funds, £259,969, for use in safety, access, welfare and horse trials training are considered adequate for their commitments.

At 31st December 1997, there were 14 restricted funds and the Board considers that each fund has adequate cash resources for their commitments. Following the restructuring on 1st January 1997, the former abandonment fund has been designated as the BHTA training fund.

E Other charities

The Society maintains a close relationship, the nature of which is given beside each in italics, with

The Worshipful Company of Saddlers - *consultative*

The Home of Rest for Horses - *consultative*

The Royal Society for the Prevention of Cruelty to Animals - *working co-ordination*

The International League for the Protection of Horses - *working co-ordination*

The Riding for the Disabled Association - *consultative and working co-ordination*

Animal Health Trust - *consultative*

Royal Agricultural Society of England - *consultative and working co-ordination*

The Pony Club - *consultative and working co-ordination*

THE BRITISH HORSE SOCIETY

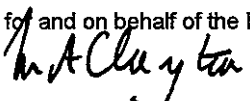
Statement of the Board's responsibilities

We are required by company law to prepare accounts, for each financial year, which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of the surplus or deficit of the Society for that period.

In preparing the accounts, appropriate accounting policies have been used and applied consistently, reasonable and prudent judgements and estimates have been made and the accounts have been prepared on a going concern basis.

We are responsible for maintaining adequate accounting records, for safeguarding the assets of the Society and for taking reasonable steps for preventing and detecting fraud and other irregularities.

for and on behalf of the Board


M A Clayton Esq - chairman
25th March 1998

Report of the auditors to the members of The British Horse Society

We have audited the accounts on pages 27 to 40 which have been prepared under the accounting policies set out on page 27.

Respective responsibilities of directors and auditors

As described above, the Society's Board is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

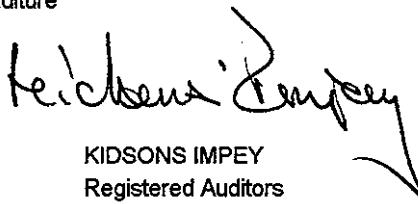
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Society and of the group at 31st December 1997 and of the incoming resources and application of resources, including the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coventry
25th March 1998


KIDSONS IMPEY
Registered Auditors
Chartered Accountants

Accounting policies

1 Basis of accounting

The accounts have been prepared in accordance with the statement of recommended practice "Accounting by charities" and with applicable accounting standards. They are drawn up under the historical cost accounting rules, with the exception of investments which are stated at market value. No separate income and expenditure account is presented for the Society, as provided by section 230 of the Companies Act 1985.

2 Basis of consolidation

The group accounts consolidate the accounts of the Society and of its subsidiary undertaking. Intra-group transactions are eliminated on consolidation. Surpluses and deficits of organisations entering or leaving the group are included from the date of acquisition or up to the date of disposal.

3 Incoming resources

All income is stated net of VAT, where VAT is chargeable. There have been no significant changes in operations during the year.

4 Subscriptions

Life subscriptions are credited in full to income in the year of receipt and annual subscriptions are credited on a monthly basis.

5 Legacies and donations

Credit for income arising under these headings is taken in the year of receipt. Donations and legacies received for the general purposes of the Society are credited to "other charitable funds". Donations and legacies, subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

6 Depreciation

Tangible fixed assets are depreciated from the date of acquisition on a straight line basis to write off their cost over their expected useful lives. The annual rates applied to the principal items are:

freehold land	no depreciation is provided
freehold buildings	over 20 years
short term leasehold buildings	over the period of the lease
fixtures and fittings	20% - 33.33%
motor vehicles	25%
computer equipment	33.33%

Grants received, in respect of fixed assets, are credited to a deferred income account, which is released to profit over the life of the asset concerned.

7 Operating leases

Rentals paid under operating leases are charged to income in the period to which they relate.

8 Defined contribution pension scheme

Pension contributions are charged to income as they become payable in accordance with the rules of the scheme.

9 Stocks

Stocks, which consist mainly of publications and other goods for resale, are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis; net realisable value is based on estimated selling price less the estimated cost of disposal.

THE BRITISH HORSE SOCIETY

Group statement of financial activities

for the year ended 31st December 1997

	Note	Unrestricted funds £	Restricted funds £	Total 1997 £	Total 1996 £
Incoming resources					
Subscriptions and fees		3 804 806	0	3 804 806	5 189 905
Donations	1	164 816	34 357	199 173	140 662
Grants	1	0	216 826	216 826	226 039
Sundry other income	2	169 857	0	169 857	47 471
Investment income	3	231 431	38 131	269 562	309 021
Net income of trading subsidiary	4	0	0	0	(4 189)
Total incoming resources before exceptional items		4 370 910	289 314	4 660 224	5 908 909
Resources expended					
Direct charitable expenditure					
Training		(1 844 813)	(135 314)	(1 980 127)	(3 378 890)
Safety, access and welfare		(542 673)	(47 765)	(590 438)	(508 518)
Membership support costs		(1 370 422)		(1 370 422)	(1 308 302)
		(3 757 908)	(183 079)	(3 940 987)	(5 195 710)
Other expenditure					
Fundraising and publicity		(491 064)	(37 800)	(528 864)	(560 294)
Management and administration of the charity		(690 165)	0	(690 165)	(423 738)
Total resources expended before exceptional items	5	(4 939 137)	(220 879)	(5 160 016)	(6 179 742)
Exceptional items	6	(278 324)	0	(278 324)	0
Net (outgoing) incoming resources after exceptional items before transfers		(846 551)	68 435	(778 116)	(270 833)
Transfers between funds	16, 17, 18	188 673	(188 673)		
Net (outgoing) incoming resources		(657 878)	(120 238)	(778 116)	(270 833)
Gains on investment assets					
Unrealised		7 899	2 687	10 586	1 249
Net movement in funds		(649 979)	(117 551)	(767 530)	(269 584)
Fund balances brought forward at 31st December 1996		3 081 377	685 053	3 766 430	4 036 014
Fund balances carried forward at 31st December 1997		2 431 398	567 502	2 998 900	3 766 430

A separate statement of income and expenditure has not been prepared on the basis that there is no significant difference from the group statement of financial activities.

A separate statement of recognised gains and losses has not been prepared as the Society has no material recognised gains or losses other than the net income (expenditure) for the year.

Group cash flow statement

for the year ended 31st December 1997

	1997 £	1996 £
Net cash (outflow) inflow from operating activities	(1 192 186)	(682 559)
Returns on Investment and servicing of finance		
Interest received	231 431	283 672
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(987 601)	(258 378)
Grants receivable	16 305	0
Receipts from sale of tangible fixed assets	53 904	23 081
	(917 392)	(235 297)
Financing activities		
Net amount received (paid) on restricted funds - note 16	71 122	99 816
Net amount received (paid) on designated funds - note 17	(131 127)	5 938
Management of liquid resources		
Realisation of short term deposits	1 238 573	1 011 860
	<u>(699 579)</u>	<u>483 430</u>

Notes to the group cash flow statement

Reconciliation of operating surplus to net cash inflow from operating activities

Operating (deficit) surplus	(938 956)	(659 010)
Depreciation less profit on disposal	160 718	139 479
(Increase) decrease in stocks	129 351	(86 975)
Decrease (increase) in debtors	(167 848)	(136 159)
(Decrease) increase in money received in advance	10 622	(227 268)
Increase (decrease) in other creditors	(375 487)	288 623
Increase (decrease) in market value of current asset investments	(10 586)	(1 249)
Net cash (out)inflow from operating activities	<u>(1 192 186)</u>	<u>(682 559)</u>

Analysis of changes in net funds

	31 Dec 96 £	Cash flows £	Other changes £	31 Dec 97 £
Cash at bank	1 639 478	(725 866)		913 612
Overdraft	(34 478)	26 287		(8 191)
		<u>(699 579)</u>		
Current asset investments	83 117	4 574	10 586	98 277
Short term deposits	2 468 721	(1 243 147)		1 225 574
	<u>4 156 838</u>	<u>(1 938 152)</u>	<u>10 586</u>	<u>2 229 272</u>

Reconciliation of net cash flow to movement in net funds

	1997 £
Decrease in cash for the year	(699 579)
Net outflow from liquid resources	(1 238 573)
Unrealised gains on revaluations in the year	10 586
Change in net debt	(1 927 566)
Net funds at 31st December 1996	4 156 838
Net funds at 31st December 1997	<u>2 229 272</u>

THE BRITISH HORSE SOCIETY

Balance sheet

Group and The Society

at 31st December 1997

	Note	Group		The Society	
		1997 £	1996 £	1997 £	1996 £
Fixed assets					
Tangible assets	9	1 071 977	315 303	1 071 977	315 303
Investment	10	0	0	5 000	2
		<u>1 071 977</u>	<u>315 303</u>	<u>1 076 977</u>	<u>315 305</u>
Current assets					
Stocks		411 268	540 619	7 116	15 227
Debtors					
amounts falling due					
within one year	11	677 159	630 590	701 741	417 557
after more than one year	12	157 314	36 035	707 314	1 036 035
Investments	13	1 323 851	2 551 838	1 323 851	2 551 838
Cash at bank and in hand		913 612	1 639 478	614 070	936 521
		<u>3 483 204</u>	<u>5 398 560</u>	<u>3 354 092</u>	<u>4 957 178</u>
Current liabilities					
Creditors due within one year	14	1 556 281	1 947 433	1 429 419	1 503 303
		<u>1 926 923</u>	<u>3 451 127</u>	<u>1 924 673</u>	<u>3 453 875</u>
Net current assets					
		<u>2 998 900</u>	<u>3 766 430</u>	<u>3 001 650</u>	<u>3 769 180</u>
Net assets					
		<u>2 998 900</u>	<u>3 766 430</u>	<u>3 001 650</u>	<u>3 769 180</u>

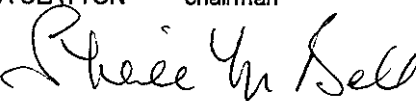
represented by

Income funds

Restricted funds	16	567 502	685 053	567 502	685 053
Unrestricted funds					
Designated funds	17	259 969	231 465	259 969	231 465
Other charitable funds	18	2 171 429	2 849 912	2 174 179	2 852 662

The accounts were approved by
the Board on 25th March 1998 and
signed on its behalf by


M A CLAYTON - chairman


Dr S M BELL - vice chairman

Total reserves

<u>2 998 900</u>	<u>3 766 430</u>	<u>3 001 650</u>	<u>3 769 180</u>
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THE BRITISH HORSE SOCIETY

NOTES ON THE ACCOUNTS

for the year ended 31st December 1997

1 Donations and grants receivable

Donations receivable include the following :

	1997 £	1996 £
Elise Pilkington Charitable Trust	89 000	60 000
Pet Plan - milestone ride	35 000	0
Marjorie Coote Animal Charity Trust	5 500	10 000
Home of Rest for Horses	0	2 000
British Showjumping Association	3 896	4 000

Grants receivable include the following :

Sports Councils		
England		
direct	23 000	58 425
via British Equestrian Federation	0	87 200
Scotland	21 609	13 500
Wales	1 500	3 000
Northern Ireland	0	2 814

2 Sundry other income

Sundry other income includes the following :

Fundraising	159 080	28 891
Miscellaneous	10 777	18 580
	<u>169 857</u>	<u>47 471</u>

3 Investment income

Income from listed investments

Interest receivable

6 359	5 459
<u>263 203</u>	<u>303 562</u>
<u>269 562</u>	<u>309 021</u>

4 Net income of trading subsidiary

The Society has one wholly owned trading subsidiary, which is incorporated in England. The British Horse Society (Trading Company) Limited undertakes the trading activities of the Society and covenants its taxable profits to the Society. A summary of its trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

Profit and loss account

	1997 £	1996 £
Turnover	1 455 759	5 252 016
Cost of sales	(1 342 175)	(5 195 604)
Operating profit	113 584	56 412
Interest receivable	10 659	40 528
Interest payable	(74 743)	(79 801)
Profit on ordinary activities before taxation	49 500	17 139
Taxation	0	(1 328)
Profit on ordinary activities after taxation	49 500	15 811
Amount covenanted to The British Horse Society	(49 500)	(20 000)
Retained in subsidiary undertaking	<u>0</u>	<u>(4 189)</u>

5 Analysis of total resources expended

	Staff costs	Other	Depreciation	Total 1997 £	Total 1996 £
Direct charitable expenditure					
Training	501 914	1 398 297	79 916	1 980 127	3 378 890
Safety, access and welfare	256 906	322 763	10 769	590 438	508 518
Membership support costs	338 036	1 014 040	18 346	1 370 422	1 308 302
	<u>1 096 856</u>	<u>2 735 100</u>	<u>109 031</u>	<u>3 940 987</u>	<u>5 195 710</u>
Other expenditure					
Fundraising and publicity	136 950	385 911	6 003	528 864	560 294
Management and administration of the charity	179 151	450 054	15 595	644 800	423 738
Total	<u>1 412 957</u>	<u>3 571 065</u>	<u>130 629</u>	<u>5 114 651</u>	<u>6 179 742</u>

5 Analysis of total resources expended continued**Other expenditure includes :**

	1997	1996
Auditors' remuneration	£	£
for audit work	13 500	14 990
for non-audit work	8 850	1 143

6 Exceptional items

Transfer of funds to The Pony Club	388 374	0
Expenditure on constitutional changes	69 056	0
Sale of businesses to BHTA, BER, BHDTA, and BEV	(179 106)	0
	<u>278 324</u>	<u>0</u>

7 Council members and employees**Council members**

No remuneration is paid to any member of Council by virtue of his or her position on Council. The members of Council who held office throughout the year are shown on pages 39 and 40.

The cost of reimbursing expenses to Council members during the year amounted to	40 204	49 702
Fees paid to Council members during the year amounted to	3 640	3 985
The cost of providing directors and officers insurance during the year amounted to	<u>1 650</u>	<u>1 614</u>

Staff costs

Wages and salaries	1 363 362	1 648 836
Social security costs	137 483	166 114
Other pension costs	106 572	122 824
Life assurance costs	9 803	15 634
	<u>1 617 220</u>	<u>1 953 408</u>

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge represents the contributions payable by the Society to the fund.

	1997	1996
Highest paid employee	<u>£ 91 986</u>	<u>£ 51 985</u>
Other employees receiving	number	number
£ 40,001 - £ 50,000	<u>2</u>	<u>3</u>

The items used to determine the above values are gross salary, employer's contribution for pension and life cover and the taxable value of benefits in kind.

The average number of employees throughout the year was

directly charitable activities	73	89
fundraising and publicity	10	16
management and administration	<u>4</u>	<u>4</u>
	<u>87</u>	<u>109</u>

Wages and salaries divided by the average number of employees

<u>£ 15 671</u>	<u>£ 15 127</u>
-----------------	-----------------

8 Taxation

Corporation tax - prior year adjustment

1997 £	1996 £
0	1 328

**9 Tangible fixed assets
Group and The Society****Cost**

	Freehold property £	Leasehold property £	Fixtures fittings & equipment £	Motor vehicles £	Total £
At 31st December 1996		135 387	765 694	209 831	1 110 912
Additions	751 291	0	79 686	140 319	971 296
Disposals	0	0	(127 111)	(53 824)	(180 935)
At 31st December 1997	751 291	135 387	718 269	296 326	1 901 273

Depreciation

At 31st December 1996		127 637	620 782	47 190	795 609
Charge for the year		1 500	66 601	62 528	130 629
Disposals	0	0	(85 438)	(11 504)	(96 942)
At 31st December 1997	0	129 137	601 945	98 214	829 296

Net book value

At 31st December 1997	751 291	6 250	116 324	198 112	1 071 977
At 31st December 1996	0	7 750	144 912	162 641	315 303

The cost as shown above represents the full cost to the Society before deducting grants and contributions received.
During 1997, these amounted to £ 16,305 (1996 £ Nil).

All fixed assets owned by the Society are used for direct charitable purposes.

Capital commitments

Future capital expenditure authorised but not committed to contract

1997 £	1996 £
88 200	191 500

Future capital expenditure authorised and committed to contract

1997 £	1996 £
163 500	0

**10 Fixed asset investment
The Society**

Shares in subsidiary undertaking :

At 31st December 1996

Shares purchased during the year at par

At 31st December 1997

1997 £	1996 £
2	2
4 998	
5 000	2

The Society owns the entire ordinary share capital of The British Horse Society (Trading Company) Limited, which is incorporated in England and undertakes the trading activities of the Society.

11 Debtors : amounts falling due within one year

	Group		The Society	
	1997	1996	1997	1996
	£	£	£	£
Trade debtors	331 160	302 252	209 647	112 203
Loans to event organisers	6 000	6 000	6 000	6 000
Current account with subsidiary undertaking	0	0	168 485	23 023
VAT recoverable	49	19 926	0	19 053
Other debtors	46 345	33 879	57 516	38 464
Prepayments	293 605	268 533	260 093	218 814
	<u>677 159</u>	<u>630 590</u>	<u>701 741</u>	<u>417 557</u>

12 Debtors : amounts falling due after more than one year

Loans to event organisers	28 000	29 000	28 000	29 000
Loan to subsidiary undertaking			550 000	1 000 000
Loan to British Horse Trials Association	125 250	0	125 250	0
Other debtors	4 064	7 035	4 064	7 035
	<u>157 314</u>	<u>36 035</u>	<u>707 314</u>	<u>1 036 035</u>
	<u>834 473</u>	<u>666 625</u>	<u>1 409 055</u>	<u>1 453 592</u>

The loan to subsidiary undertaking is secured by a debenture in favour of the Society and interest is charged at 2% over the base rate quoted by the Society's bankers.

The loan to B H T A is secured by a debenture in favour of the Society and interest is charged at 2% over the base rate quoted by the Society's bankers.

13 Investments**Group and The Society**

Analysis of unlisted investments at cost

Abbey National building society - time deposit	507 391	1 008 822
Royal Bank of Scotland - customer bid deposit account	577 881	1 030 894
Bank of Scotland - premier investment account	140 302	429 005
	<u>1 225 574</u>	<u>2 468 721</u>

Analysis of listed investments at market value

7.75% Treasury Stock 2006	12 249	11 431
6% Treasury Stock 1999	11 125	11 015
8% Treasury Stock 2002/06	10 731	10 428
Index linked Treasury Stock 2013	11 439	10 245
6.75% Treasury Stock 2004	10 762	10 155
Scottish East Investment Trust 25p ordinary shares	4 230	0
3.5% war stock	2 180	1 981
M & G charifund income units	35 561	27 862
	<u>98 277</u>	<u>83 117</u>
	<u>1 323 851</u>	<u>2 551 838</u>

Listed investments at cost

	<u>66 403</u>	<u>61 826</u>
--	---------------	---------------

14 Creditors due within one year

	Group		The Society	
	1997	1996	1997	1996
	£	£	£	£
Bank overdrafts	8 191	34 478	8 191	30 731
Trade creditors	348 559	423 518	250 035	353 364
PAYE and NI payable	53 422	60 361	53 422	60 361
Other creditors	1 833	362 583	1 756	16 387
Accruals	310 543	243 382	282 694	220 299
Income received in advance	833 733	823 111	833 321	822 161
	<u>1 556 281</u>	<u>1 947 433</u>	<u>1 429 419</u>	<u>1 503 303</u>

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1997

15 Share capital

The Society is a company limited by guarantee, having no share capital. In the event of the Society being wound up, each person who is at that time a member, or has ceased to be a member within one year of that date, is liable to contribute to the Society such amount as the Society may require, not exceeding two pounds.

16 Restricted funds

Group and The Society

Summary of restricted funds

	1997 £	1996 £
At 31st December 1996	685 053	604 912
Amount received in the year	184 581	152 243
Transferred (to) from other charitable funds - note 18	(28 442)	(19 675)
Transferred (to) from designated funds - note 17	(160 231)	0
Amount disbursed in the year	(113 459)	(52 427)
At 31st December 1997	<u>567 502</u>	<u>685 053</u>

Years of the horse development fund

At 31st December 1996	321 560	308 351
Amount received in the year	19 958	26 676
Transferred (to) from other charitable funds - note 18	0	2 109
Amount disbursed in the year	(3 088)	(15 576)
At 31st December 1997	<u>338 430</u>	<u>321 560</u>

Action for horses

At 31st December 1996	3 185	0
Amount received in the year	5 138	3 185
Transferred (to) from other charitable funds - note 18	(8 323)	0
Amount disbursed in the year	0	0
At 31st December 1997	<u>0</u>	<u>3 185</u>

Event organisers' loan funds

At 31st December 1996	59 052	58 464
Amount received in the year	3 113	588
Amount disbursed in the year	0	0
At 31st December 1997	<u>62 165</u>	<u>59 052</u>

Fixed asset grants

At 31st December 1996	10 414	13 912
Amount received in the year	16 305	0
Transferred (to) from other charitable funds - note 18	(5 659)	(3 498)
At 31st December 1997	<u>21 060</u>	<u>10 414</u>

The Bodynfoel fund (formerly the chairman's fund)

At 31st December 1996	3 216	2 476
Amount received in the year	537	850
Transferred (to) from other charitable funds - note 18	0	(50)
Amount disbursed in the year	(850)	(60)
At 31st December 1997	<u>2 903</u>	<u>3 216</u>

The Fenwick watch fund

At 31st December 1996	812	771
Amount received in the year	47	41
Amount disbursed in the year	0	0
At 31st December 1997	<u>859</u>	<u>812</u>

Welfare supporters fund

At 31st December 1996	14 880	15 760
Amount received in the year	1 631	1 765
Transferred (to) from other charitable funds - note 18	0	530
Amount disbursed in the year	(3 740)	(3 175)
At 31st December 1997	<u>12 771</u>	<u>14 880</u>

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1997

16 Restricted funds (continued)

The Lady Joicey dressage trainers scheme fund

	1997 £	1996 £
At 31st December 1996	1 122	2 025
Amount received in the year	2 111	2 160
Transferred (to) from other charitable funds - note 18	(240)	0
Amount disbursed in the year	(2 993)	(3 063)
At 31st December 1997	0	1 122

The Saddlers' training fund

At 31st December 1996	26 099	28 011
Amount received in the year	21 956	21 739
Transferred (to) from other charitable funds - note 18	(14 453)	(15 817)
Amount disbursed in the year	(10 934)	(7 834)
At 31st December 1997	22 668	26 099

The transfers (to) other charitable funds reimburse expenditure on behalf of the Saddlers' training fund.

The Horse and Hound training fund

At 31st December 1996	6 539	10 715
Amount received in the year	378	2 000
Transferred (to) from other charitable funds - note 18	0	(4 597)
Amount disbursed in the year	0	(1 579)
At 31st December 1997	6 917	6 539

The Range Rover bursary fund

At 31st December 1996	2 000	4 000
Amount received in the year	116	2 000
Amount disbursed in the year	0	(4 000)
At 31st December 1997	2 116	2 000

Abandonment fund

At 31st December 1996	151 473	80 024
Amount received in the year	8 758	85 471
Transferred (to) from other charitable funds - note 18		648
Transferred (to) from designated funds - note 17	(160 231)	
Amount disbursed in the year	0	(14 670)
At 31st December 1997	0	151 473

W W Thomson bursary fund

At 31st December 1996	18 557	17 596
Amount received in the year	4 577	953
Transferred (to) from other charitable funds - note 18	0	1 000
Amount disbursed in the year	(155)	(992)
At 31st December 1997	22 979	18 557

Inchcape dressage team training fund

At 31st December 1996	63 322	60 424
Amount received in the year	6 355	4 276
Amount disbursed in the year	(5 403)	(1 378)
At 31st December 1997	64 274	63 322

The dressage young trainers scheme

At 31st December 1996	411	0
Amount received in the year	0	411
Transferred (to) from other charitable funds - note 18	220	
Amount disbursed in the year	(631)	0
At 31st December 1997	0	411

The rescue and rehabilitation scheme

At 31st December 1996	0	0
Amount received in the year	93 463	0
Transferred (to) from other charitable funds - note 18	13	0
Amount disbursed in the year	(85 565)	0
At 31st December 1997	7 911	0

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1997

16 Restricted funds (continued)

The John Yeats bursary fund

At 31st December 1996
Amount received in the year
Amount disbursed in the year
At 31st December 1997

1997	1996
£	£
2 411	2 383
138	128
(100)	(100)
<u>2 449</u>	<u>2 411</u>

17 Designated funds

Group and The Society

At 31st December 1996
Amount received in the year
Transferred (to) from restricted funds - note 16
Transferred (to) from other charitable funds - note 18
Amount disbursed in the year
At 31st December 1997

231 465	141 252
11 173	17 308
160 231	0
(600)	84 275
<u>(142 300)</u>	<u>(11 370)</u>
<u>259 969</u>	<u>231 465</u>

Pony Club project fund

At 31st December 1996
Amount received in the year
Transferred (to) from other charitable funds - note 18
Amount disbursed in the year
At 31st December 1997

113 741	115 649
0	6 212
0	0
<u>(113 741)</u>	<u>(8 120)</u>
<u>0</u>	<u>113 741</u>

BHTA training fund

At 31st December 1996
Amount received in the year
Transferred (to) from restricted funds - note 16
Amount disbursed in the year
At 31st December 1997

0	0
0	0
160 231	0
0	0
<u>160 231</u>	<u>0</u>

Following the sale of the business of horse trials, the abandonment fund became unclassified and was designated by the Board as the BHTA training fund.

Road safety fund

At 31st December 1996
Amount received in the year
Transferred (to) from other charitable funds - note 18
Amount disbursed in the year
At 31st December 1997

45 913	0
1 998	2 110
0	44 553
<u>(14 399)</u>	<u>(750)</u>
<u>33 512</u>	<u>45 913</u>

Bridleways fund

At 31st December 1996
Amount received in the year
Transferred (to) from other charitable funds - note 18
Amount disbursed in the year
At 31st December 1997

7 953	0
605	575
0	7 378
<u>(5 500)</u>	<u>0</u>
<u>3 058</u>	<u>7 953</u>

Welfare fund

At 31st December 1996
Amount received in the year
Transferred (to) from other charitable funds - note 18
Amount disbursed in the year
At 31st December 1997

63 858	0
8 570	8 411
(600)	57 947
<u>(8 660)</u>	<u>(2 500)</u>
<u>63 168</u>	<u>63 858</u>

Horse trials reserves

At 31st December 1996
Transferred (to) from other charitable funds - note 18
At 31st December 1997

0	25 603
	<u>(25 603)</u>
<u>0</u>	<u>0</u>

18 Other charitable funds

Group

At 31st December 1996

(Deficit) surplus for the year

Transferred (to) from restricted funds - note 16

Transferred (to) from designated funds - note 17

At 31st December 1997

1997	1996
£	£

2 849 912	3 289 850
(707 525)	(375 338)
2 142 387	2 914 512
28 442	19 675
600	(84 275)
2 171 429	2 849 912

The Society

At 31st December 1996

(Deficit) surplus for the year

Transferred (to) from restricted funds - note 16

Transferred (to) from designated funds - note 17

At 31st December 1997

2 852 662	3 288 411
(707 525)	(371 149)
2 145 137	2 917 262
28 442	19 675
600	(84 275)
2 174 179	2 852 662

19 Analysis of group net assets between funds

Fund balances at 31st December 1997 are represented by :

Tangible fixed assets

Investments

Current assets

Current liabilities

Total net assets

Unrealised gains included above

On investment assets (see below)

Reconciliation of movements in unrealised gains on investment assets

Unrealised gains at 31st December 1996

Add net gains on revaluations in the year

Unrealised gains at 31st December 1997

Unrestricted funds £	Restricted funds £	Total funds £
1 043 235	28 742	1 071 977
1 263 316	60 535	1 323 851
1 680 792	478 561	2 159 353
(1 555 945)	(336)	(1 556 281)
2 431 398	567 502	2 998 900
11 434	5 719	17 153
3 535	3 032	6 567
7 899	2 687	10 586
11 434	5 719	17 153

20 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases

will result in the following payments falling due in the year

to 31st December 1998

expiring after five years

1997	1996
£	£

44 414	44 101
--------	--------

The leases on land at Stoneleigh expire in December 2017 and are subject to 5 yearly rent reviews, with the next review due on 1st January 1999.

The lease at Tweseldown expires on 27th February 2002 and is subject to 5 yearly rent reviews, with the next review on 1st March 2001.

21 Post balance sheet event

On 1st January 1998, the Society sold the business of dressage to a newly incorporated company limited by guarantee.

On 1st January 1997, the Society transferred the business of Pony Club to a newly incorporated company, limited by guarantee,

The Pony Club, which is a registered charity. On 1st January 1997, the Society sold the businesses of horse trials, endurance riding, horse driving trials and vaulting to newly incorporated companies limited by guarantee.

THE BRITISH HORSE SOCIETY COUNCIL

The following persons were members of Council at 31st December 1997. Unless otherwise indicated they held office throughout the year.

President: His Royal Highness The Prince of Wales

Vice President: The Rt Hon The Lord Vestey DL

Chairman Mr E A T Bonnor-Maurice DL MFH

Treasurer Mr M E Chamberlayne (from June)

Elected chairmen of executive or policy committees

BEC management	in abeyance from March 1990	Scotland	Mrs E J Coward
Dressage	Miss L B Dillingham	Wales	--
Horse & pony breeds	Mrs A J F Loriston-Clarke MBE FBHS	Northern Ireland	Dr S M Bell FFARCS
National	Mr M Overton MRCVS	Riding Clubs	Mr A J Vaughan-France
Welfare	Mr M A Clayton	Safety	Mrs S M Berry
Access & rights of way	Mrs K B W Wickham	Training and Education	Mrs J M Goldsmith FBHS

Elected regional representatives

Elected by members of the Society

	retires in
The Hon Mrs A Luard	1998
Lt Col T J C Washington	1998
Harry Greenway MP	1999
Elisabeth Lady Joicey	1999
Miss P J Turner BHSI	2000

Mr E B Smiley FBHS	(Northern Ireland)
Mrs M C Hardey	(Scotland)
Mr P Kearl	(Wales)

Regional chairmen ex officio regional representatives

Mr M J Sullivan	North West
Mr P J Roberts FBHS	West Midlands
Col A P Gilks TD	East Midlands
Lt Col R N R Cross OBE	North
Mr D M Burke QPM BA	Yorkshire
Mrs J S R Self	Eastern
Major R B Sullivan-Tailyour	South West
Mrs M P McDonald	South East
Mr S Oates MICE	Greater London
Mr L C Denham	Southern

Co-opted members

Mrs D Williams
Rt Hon Sir Adam Butler
Dr J Lloyd Parry MA
Mr R T H Heeley FRICS (from February)

British Show Jumping Association representatives

Mrs J E Edwards
Rear Admiral A J Bellamy CB OBE

Nominated members (non-voting)

Mrs M S Langford OBE
Mr R W Warden
--
Miss C Douglas
Miss J V M Nixon MRCVS
Mr H Davies MA (from June)
Mrs P Harris
Mr D A W Gardiner DL
Mr I R McKie MFH
Mr M F Trotter

representing
Riding for the Disabled Association
National Light Horse Breeding Society (HIS)
National Pony Society
British Driving Society
British Equine Veterinary Association
Association of Show & Agricultural Organisations
Association of British Riding Schools
Country Landowners Association
Master of Foxhounds Association
Hurlingham Polo Association

The following persons ceased to be members of Council during 1997

Mr P B Cannon, Mrs B A W Evans, Sir Hugh Neill KCVO CBE TD., Mr J Porter, Mr C Precey, Mr L Punnett

The following persons ceased to be members of Council at 31st December 1997 when Council was replaced by a Board of Trustees:

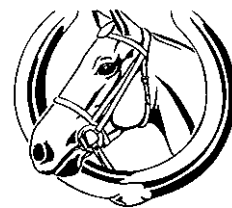
Rear Admiral A J Bellamy, Mrs S M Berry, Mr E A T Bonnor-Maurice, Mr D M Burke QPM BA, The Rt Hon Sir Adam Butler, Capt C A Coldrey, Mrs H G Coward, Col R N R Cross OBE, Mr L C Denham, Miss L B Dillingham, Mrs J E Edwards, Col A P Gilks, Mrs M C Hardey, Mr R T H Heeley, Elisabeth Lady Joicey, Mr P C Kearl, Dr J Lloyd Parry, Mrs A J F Loriston-Clarke MBE, The Hon Mrs A Luard, Mrs M P McDonald, Mr S Oates MICE, Mr M Overton MRCVS, Mr P J Roberts FBHS, Mr E B Smiley FBHS, Mr M J Sullivan, Major R B Sullivan-Tailyour, Miss P J Turner, BHSI, Mr A J Vaughan-France, Lt Col T J C Washington, Mrs K B W Wickham, Mrs J M Williams.

The following persons were elected by the full membership to serve on the Board of Trustees from 1st January 1998:

Dr S M Bell FFARCS, Mr M A Clayton, Mr M E Chamberlayne, Mrs C S A Cook, Mr P Cook BHSI, Mrs J M Goldsmith FBHS, Mr Harry Greenway, Mr P J Houghton Brown, Mrs J S R Self, Miss E M Stokes FBHS, Mrs M Tapping, Mr C Waterhouse.

The following changes of members of the Board occurred between 1st January 1998 and 25th March 1998:

Mr J Holt co-opted on 26th January.



British Horse Society

Registered Charity No. 210504



Access



Welfare
& Breeding



Riding Clubs



Safety



Training
& Education

ANNUAL REPORT *1997*

For the sake of the horse

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British Horse Society

Registered Charity No. 210504

Patron:

Her Majesty the Queen

President:

His Royal Highness The Prince of Wales

Vice-President:

The Rt Hon The Lord Vestey DL

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The British Horse Society notice

THE BRITISH HORSE SOCIETY

Patron: Her Majesty The Queen
President: His Royal Highness The Prince of Wales
Vice President: The Rt Hon The Lord Vestey DL

NOTICE OF MEETING

Notice is hereby given that the fiftieth annual general meeting of the British Horse Society will be held at Saddlers' Hall, Gutter Lane, Cheapside, London EC3V 6BR (by kind permission of the Worshipful Company of Saddlers) on Wednesday 17th June 1998 at 11 a.m. for the following purposes:

A Resolutions

Resolution 1 to receive and adopt the Trustees' report and accounts and the auditors' report thereon for the year ended 31st December 1997

Resolution 2 to re-appoint the auditors

Resolution 3 to authorise the Trustees to fix the remuneration of the auditors

Only gold members, aged seventeen years and over on 17th June 1998, are entitled to attend and vote at the annual general meeting. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his or her behalf. A proxy need not be a member of the Society.

B To receive any matters members may wish to raise

by order of the Board of Trustees

Michael Franklin FCA

Secretary

25th March 1998

Note

To be effective, forms of proxy must be duly completed and returned so as to reach the Company Secretary, British Horse Society, Stoneleigh Deer Park, Kenilworth, Warwickshire CV8 2XZ not less than 48 hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.

LEGAL AND ADMINISTRATIVE DETAILS

Legal status

The Society was incorporated on 5th November 1947, as a company limited by guarantee, having no share capital. The charity registration number is 210504 and the company registration number is 444742.

The British Horse Society (Trading Company) Ltd. was incorporated on 11th September 1991 as a wholly owned subsidiary of the Society. The results have been consolidated within the accounts of the Society.

Trustees/directors

The Society is governed by its Board of Trustees. Members of the Board are the directors of the company and the trustees of the charity.

The Board consists of 12 members elected by the membership and one member co-opted by the Board. The Chairman and Treasurer are elected by the Board from amongst its number. The Board appoints a President.

The principal officers of the Society are

Acting Chief Executive

Mr Michael Clayton

Head of Finance and Administration

Mr M C Franklin FCA

Registered office

The Society's principal office is its registered office at Stoneleigh Deer Park, Kenilworth, Warwickshire CV8 2XZ.

Bankers

The Society's principal bankers are

National Westminster Bank plc

59 The Parade

Leamington Spa CV32 4BH

Solicitors

The Society's solicitors are

Messrs Wright Hassall & Co

9 Clarendon Place

Leamington Spa CV32 5QP

Messrs Bircham & Co

1 Dean Farrar Street

Westminster SW1H 0DY

Auditors and tax advisors

The Society's auditors and tax advisors are

Messrs Kidsons Impey

Park House

Station Square

Coventry CV1 2NS

Developments and achievements a review

REPORT OF THE TRUSTEES

A(i) Objects

The Society has two principal objects:

- (a) to promote the interests of horse and pony breeding and to encourage the use and protection of horses and ponies
- (b) to promote and facilitate the acquisition and distribution of the knowledge of the various arts and sciences connected with the horse and pony and the use and management thereof.

In order to achieve these objects, Council had delegated to the following committees the following specific responsibilities:

COMMITTEE PRIMARY RESPONSIBILITY

Training and education to maintain and develop sound doctrine in the field of horsemanship; to improve the standard of riding, driving and the training of horsemen and horses and the standard of horse management

National to plan, co-ordinate and control the following activities of the Society: access and rights of way; breeding; riding and road safety and welfare

The "sports disciplines" of horse trials, endurance riding, horse driving trials and vaulting ceased to be the responsibility of the Society at the end of 1996. Dressage remained within the Society throughout 1997. Its function was to promote and improve the standards of riding and training of horses and horsemanship in Great Britain.

Affiliated Riding Clubs to assist and encourage those interested in the horse and equitation, to improve and maintain the standard of horsemanship and horsemastership and to seek to preserve and develop public riding facilities

In addition to the above executive or policy committees, the Society has administrative and service sections and two trading sections. These sections comprise:

Administration chief executive and director of administration, members records and services

Service establishment, finance, computer services, switchboard and post, print, marketing

Trading merchandising, riding schools and stables

Developments and achievements a review

The service sections provide office accommodation and the usual office services to all sections of the Society and those services are charged at a rate intended to cover costs.

A(ii) Policies

The Society has continued to promote the primary responsibilities outlined above and to represent the interests of the horse to the authorities at every level.

A(iii) Changes in policies

There have been no changes in the general policies of the Society during the year.

A(iv) Organisation

The Society is organised into departments with responsibilities as outlined above. In addition there are representative committees of volunteers at UK Sports Councils regional level and county level, which are responsible for the local execution of the Society's activities assisted by the Society's nine employed development officers. Council amended its Articles of Association at an Extraordinary General Meeting held on 21st October 1997 as a result of which Council was replaced by a Board of 12 Trustees on 1st January 1998.

B Development review

MEMBERSHIP

On 31st December 1996 membership stood at 65,017 and had increased by 1.75% over the previous twelve months. On 31st December 1997 the membership stood at 59,484, a fall of 8.51% due to the Horse Trials Group members transferring to the newly formed British Horse Trials Association. Although this represents a loss of 5533 members, with the Horse Trials Group membership at 8652 in December 1996 a higher dropout figure had been expected.

FUNDRAISING

During 1997 the Appeals Department performed the dual task of the Jubilee year and fund raising.

Three major royal events were organised, two with our then President, HRH Prince of Wales, and one with our patron, HM The Queen. County Show displays, First Day Cover Stamps and a designated Horseman's Sunday helped us to celebrate a memorable year.

Fundraising continued for the Regions and for the new Rescue Centre at Welford. The Riding Schools Competition funded by the Elise Pilkington Trust finally became a reality and we continued to seek further sponsorship for our Safety 2000 campaign. Our Affinity card continued to produce much needed revenue and we are grateful to Beneficial Bank, our card providers, for their continued support and sponsorship.

Thanks are due to the many trusts, companies and individuals who supported us so generously throughout 1997.

MARKETING & PR DEPARTMENT

The Marketing and PR Department concentrated its efforts on enhancing the Society's appeal to the ordinary rider. With this in mind we spent much of the summer creating a new corporate identity for the Society, to replace the Jubilee logo and to give the Society a fresh, bright and invigorating look. New membership tiers were developed ready for introduction in January 1998 and a series of discounts on products and services were secured to enhance the members' benefits package for 1998. On the recruitment front, our membership advertising campaign generated over 1,000 new members. The pre-Christmas incentive of offering free Christmas cards to each new member was extremely effective. A pilot "special recruiter" scheme was begun in the Southern Region to increase membership; if this is successful the scheme will be adopted in other regions in 1998.

PR highlights of 1997:

Newmarket Raceday:

Channel 4 – very successful interview with Michael Clayton resulting in immediate telephone enquiries to HQ

The Field: a photographic feature on the raceday appeared in the May issue. Interviews were held with East Anglian Daily Times, Cambridge Evening News, Q103, SGR FM and BBC Radio Suffolk.

Urban Riding Scheme:

Times Educational Supplement visited a school in Leeds at the beginning of

July, interviewing the school teacher and pupils as well as John Goldsmith and Jo MacInnes. Article appeared in August.

Horseman's Sunday:

This initiative generated coverage in over 50 local papers as well as on radio and television.

The opening of the BHS Rescue Centre at Welford:

The launch event was covered by all of the 13 local papers - some giving it a full page, as well as 5 local radio stations and local television including BBC Pebble Mill, Midlands Today and Central TV News and the BBC Newsroom Southeast. The launch was also covered by the equestrian press, including Horse and Hound. Horse & Pony magazine agreed to include the BHS Rescue Centre as part of their global campaign which involves a regular feature on the Centre. This should help raise substantial sums from their readers.

The BHS Safety Department appeared on national television on The Clothes Show and on 999, and BBC Countryfile featured a piece on ragwort and another on children working at riding schools.

Safety 2000:

Secured the support of Noel Edmonds to front the campaign and the endorsement of the RAC. Good response to pleas for people to come forward with their road incident stories. Half page article in Daily Telegraph on horses and road safety in December.

Syndicated column:

Regular columns have been established with a growing number of local newspapers with equestrian pages. These columns are BHS branded and appear every month on an appropriate seasonal topic.

Media Training Days:

These were held in five regions during 1997: the North West, South West, Wales, Eastern Region, East and West Midlands. They have been extremely well received with very positive evaluation from delegates who attended.

RELOCATION

In 1997 the Society purchased a freehold site in the Stoneleigh Deer Park about one mile from its present offices. Work started in October 1997 to refurbish the buildings. The move to the new site is scheduled for late March/early April 1998. The new offices provide a far more effective and spacious working environment, with large open plan areas as well as individual offices. There are two conference rooms, plus areas for catering facilities, and a large functional area for printing and storage. In spite of atrocious weather over Christmas, it is expected these dates will be met. The grounds at the Deer Park provide a most attractive setting of lawns and well established trees. The Society expects the new offices to be a major asset with upgraded administrative standards and new information technology installed in the offices.

NATIONAL COMMITTEE

Hundreds of volunteers throughout the country made the Society's Golden Jubilee year memorable in so many different ways. On a bright February day our President, HRH The Prince of Wales, launched the Jubilee Year at the Royal Mews. A spectacular parade of over fifty horses were ridden, driven or led through London to meet His Royal Highness, watched by many spectators. Other highlights included the Jubilee Race Day at Newmarket, attended by Her Majesty The Queen, the Society's Patron since 1954, the BHS Pageant performed daily in the main arena at the Suffolk and Great Yorkshire Shows, where thousands of spectators learnt more about the invaluable work of the Society, and the Jubilee marquee at the Bath & West Show covering all aspects of the Society's work. The year ended on a high note with the St James's Palace Reception attended by HRH The Prince of Wales, who found time to talk to many of the volunteers present. The BHS was fully represented at Badminton, Burghley, the Royal International Horse Show and Olympia as well as many other shows and events.

During the year the National Committee was involved in the huge task undertaken by Mrs Van Reyk with Dr Bell and others in restructuring the BHS for 1998. The Society would like to thank Mr Michael Overton MRCVS, Chairman of the National Committee, together with all its members, past and present, and the nine Development officers for all their hard work on its behalf since the inception of the National Committee in 1988.

SCOTLAND

The full Scottish Committee met three times and the Chairmen's Committee twice. Apart from much discussion on the BHS restructuring, the major efforts actioned were:

Jubilee year: a series of regional shows with a high profile final show was the main input for the year. The shows were targeted at grass roots riders, with each class designed with this in mind. Sponsorship was obtained from Royal Mail for one class at all the shows. Eight regions held qualifying shows which were well supported although the weather did its best to drown out three of them. Our final show on October 5th was a grand occasion with sponsors for most of the classes. Following the show there was a Gala Display with some famous names topping the bill and a parade of the Top Scot competitors from all disciplines.

The Royal Mail stamp launch was held at Haughhead and featured the winners of the Royal Mail Jubilee show qualifying classes being given their awards by Ian Stark.

The Scottish Riding Clubs' Caledonia championships were the venue for the BHS Scotland's Horseman's Sunday, brilliantly led by Capt. Ben Coutts with our horse ambulance as the pulpit.

National Riding Week: Although slow to start several main efforts were made. An excellent Trailer Towing and Safety day by Grampian Region, and two of the Jubilee Shows were held during the week. Some of the Riding Schools had a good response to The Take A Friend Riding Scheme, but as the week coincided with Easter, most were already fully booked. Robin Cook MP joined a ride out with Lothian Region.

Medical Equestrian Association Scotland: At the instigation of Col R Paterson, the Medical Adviser to BHS Scotland, this association was established and held a seminar at Gleneagles for doctors and others involved with medical cover. A series of training days is currently taking place which is being well received, particularly by Pony Club and Horse Trials helpers.

Training sub-committee: Scottish Sports Council Grant Aid: The SSC changed the way training grants are awarded, and no basic training grant or selective grants were received. However, a performance planning grant of £2,000 was awarded for Scottish Home International Teams, which indicates the current Sports Council strategy. Overall we received £2,500 less than last year.

Lottery Revenue Funding: We had a notable first in Scotland last year, being the first country in Britain to obtain Lottery Revenue funding totalling £37,000 for a number of our competitors. This was not a lot when spread over 16 competitors, and the paperwork involved was extensive, but the awards were thankfully accepted.

Training Courses: Eric Smiley FBHS tutored instructors register refresher courses in Inverness and Alloa, both very well attended. The annual two-day Ferdi Eilberg course had to be postponed to February 1998. The Ian Stark courses for promising young eventers continue – part funded from the Home International Team training grant. Four Regional Show Jumping Course Builders courses took place, funded from the Billy Bowes Memorial Fund. Regional training is increasing and the co-ordination brought about by the sub-committee meetings is helping to identify and satisfy needs, and prevent duplication of effort.

Access sub-committee: A new 57 mile route, the Buccleuch Country Ride, was officially opened in June. A partnership effort between BHS Scotland, TRSS, Scottish Borders Enterprise, Scottish Borders Tourist Board and Scottish Borders Council, it is hoped to be the first of many. Scottish Access Officer Ann Fraser put a huge amount of work into getting this route up and running.

Negotiations with the Forestry Commission on access to FC land continue. This is exceptionally important to Scotland with the very large FC holdings and the lack of legal bridleways.

A new three year funding arrangement for the Scottish Access Officer was negotiated with SNH to run to June 2000.

Safety sub-committee: Two risk assessment days were held and the annual Safety seminar also majored on risk assessment. The new safety video has been well received and we maintain our liaison with the Car Driving Instructors, formulated two years ago at the seminar, where the idea for the video was born from the demonstrations that day.

Welfare sub-committee: A start was made on appointing County Welfare representatives to assist the regional Representative. Proper training for all welfare volunteers is taking place under the Director Welfare.

A Welfare Officers training day was held at the University of Glasgow. Attendance included delegates from ILPH, SSPCA, and Strathclyde Police. The co-operation between the welfare organisations in Scotland continues, and is a very real benefit.

Six new Equine Assessors - all veterinary surgeons - have been appointed, and a training evening held for them.

The Highland R&R centre now has its own trailer bought with assistance from Ross-shire Pony Club, BHS Welfare and a generous local business.

An information sheet on the Welfare of Animals (Transport) Order 1997 is being produced by our Legal Adviser, and should be ready in the Spring, the previous sheet now being outdated.

WALES

Promotion of off road riding continued well in 1997. In Monmouthshire a long distance route was opened by Mr Michael Griffiths, Chairman of the Countryside Council for Wales, and outside Cardiff a new three mile route was opened just after Christmas. More than ever, county councils seem to be keen to work with the BHS particularly in South Wales.

Pressure in being kept up on windfarm developers to try and keep a recommended 200 metre safety zone along all bridlepaths sited on windfarms.

'Headcounts' have been undertaken by dedicated volunteers in Clwyd and Glamorgan and these are nearing completion; it has proved to be a mammoth task and due credit must go to those involved.

In the summer a countryside convention was held in Cardiff where numerous countryside user groups were represented; David Bellamy was the principal guest and he was enrolled as a BHS member.

Training days for instructors and volunteers have been held throughout Wales in 1997. 'Bridleway Gate' days for National Park and Local Authority staff proved to be so successful that they are to be held nationwide (funds permitting). These sessions, operated as a pilot scheme, brought home the need for safe practice when opening routes and inserting gates on bridlepaths.

The Inner City children's courses were expanded in the Principality to include the Night Riders' scheme which is aimed at the jobless and schools leavers. This pilot scheme attracted the attention of Mr Alan Howarth, Minister of Sport who visited Wales to see it for himself. This visit attracted extensive media coverage.

The horse ambulance attended over twenty shows and events in 1997 attracting publicity and generous donations for the Welsh Committee. The BHS hospitality marquee at the Royal Welsh Show was again a focus for members. During the four days, polls were taken on windfarms and foxhunting with some interesting results. Each year a different aspect of the Society's work is focused on and 1998 will be the turn of the welfare department.

IRELAND

Membership: in the north we have managed to remain positive, showing a 0.2% rise between September 1996 and 1997. Unfortunately in the Republic there was a drop of 1% over the same period. This is believed to be due to the extra insurance premium required. For a family of three this amounts to a premium of £45.00 in addition to their subscription.

Yellow Pages: the block advertisement for Approved Schools in Northern Ireland continues to be successful. It now incorporates 17 of our Approved Schools in a more prominent presentation and is entirely self-financing. This helps to promote the Society as well as the schools.

Communication: the Horseman's Annual was again sent free of charge to all members throughout Ireland. The Development Officer negotiated approximately £4,500 in advertising. The print cost amounted to £5,200 with postage approximately £1,800. As committee members help pack and deliver to those in their own area postal costs are kept to a minimum.

Training and Education: the number of instructors of all grades on the Register remains disappointing, there being only 46 throughout Ireland. There

are now four college courses in the province leading to various qualifications. The NVQ system continues to attract a considerable number of students both through the City and Guilds as well as the Society. In the province there are 100 schools licensed with 25 in the Society's Approval Scheme. There are a further 19 "Approved" schools in the Republic.

Royal Ulster Agricultural Show: the Society was again represented at this show, the major agriculture show in the province where our marquee is now an established feature. 1997 was our best year; we gained 13 new members and increased our income to £4,021.30. By subletting to other equestrian organisations we cover the costs.

Tourism: Mrs Laird, our representative on the Tourism sub-committee received one of the first Centre Manager Certificates from Professor Vittoria de Sanctis, President of the Federation Internationale de Tourisme. The first examinations for other certificates have been held.

Access: we held a meeting with the Ulster Rural Riders Association, an affiliated access group, who welcome a greater role on the part of the Society in opening up off road riding facilities in the province. This will be taken further in 1998.

Horseman's Sunday: we held a service, as did the other regions, on 28th September. This was held at the Lakeland Equestrian Centre and was well attended.

WELFARE

Welfare Committee: In January, following the retirement of Mrs Marjorie Langford OBE, Mr Michael Clayton was appointed Chairman of the Welfare Committee. The Committee's structure was altered to facilitate meetings involving Regional Welfare Officers whose collective voice had, hitherto, not been heard. This brought about an immediate improvement in communications between county welfare representatives and staff at headquarters.

Training: In June, the Regional Welfare Officers' Group agreed the need for a more structured training programme for County Welfare Representatives. It was also agreed that training of all BHS welfare personnel would henceforth become mandatory, with each volunteer being required to attend an approved training session not less than once every two years.

A national training seminar was held at Leamington Spa in October, and this was followed in November by a similar event in Glasgow. Additionally, the Director of Welfare and his Assistant, separately attended seven other local training sessions throughout the country during 1997.

Rescue and Rehabilitation: The highlight of the year was, undoubtedly, the opening in September of the new BHS Equine Rescue Centre at Welford on Avon, in Warwickshire. Using rented premises surrounded by 25 acres of pasture the Society was thus enabled to care for up to 40 horses and ponies in distress, and preparing them to be moved to new, caring homes where they will be able to live normal active lives. By the end of the year staff at Welford had cared for fourteen horses and ponies, two of whom have already been re-homed. The Centre was already attracting significant fundraising and plans were in hand to use the Centre for welfare training of volunteers in the future.

In addition to this valuable work the Centre also provides a useful focus, by means of which the Society's long standing commitment towards equine welfare is being projected to a wider audience. The aim in 1998 is to use Welford as a training base for BHS welfare volunteers.

Case Management: Throughout the year the Society's Regional Welfare Officers and the County Welfare Representatives have remained extremely active. Much of this work is unsung and discreet, in deference to the need to protect the identity of the horse owners who have sought the Society's advice on specific aspects of horse care. About 900 welfare concerns were dealt with and in one case the BHS representative played a key role in a successful prosecution brought by RSPCA.

Welfare Awards: In March, the Horse and Hound Welfare Award was presented to Mrs Marjorie Langford OBE, in recognition of her outstanding service as Chairman of the Welfare Committee between 1977 and 1997. At a special awards ceremony at Saddlers Hall in June, Mrs Carole Marson was presented with the BHS Welfare Award for her dedication to Welfare in Wales. For a number of years Mrs Marson, using her own private car, has taken the BHS Wales caravan to the horse sales at Llannybydder, where she has been able to dispense useful advice to horse owners.

HORSE AND PONY BREEDS COMMITTEE

Essen Equitana: In March, the BHS organised a successful display of British Native Ponies at the internationally renowned Essen Equitana show in Germany. This venture - the first of its kind, involving representatives from the Shetland, Highland, Fell, Dales, New Forest, Exmoor, Dartmoor and Welsh breeds, plus a Hackney pony - was performed in front of enthusiastic, packed audiences throughout the nine day event. This also provided an opportunity to display the qualities and talents of UK pony breeding by distributing information about the breeds to visitors to the BHS stand in the international hall of this vast exhibition.

European Pony Championships: The European Games were held at Hartpury College, Gloucestershire in July. A joint venture by the BHS and the Supporters of British Breeding produced a display by 52 British bred ponies as part of the opening ceremony, which was held in the presence of Her Royal Highness The Princess Royal.

Horse passports: In anticipation of new legislation - due to come into force in January 1998 - regarding the mandatory acquisition of Equine Passports for all registered equidae born after that date, the Society supported approaches to MAFF officials by representatives of the semi-feral mountain and moorland breeds whose future viability is threatened by this measure. As a result of this a partial derogation for these breeds was incorporated into the UK Order. The Society will continue to support the breed societies in their endeavours to preserve this important aspect of the nation's equine heritage.

ACCESS AND RIGHTS OF WAY

Stiles on bridleways: After years of campaigning, the British Horse Society has succeeded in persuading the Department of Environment, Transport and Regions (DETR) to rewrite part of its Circular 2/93. Until now the guidance has been misleading in that it suggested that highway authorities could ignore stiles (with no gates) on bridleways if they were recorded as having been there when the definitive map was first drawn up. The Department's rewritten advice makes it clear that stiles on bridleways prevent riders from exercising their legal rights and should therefore be treated as illegal obstructions and removed.

District plans: The department issued a paper to all district authorities asking them to include equestrian interests in their local plans. It was emphasised that issues relating to riding and carriage driving should be mentioned in the transport chapter as well as the one dealing with recreation. Local authorities tend to forget that equestrians have as much right and often as much need to use roads as any other group and the initiative has generally been favourably received.

Windfarms: The department has been in correspondence with the DETR urging specific reference in PPG22 to equestrian needs when windfarms are to be sited near bridleways or byways or roads used by horses. We continue to press for a minimum distance between the base of a turbine and nearest public right of way or minor road.

Briefing to MPs: A list of MPs with an equestrian/access interest has been compiled and a briefing note detailing the problems riders and carriage drivers face sent to each of them. This will be done on a regular basis.

Forestry Commission: The department has held three meetings with representatives of Forest Enterprise in the continued attempts to abolish their discriminatory permit and charging system. Discussions seem to be bearing fruit and it is hoped that the outcome can be publicised in late summer 1998.

Quiet roads: The BHS has endorsed the Countryside Commission's campaign to impose 20mph speed limits on certain rural roads, which would protect carriage drivers, riders, walkers and cyclists who in many cases have no choice but to use the roads in order to reach their local rights of way. The department will be working with the CPRE (Council for the Protection of Rural England), the RA (Ramblers' Association) and CTC (Cyclists' Touring Club) to strengthen this campaign.

Electric fencing: The Society has raised with the Rights of Way Review Committee the danger of using electric fencing alongside rights of way and is reviewing with others the effectiveness or otherwise of the voluntary code agreed with CLA, NFU and BHS.

Training: In 1997 the department organised six rights of way training days for volunteers from all user groups. A repeat run of Day Two of its Foundation level training was run in five venues throughout the country, and in November the first day of Intermediate level training was piloted in York. The Countryside Commission grant-aided the Society 50% of the costs of all the training days in England.

Awards: Mrs Anne Lee, Consultant to the department and formerly its Director, was presented with an MBE in recognition for her work in promoting equestrian access. Mr Nigel Redfern, BHS County Access and Bridleways Officer (CABO) Cumbria and Mrs Jane Cox (CABO) Devon, received the BHS Award of Merit for their years of dedication as access volunteers. Mrs Catriona Cook (RABO) Yorkshire, received the Horse & Hound Access Award, in recognition of all her achievements.

Sustrans: Discussions continued at national and local level to ensure that equestrian interests are not prejudiced when a route becomes part of the National Cycle Network. In discussion with the BHS and the Ramblers' Association, Sustrans agreed to change its manual for paths in order to take better account of equestrian needs.

BHS Native Pony Pilgrimage: Planning was undertaken for this major BHS event to be held in 1998. It involves all nine of the native pony breed societies working alongside the BHS to plan rides from each of the real breeding grounds leading into the Royal Show on 8th July 1998.

Severed Bridleways: The department wrote to the Department of Transport with 16 examples of where motorway construction or road improvement works had effectively severed a bridleway route and asked them to take steps to reinstate the links. We are still discussing the cases.

National Riding Week: In addition to local and regional events run by local volunteers, the department held two key events. The first was the public presentation of a "shopping list" of equestrian access issues to the then Secretary of State for Environment, John Gummer, and the Secretary of State for Transport, Sir George Young. The presentation was made by Lord Vestey and Angela Rippon, both on horseback, in the Dean's Yard at Westminster Abbey and attracted considerable press attention. The second event was the launch of the Western Fells on Horseback in Cumbria. The launch was attended by three mayors, representatives of the Lake District National Park, Sustrans, and local riders.

Northern Ireland: A new initiative was launched in Northern Ireland to persuade the Northern Ireland Office and all the local authorities of the need to devote more attention and resources to the provision of riding routes in the province. This initiative was a partnership between the department, the Northern Ireland Committee and the Ulster Rural Riders Association.

Horse and head counts and county bridleways strategies: Work has progressed in carrying out the horse and head counts in Lancashire, Devon, Essex, Warwickshire and in a number of the new unitary districts in North and South Wales. This work has been possible thanks to a generous grant from the Elise Pilkington Trust. The first phase is to undertake detailed counts of the number of horses and equestrians in the areas and then research the bridleway/byway resource. This information is then used to inform the production of a county or district bridleways strategy. The Lancashire Strategy was published in November 1997 and we expect to see the others published towards the end of 1998. The work does not stop there as we then have the challenge of encouraging implementation and we are in discussions with the CLA to explore ways in which they might assist in making positive contacts with landowners.

ARROW: The department published two new "...On Horseback" books covering West Sussex and South Warwickshire. Research work continued in a number of other locations including Kent and Surrey, and on a linear route on the east coast through Lincolnshire, Humberside and Yorkshire. We also published a fully revised edition of *Bed & Breakfast for Horses*.

New leaflets: Two new leaflets were published in 1997: *Some Equestrian Statistics* is designed to help persuade local authorities of the financial contribution equestrians make to the local economy and of the need to make better provision for them. *Hill and Moorland Riding* is directed at the more adventurous rider who would like to investigate Britain's wilder areas. Advice on safety precautions is included. These leaflets are available free of charge on receipt of an SAE.

Liaison: Meetings were held at Chairman and Chief Executive level with the Countryside Commission and the Countryside Council for Wales. The department represented the Society on the Outdoor Pursuits Division of CCPR (Central Council of Physical Recreation) and on CROWC (Central Rights of Way Committee). Liaison meetings were also convened with the National Trust, the Woodland Trust, the Ramblers' Association and the Cyclists Touring Club. The department was represented at meetings of the Greenway Committee.

SAFETY

Safety 2000: Safety 2000 the Society's campaign to reduce horse related traffic accidents was launched at the Church House Conference Centre, Deans Yard, Westminster on Thursday, 6th March 1997. The Minister for Road Safety, Mr John Bowis MP, attended and spoke about the Department of Transport's support for the campaign. The launch reception included a preview of the newly produced *Horse Sense for Motorists* video which later in the year won a Prince Michael of Kent Special Award for Road Safety. The motoring world, driver training industry and Road Safety professional bodies were all well represented at the Launch.



The *Horse Sense for Riders* video was produced in the summer (price £5.99) advising riders on road safety technique and promoting the BHS Riding and Road Safety test. It also gives advice on horse and rider protective equipment. Complimentary posters of the same title were produced and despatched to 4000 outlets including saddlers, feed merchants, livery yards and Riding Establishments. The well known television presenter, Noel Edmonds, agreed to front the campaign and the RAC have given their full endorsement to the campaign with offers of support for its promotion.

The Driving Standards Agency agreed to incorporate the *Horse Sense for Motorists* video in the Government's training school curriculum for examiners and instructors at Cardington, Bedfordshire and to promote the video at 174 DSA exhibitions annually.

Sefton Awards 1997: The Sefton Awards, given in recognition of outstanding service to equestrian safety, were presented by HRH Prince Michael of Kent. The Awards ceremony took place at Knightsbridge Barracks, courtesy of the CO, Lt Col H G Scott, on 20th March. The three recipients of the Awards were Mrs Marjorie Langford OBE., Dr Julia Ballard (Atlanta project) and Professor Leo Jeffcott (Atlanta project).

National Riding Week: Safety Day in National Riding week was Wednesday, 26th March, and provided an excellent opportunity for a demonstration on the unpredictability of the horse in traffic and its vulnerability as a road user, which was given at Mudchute City Farm, Docklands, London. The event was well attended by Local Authority Road Safety Officers, the Police and Driving Instructors. Other Safety events included a Trailer Towing demonstration in Aberdeenshire and Horse Awareness Seminar in Wales.

Health and Safety and Risk Assessment Training for Riding and Road Safety Examiners and Safety Representatives: Three national training days in Risk Assessment and Health and Safety were held in 1997 in England, Scotland and Wales. The training was provided by Richard Baker, Health and Safety Consultant, in accordance with the department's updated policy for examiner training. The new formally structured Risk Assessment procedures for Road Safety Examiners comply with the "Management of Health and Safety at work Regulations 1992".

Horse Related Traffic Accident Statistics: The Police Stats 19 form, the recording of road traffic accidents, came under review in 1997 and the Safety Department submitted a paper to the Review Standing Committee for the inclusion of Horse RTAs to be recorded as an individual category within Stats 19. Our paper was supported by similar papers from ROSPA, the Greenway Committee and Local Authorities.

Protective Headgear: in March 1997 the harmonised European Standard

EN1384 was published and the standards BS 4472 (1988) and BS 6473 were subsequently withdrawn as national standards by the BSI. At the meeting of Council, 26th November 1997, the BHS updated its policy on hats recommending hats to the standards PAS 015 or EN 1384 with either a Kitemark or SE1. From 1st January 1998 the foregoing standards became mandatory protective headgear for all BHS examination candidates, competitors in BHS organised events and clients of BHS Approved schools provided with helmets.

Prince Michael of Kent Road Safety Awards: The *Horse Sense for Motorists* video won a Prince Michael of Kent "Special" Road Safety Award. The Awards ceremony was held at The Savoy on 5th December 1997 and the Award was collected on behalf of the Society by Mrs Sheila Berry, Chairman Safety Policy Committee.

TRAINING AND EDUCATION

As the Golden Jubilee year drew to a close, the Training & Education Committee organised a 'Celebration of 50 Years of Equestrian Teaching'. The key address to a gathering of some 170 guests across the range of equestrian sport was given by Mike Sprackling OBE, MSC (Canada) who must be the most successful sports coach, certainly in the UK, if not wider. In 20 years as an international rowing coach his athletes have won 115 medals at Olympic and world Championships whilst he himself was a Gold Medal winner at the 1958 Commonwealth Games. He highlighted major training needs and it was fascinating to hear of the similarities between riding and rowing. Following him Diana Mason and Richard Davison, David Broome CBE, then Baron Blixen-Finecke and Christopher Bartle described the frustrations, highlights and training demands of international competition in dressage, show jumping and eventing respectively.

The evening closed with the presentation of four scrapbooks with photographs, first hand reports and press cuttings mainly of the 1956 Stockholm and 1960 Rome Olympics. These were compiled by Babe and Kay Moseley and presented to the T&E Chairman by Baron Blixen-Finecke.

This prompted thoughts on how the work of Training and Education has developed and grown from the start of the BHS Horsemanship and Examinations Committee to the present day. The original committee expanded to include Riding Establishments and now takes in Equestrian Tourism as well as a major role in international work. Almost all the competitive and training organisations except for racing, polo and breed societies are represented on the newly constituted Training & Education Advisory Group.

From a small beginning with examinations for riding instructors, qualifications are offered also for stable managers, grooms, those using draught horses and those in equestrian tourism establishments. More than 12,000 examination candidates and 1,000 NVQ students were catered for in 1997.



The number of approved establishments continues to increase and at the end of the year was 735, all of which are listed in *Where to Ride*. This directory together with the companion annuals *Where to Train* and the *Register of Instructors*, both introduced in the last six years, set the international benchmark for the professional, competition and leisure riders.

Finally, the development of the International Trainer's Passport, international training events such as the Horse Trials Clinic at Hartpury in July and an increase in international examinations highlight 50 years of Training & Education.

RIDING CLUBS

Any report on British Riding Clubs activities must portray the enthusiasm and commitment of the many people who give so much of their time to make things happen for riding club members around the country. This dedication, coupled with sound management, ensures that the number of Clubs affiliated to the British Horse Society continues to grow as does the number of members joining local clubs. The level of participation in competitions, training and other events continued to increase.

The 1997 competitions season was successful although appalling weather conditions in some parts of the country took their toll. There was a record number of entries at our National Championships although qualifiers for the horse trials championships at Everdon were hit by torrential rain early on in the summer. Despite this set-back clubs were well represented. The National Championships at Malvern were bigger and better than ever before and for the first time included a senior novice show jumping championship. The unique atmosphere of the Malvern Championships, the largest event of its kind, was never more apparent.

British Riding Clubs training programmes were particularly successful in 1997. Once again clubs were able to benefit from stable management training provided free to members through the support of Robinson Animal Healthcare. The National training weekend continued to develop and reinforce the skills of our network of Horsecare Advisers, many of whom went on to successfully pass their Phase Assessors examinations and join the British Riding Clubs panel of examiners.

We were delighted to be able to continue to support regional training with grants going to each of the twenty-three Riding Clubs Areas.

One of the highlights of the year was the special appearance by Herr Arthur Kottas, chief rider of the Spanish Riding School, who took time out during his UK tour to present a lecture demonstration for British Riding Clubs members. The 'Arthur' lecture demonstration was completely sold out and our thanks go to the Worshipful Company of Saddlers who enabled us to subsidise the cost of tickets for affiliated riding club members through the provision of a generous training grant.

In 1997 ten new clubs applied and were granted provisional affiliation. A further five applications are awaiting approval. Two clubs were granted full affiliation and a further six are pending. Eight clubs disaffiliated in 1997. Membership growth of 10.8% was achieved over the previous year.

MERCHANDISING

In addition to its routine daily retail and mail order business, the bookshop provided major displays at Badminton, Royal Show, Equine Event, National Dressage Championships, Horse of the Year Show and, for the first time in many years, Olympia. Through the Development Officers, Merchandising was represented at most UK horse and county shows. The department ventured overseas for the first time and was represented at Equitana in Essen Germany and Louisville Kentucky.

BHS products, particularly greetings and Christmas cards, were exhibited to the equestrian and general trade through the Spring Gift Fair at the NEC and the British Equestrian Trade Association Fair. A trade catalogue of BHS cards and pins was mailed to 10,000 retailers during July. As in previous years, the department saved its major mail order campaign for its Christmas catalogue, the Society's single largest communication tool, which was delivered to all BHS bookshop customers by direct mail and appeared as a loose-leaf insert in the major equestrian magazines. The Society's Christmas card business continued its success with sales of over 475,000 cards.

CHAIRMAN'S SUMMARY OF DEVELOPMENTS

Its golden jubilee year was a time for celebration of so many achievements by the BHS throughout the postwar years, but ironically it was the year when the Society had the courage and drive virtually to re-invent itself. It was a time-consuming and expensive task, but by the end of the year the Society had produced a new administrative structure capable of speeding up its decision making processes.

Furthermore, the Society was coming to terms with the full implications of the departure of the Pony Club and sporting disciplines which became autonomous bodies within the new British Equestrian Federation. Horse Trials, Driving, Endurance and Vaulting departed, followed at the end of 1997 by Dressage. All would operate independently but within the new British Equestrian Federation of which the BHS is a major part.

The sporting disciplines were to remain as sub-tenants of the BHS in its offices which remain leased at Stoneleigh Park from the Royal Agricultural Society of England, together with the British Equestrian Centre riding school and other buildings, until the year 2017.

Such arrangements hinged upon the move expected in 1998 of the BHS headquarters staff to new offices about a mile away at the Deer Park site, Stoneleigh. Decisions taken in 1997 by the BHS Council to restructure its organisation, and to complete the purchase and go ahead with refurbishment of the new offices are among the most important in the Society's history. The Society in 1997 secured a valuable freehold on its own offices on a site likely to appreciate greatly in value in years ahead.

BHS Council grappled with the intricate task of approving the many amendments made necessary to its Articles of Association in the major organisational changes. From the end of 1997, the body with executive power would be a Board of 12 Trustees with the ability to co-opt two further members if necessary.

The BHS Council would continue to meet as a sounding board for communication with membership and the wider equestrian world.

The Society's structure of specialist committees leading the initiatives in each core activity – training and education, access and bridleways, safety and welfare – would be replaced by guidance committees. In future, staff Directors in each core activity would report direct to the Chief Executive who would receive policy from the BHS Board. The Board would appoint its own Finance Committee and a Committee to advise it on its powers and duties as Trustees.

The Society's unique valuable national structure of regional and county chairmen, and committees, backed by staff Development Officers and volunteers working in specialist tasks, remains in place as the essential backbone of its work for the good of the horse.

The retiring Council elected the first four members of the new Board: Dr Sheila Bell, Mrs Jane Goldsmith, Mr Mark Chamberlayne and Mr Michael Clayton. The remaining eight were elected by the Society's full membership: Mrs Catriona Cook, Mr Peter Cook, Mr Harry Greenway, Mr Peter Houghton-Brown, Mrs June Self, Miss Marie Stokes, Mrs Mary Tapping and Mr Christopher Waterhouse.

One third of the new Board would be re-elected every year under the Society's amended Articles, the first year to start from the annual general meeting in June 1998.

It was anticipated that one serious consequence of the departure of the sporting disciplines could be a loss of membership in cases where individuals chose to relinquish BHS membership but to remain members of new autonomous sporting bodies. In fact, membership loyalty was a most encouraging feature of 1997, with the total membership remaining near 60,000 by the end of the year.

However, in anticipation of problems arising from the departure of the sporting disciplines, new tiers of membership were decided upon in 1997 for the following year: gold membership (£36), silver (£18) and bronze (£9) with personal accident and liability insurance cover attaching to the gold membership. Special family, junior and corporate rates are in the membership structure.

The financial implications of the severance of the sporting disciplines through losses, or dilution of membership income streams were serious concerns for the General Purposes and Finance Committee in 1997, but at the end of the year income from subscriptions exceeded budget. As well as the overall membership of some 60,000, the affiliation of a further 40,000 members of Riding Clubs remained in place, although there were serious concerns for the new Board to resolve in this area too.

The spirit of "go it alone" manifested itself in 1997 from some Riding Clubs representatives who at their annual conference expressed dissatisfaction with the form of affiliation with the BHS, mainly on the grounds of lack of flexibility in spending their funds.

Members of the newly elected Board resolved to tackle this as quickly as possible in the new year, and stressed the major importance they attached to

the Society's firm links with the Riding Clubs in the best interests of British Equestrianism. The ability to speak with one voice on behalf of some 100,000 equestrian enthusiasts is increasingly important in modern Britain where there are so many interests competing for resources and grants.

BHS finances in 1997 were adversely affected by a number of one-off major items, including some £43,000 resulting from the previous decision to abandon the Action for Horses income raising scheme. The complications arising from the need to restructure consumed very considerable management time and attention, and material costs such as the considerable legal services involved, added significantly to 1997 costs.

The prospect of a third successive annual deficit for 1997 prompted the annual meeting to resolve that the new Board should strive to achieve a break-even or surplus on the 1998 account. Reserves remained substantial and capable of covering foreseeable contingencies.

It can be seen that 1997 was a year of immense change for the Society, imposing heavy demands on its elected officers and staff in dealing with a host of diplomatic, organisational and administrative changes.

Tribute was paid at the final Council meeting in 1997 to the retiring Chairman, Mr Edward Bonnor-Maurice, for his commitment to the Society during its most turbulent period of change. He in turn, paid special tribute to the Chief Executive, Colonel Tim Eastwood.

Many hours of voluntary work were put in by working parties dealing with the restructure, the departure of disciplines, and the move to the Deer Park. The Society will always be in their debt for shouldering exceedingly heavy burdens, backed always by the permanent staff, at a most difficult time. The challenge for the new Board and staff would be to define the Society's role more precisely, to achieve a streamlined, more efficient administration, and to engage in projects which would attract the attention and support of new members, especially younger members of the riding fraternity.

The Society had the immense honour to have as its President in its Jubilee Year the Prince of Wales. As reported more fully elsewhere, His Royal Highness launched the Society's 50th year celebrations and was host to a magnificent reception for BHS volunteers at St James's Palace. Her Majesty The Queen has been the Society's Patron since its inception and the Presidency of the BHS further emphasised the royal family's practical and concerned connection with equestrianism at all levels.

One of the most encouraging and reassuring indications for the future of the BHS as Britain's leading equestrian charity was the news in 1997 that Her Royal Highness The Princess Royal had accepted an invitation to become President in 1998, succeeding Lord Vestey who has given so much support.

Princess Anne's long experience and commitment to equestrianism, as a competitor, and as a former President of the FEI, will be invaluable in the crucial years of development ahead, and everyone looks forward to Her Royal Highness's assumption of this leading role at the 1998 annual general meeting.

There is every reason for the British Horse Society to be absolutely confident that it can build on the changes achieved in its Jubilee Year to ensure that it grows and flourishes in the 21st century as an invaluable beacon for standards and best practice in the riding and care of horses, and in protecting the best interests of equestrianism.

C Financial review

That the Society would have a difficult year was never in any serious doubt. The setting of the budget, in the autumn of 1996, was not an easy task in view of the extreme uncertainty over the number of members who would remain in 1997. As has proved the case over recent years, the members of the Society demonstrated their loyalty and subscriptions exceeded budget.

Council had agreed in 1996 to transfer to the Pony Club their element of Society reserves. £388,374 was paid over, accounting for 54% of the diminution in reserves overall for 1997.

Action for Horses, a new income initiative was tested in December 1996 and early 1997. When the trial proved unpopular the scheme was aborted in the spring, costing the Society some £43,000. The Jubilee year celebrations cost some £12,000 more than had been expected. A new surface was installed in the BEC school, following difficulties with the rubber based one, at a cost of £15,000. Much resource was expended, by volunteers and staff, on dealing with the proposed departure of the dressage department and with the reconstruction of the Society.

However, there were bright spots in the financial year. Training and education provided some £51,000 more than budget and the new management of the

dressage department turned a budget deficit of £30,000 into a surplus of £55,000. The BEC operated successfully and the proceeds from the sale of the former Society business brought a welcome credit of some £179,000. In September the Society opened its rescue centre at Welford in the expectation that it would draw upon reserves. However, members of the Society and the public responded magnificently, providing more funds than were needed for the four months of operation, leaving the centre funded into 1998.

Additional funds were voted to the marketing department and the new corporate image and style, as well as tiers of membership have resulted.

Also during 1997, the Society decided to acquire and refurbish freehold offices for its own use, thus releasing space to the other occupants of its existing premises. Negotiations over the acquisition and over the subsequent licensing of existing premises have taken much management time. No professional valuation has been made of the Society's premises. The Board is of the opinion that the market value of its interests in property is in excess of the balance sheet value.

In summary, 1997 was a difficult year when the Society's attention was distracted from its primary objectives. With the departure of the dressage department on 1st January 1998, with a new board working to a new constitution and with the imminent prospect of new offices with modern facilities, 1998 promises to be an exciting and hopeful year, with the Society able to concentrate on its main objects.

D Assets and obligations

The Society has a policy, in relation to unrestricted funds of aiming to have in reserves sufficient to cover the value of fixed and trading assets plus two months expenditure and a further 15% of annual costs. As a result of the acquisition of the site on Stoneleigh Deer Park, for use as administrative offices, the Society's requirement for reserves will be reviewed by the Board, which considers that it has adequate reserves to fund current plans.

The designated funds, £259,969, for use in safety, access, welfare and horse trials training are considered adequate for their commitments.

At 31st December 1997, there were 14 restricted funds and the Board considers that each fund has adequate cash resources for their commitments. Following the restructuring on 1st January 1997, the former abandonment fund has been designated as the BHTA training fund.

E Other charities

The Society maintains a close relationship, the nature of which is given beside each in italics, with

The Worshipful Company of Saddlers	<i>consultative</i>
The Home of Rest for Horses	<i>consultative</i>
The Royal Society for the Prevention of Cruelty to Animals	<i>working co-ordination</i>
The International League for the Protection of Horses	<i>working co-ordination</i>
The Riding for the Disabled Association	<i>consultative and working co-ordination</i>
Animal Health Trust	<i>consultative and working co-ordination</i>
The Pony Club	<i>consultative and working co-ordination</i>

STATEMENT OF THE BOARD'S RESPONSIBILITIES

We are required by company law to prepare accounts, for each financial year, which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of the surplus or deficit of the Society for that period.

In preparing the accounts, appropriate accounting policies have been used and applied consistently, reasonable and prudent judgements and estimates have been made and the accounts have been prepared on a going concern basis.

We are responsible for maintaining adequate accounting records, for safeguarding the assets of the Society and for taking reasonable steps for preventing and detecting fraud and other irregularities.

for and on behalf of the Board
M A Clayton Esq – chairman
 25th March 1998

REPORT OF THE AUDITORS

Report of the auditors to the members of The British Horse Society

We have audited the accounts on pages VIII to XII which have been prepared under the accounting policies set out below.

Respective responsibilities of directors and auditors

As described above, the Society's Board is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the council in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Society and of the group at 31st December 1997 and of the incoming resources and application of resources, including the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coventry
 25th March 1998

Kidsons Impey
Registered Auditors
Chartered Accountants

ACCOUNTING POLICIES

1 Basis of accounting

The accounts have been prepared in accordance with the statement of recommended practice "Accounting by Charities" and with applicable accounting standards. They are drawn up under the historical cost accounting rules, with the exception of investments which are stated at market value. No separate income and expenditure account is presented for the Society, as provided by section 230 of the Companies Act 1985.

2 Basis of consolidation

The group accounts consolidate the accounts of the Society and of its subsidiary undertaking. Intra-group transactions are eliminated on consolidation. Surpluses and deficits of organisations entering or leaving the group are included from the date of acquisition or up to the date of disposal.

3 Incoming resources

All income is stated net of VAT, where VAT is chargeable. There have been no significant changes in operations during the year.

4 Subscriptions

Life subscriptions are credited in full to income in the year of receipt and annual subscriptions are credited on a monthly basis.

5 Legacies and donations

Credit for income arising under these headings is taken in the year of receipt. Donations and legacies received for the general purposes of the Society are credited to other charitable funds. Donations and legacies subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

6 Depreciation

Tangible fixed assets are depreciated from the date of acquisition on a straight line basis to write off their cost over their expected useful lives. The annual rates applied to the principal items are:

freehold land	no depreciation is provided
freehold buildings	over 20 years
short term leasehold buildings	over the period of the lease
fixtures and fittings	20% – 33.33%
motor vehicles	25%
computer equipment	33.33%

Grants received, in respect of fixed assets, are credited to a deferred income account, which is released to profit over the life of the asset concerned.

7 Operating leases

Rentals paid under operating leases are charged to income in the period to which they relate.

8 Defined contribution pension scheme

Pension contributions are charged to income as they become payable in accordance with the rules of the scheme.

9 Stocks

Stocks, which consist mainly of publications and other goods for resale, are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis; net realisable value is based on estimated selling price less the estimated cost of disposal.

The British Horse Society accounts

GROUP STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 1997

Note	Unrestricted funds	Restricted funds	Total 1997	Total 1996
	£	£	£	£
Incoming resources				
Subscriptions and fees	3 804 806	0	3 804 806	5 189 905
Donations	1 164 816	34 357	199 173	140 662
Grants	1 0	216 826	216 826	226 039
Sundry other income	2 169 857	0	169 857	47 471
Investment income	3 231 431	38 131	269 562	309 021
Net income of trading subsidiary	4 0	0	0	(4 189)
Total incoming resources before exceptional items	5 4 370 910	289 314	4 660 224	5 908 909
Resources expended				
Direct charitable expenditure				
Training	(1 844 813)	(135 314)	(1 980 217)	(3 378 890)
Safety, access and welfare	(542 673)	(47 765)	(590 438)	(508 518)
Membership support costs	(1 370 422)		(1 370 422)	(1 308 302)
	(3 757 908)	(183 079)	(3 949 987)	(5 195 710)
Other expenditure				
Fundraising and publicity	(491 064)	(37 800)	(528 864)	(560 294)
Management and administration of the charity	(690 165)	(0)	(690 165)	(423 738)
Total resources expended before exceptional items	5 (4 931 137)	(220 879)	(5 160 016)	(6 179 742)
Exceptional items	6 (278 324)	0	(278 324)	0
Net (outgoing) incoming resources after exceptional items before transfers	(846 551)	68 435	(778 116)	(270 833)
Transfers between funds	16, 17, 18 188 673	(188 673)		
Net (outgoing) incoming resources	(657 878)	(120 238)	(778 116)	(270 833)
Gains on investment assets				
Unrealised	7 899	2 687	10 586	1 249
Net movement in funds	(649 979)	(117 551)	(767 530)	(269 584)
Fund balances brought forward at 31st December 1996	3 081 377	685 053	3 766 430	4 036 014
Fund balances carried forward at 31st December 1997	2 431 398	567 502	2 998 900	3 766 430

A separate statement of income and expenditure has not been prepared on the basis that there is no significant difference from the group statement of financial activities.

A separate statement of recognised gains and losses has not been prepared as the Society has no material recognised gains or losses other than the net income (expenditure) for the year.

GROUP CASHFLOW STATEMENT for the year ended 31st December 1997 - continued

Financing activities	1997	1996
	£	£
Net amount received (paid) on restricted funds - note 16	71 122	99 816
Net amount received (paid) on designated funds - note 17	(131 127)	5 938
Management of liquid resources	1 238 573	1 011 860
Realisation of short term deposits	(699 579)	483 430
Notes to the group cash flow statement		
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating (deficit) surplus	(938 956)	(659 010)
Depreciation less profit on disposal	160 718	139 479
(Increase) decrease in stocks	129 351	(86 975)
Decrease (increase) in debtors	(167 848)	(136 159)
(Decrease) increase in money received in advance	10 622	(227 268)
Increase (decrease) in other creditors	(375 487)	288 623
Decrease (increase) in market value of current asset investments	(10 586)	(1 249)
Net cash (out)flow from operating activities	(1 192 186)	(682 559)

Analysis of changes in net funds	31 Dec 96	Cash flows	Other changes	31 Dec 97
	£	£	£	£
Cash at bank	1 639 478	(725 866)		913 612
Overdraft	(34 478)	26 287		(8 191)
		(699 579)		
Current asset investments	83 117	4 574	10 586	98 277
Short term deposits	2 468 721	(1 243 147)		1 225 574
	4 156 838	(1 938 152)	10 586	2 229 272

Reconciliation of net cash flow to movement in net funds

	1997
	£
Decrease in cash for the year	(699 579)
Net outflow from liquid resources	(1 238 573)
Unrealised gains on revaluations in the year	10 586
Change in net debt	(1 927 566)
Net funds at 31st December 1996	4 156 838
Net funds at 31st December 1997	2 229 272

BALANCE SHEET - GROUP AND THE SOCIETY at 31st December 1997

	Note	Group 1997	Group 1996	The Society 1997	The Society 1996
		£	£	£	£
Fixed assets					
Tangible assets	9	1 071 977	315 303	1 071 977	315 303
Investment	10	0	0	5 000	2
		1 071 977	315 303	1 076 977	315 305
Current assets					
Stocks		411 268	540 619	7 116	15 227
Debtors					
amounts falling due within one year	11	677 159	630 590	701 741	417 557
after more than one year	12	157 314	36 035	707 314	1 036 035
Investments	13	1 323 851	2 551 838	1 323 851	2 551 838
Cash at bank and in hand		913 612	1 639 478	614 070	936 521
		3 483 204	5 398 560	3 354 092	4 957 178
Current liabilities					
Creditors due within one year	14	1 556 281	1 947 433	1 429 419	1 503 303
Net current assets		1 926 923	3 451 127	1 924 673	3 453 875
Net assets represented by		2 998 900	3 766 430	3 001 650	3 769 180
Income funds					
Restricted funds	16	567 502	685 053	567 502	685 053

GROUP CASHFLOW STATEMENT for the year ended 31st December 1997

	1997	1996
	£	£
Net cash (outflow) inflow from operating activities	(1 192 186)	(682 559)
Returns on investment and servicing of finance		
Interest received	231 431	283 672
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(987 601)	(258 378)
Grants receivable	16 305	0
Receipts from sale of tangible fixed assets	53 904	23 081
	(917 392)	(235 297)

BALANCE SHEET – GROUP AND THE SOCIETY at 31st December 1997 – continued

		Group		The Society	
Note		1997 £	1996 £	1997 £	1996 £
Unrestricted funds					
Designated funds	17	259 969	231 465	259 969	231 465
Other charitable funds	18	2 171 429	2 849 912	2 174 179	2 852 662

The accounts were approved by the Board on 25th March 1998 and signed on its behalf by

M A CLAYTON chairman S M BELL vice chairman

Total reserves	2 998 900	3 766 430	3 001 650	3 769 180
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NOTES ON THE ACCOUNTS for the year ended 31st December 1997

	1997 £	1996 £
1 Donations and grants receivable		
Donations receivable include the following:		
Elise Pilkington Charitable Trust	89 000	60 000
Pet Plan – milestone ride	35 000	0
Marjorie Coote Animal Charity Trust	5 500	10 000
Home of Rest for Horses	0	2 000
British Showjumping Association	3 896	4 000

Grants receivable include the following:

Sports Councils		
England		
direct	23 000	58 425
via British Equestrian Federation	0	87 200
Scotland	21 609	13 500
Wales	1 500	3 000
Northern Ireland	0	2 814

2 Sundry other income

Sundry other income includes the following:

Fundraising	159 080	28 891
Miscellaneous	10 777	18 580
	169 857	47 471

3 Investment income

Income from listed investments	6 359	5 459
Interest receivable	263 203	303 562
	269 562	309 021

4 Net income of trading subsidiary

The Society has one wholly owned trading subsidiary, which is incorporated in England. The British Horse Society (Trading Company) Limited undertakes the trading activities of the Society and covenants its taxable profits to the Society. A summary of its trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

Profit and loss account

	1997 £	1996 £
Turnover	1 455 759	5 252 016
Cost of sales	(1 342 175)	(5 195 604)
Operating profit	113 584	56 412
Interest receivable	10 659	40 528
Interest payable	(74 743)	(79 801)
Profit on ordinary activities before taxation	49 500	17 139
Taxation	0	(1 328)
Profit on ordinary activities after taxation	49 500	15 811
Amount covenanted to The British Horse Society	(49 500)	(20 000)
Retained in subsidiary undertaking	0	(4 189)

5 Analysis of total resources expended

			Total	Total	
	Staff costs	Other Depreciation	1997	1996	
			£	£	
Direct charitable expenditure					
Training	501 914	1 398 297	79 916	1 980 127	3 378 890
Safety, access and welfare	256 906	322 763	10 769	590 438	508 518
Membership support costs	338 036	1 014 040	18 346	1 370 422	1 308 302
	1 096 856	2 735 100	109 031	3 940 987	5 195 710

Other expenditure

Fundraising and publicity	136 950	385 911	6 003	528 864	560 294
Management and administration of the charity	179 151	450 054	15 595	644 800	423 738
Total	1 412 957	3 571 065	130 629	5 114 651	6 179 742

Other expenditure includes:

	1997 £	1996 £
Auditors' remuneration for audit work	13 500	14 990
for non-audit work	8 850	1 143

6 Exceptional items

Transfer of funds to The Pony Club	388 374	0
Expenditure on constitutional changes	69 056	0
Sale of businesses to BHTA, BER, BHDTA and BEV	(179 106)	0
	278 324	0

7 Council members and employees

Council members

No remuneration is paid to any member of Council by virtue of his or her position on Council. The members of Council who held office throughout the year are shown on page XIII.

The cost of reimbursing expenses to Council members during the year amounted to	40 204	49 702
Fees paid to Council members during the year amounted to	3 640	3 985
The cost of providing directors and officers insurance during the year amounted to	1 650	1 614

Staff costs

Wages and salaries	1 363 362	1 648 836
Social security costs	137 483	166 114
Other pension costs	106 572	122 824
Life assurance costs	9 803	15 634
	1 617 220	1 953 408

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge represents the contributions payable by the Society to the fund.

	1997 £	1996 £
Highest paid employee	£ 91 986	£ 51 985
Other employees receiving £ 40,001 – £ 50,000	2	3

The items used to determine the above values are gross salary, employer's contribution for pension and life cover and the taxable value of benefits in kind.

The average number of employees throughout the year was

directly charitable activities	73	89
fundraising and publicity	10	16
management and administration	4	4
	87	109

Wages and salaries divided by the average number of employees

£15 671	£15 127
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8 Taxation

	1997 £	1996 £
Corporation tax – prior year adjustment	0	1 328

9 Tangible fixed assets

Group and The Society	Freehold property £	Leasehold property £	Fixtures fittings & equipment £	Motor vehicles £	Total £
Cost					
At 31st December 1996	0	135 387	765 694	209 831	1 110 912
Additions	751 291	0	79 686	140 319	971 296
Disposals	0	0	(127 111)	(53 824)	(180 935)
At 31st December 1997	751 291	135 387	718 269	296 326	1 901 273

Depreciation

At 31st December 1996	0	127 637	620 782	47 190	795 609
Charge for the year	0	1 500	66 601	62 528	130 629
Disposals	0	0	(85 438)	(11 504)	(96 942)
At 31st December 1997	0	129 137	601 945	98 214	829 296

Net book value

At 31st December 1997	751 291	6 250	116 324	198 112	1 071 977
At 31st December 1996	0	7 750	144 912	162 641	315 303

The cost as shown above represents the full cost to the Society before deducting grants and contributions received. During 1997, these amounted to £ 16,305 (1996 £ Nil)

All fixed assets owned by the Society are used for direct charitable purposes.

NOTES ON THE ACCOUNTS continued

	1997	1996
	£	£
Capital commitments		
Future capital expenditure authorised but not committed to contract	88 200	191 500
Future capital expenditure authorised and committed to contract	163 500	0

10 Fixed asset investment

The Society

Shares in subsidiary undertaking:		
At 31st December 1996	2	2
Shares purchased during the year at par	4 998	0
At 31st December 1997	5 000	2

The Society owns the entire ordinary share capital of The British Horse Society (Trading Company) Limited, which is incorporated in England and undertakes the trading activities of the Society.

11 Debtors:

amounts falling due within one year

	Group		The Society	
	1997	1996	1997	1996
	£	£	£	£
Trade debtors	331 160	302 252	209 647	112 203
Loans to event organisers	6 000	6 000	6 000	6 000
Current account with subsidiary undertaking	0	0	168 485	23 023
VAT recoverable	49	19 926	0	19 053
Other debtors	46 345	33 879	57 516	38 464
Prepayments	293 605	268 533	260 093	218 814
	677 159	630 590	701 741	417 557

12 Debtors: amounts falling due after more than one year

Loans to event organisers	28 000	29 000	28 000	29 000
Loan to subsidiary undertaking			550 000	1 000 000
Loan to British Horse Trials Association	125 250	0	125 250	0
Other debtors	4 064	7 035	4 064	7 035
	157 314	36 035	707 314	1 036 035
	834 473	666 625	1 409 055	1 453 592

The loan to subsidiary undertaking is secured by a debenture in favour of the Society and interest is charged at 2% over the base rate quoted by the Society's bankers.

The loan to B H T A is secured by a debenture in favour of the Society and interest is charged at 2% over the base rate quoted by the Society's bankers.

13 Investments

Group and The Society

	1997	1996
	£	£
Analysis of unlisted investments at cost		
Abbey National building society – time deposit	507 391	1 008 822
Royal Bank of Scotland – customer bid deposit account	577 881	1 030 894
Bank of Scotland – premier investment account	140 302	429 005
	1 225 574	2 468 721
Analysis of listed investments at market value		
7.75% Treasury Stock 2006	12 249	11 431
6% Treasury Stock 1999	11 125	11 015
8% Treasury Stock 2002/6	10 731	10 428
Index linked Treasury Stock 2013	11 439	10 245
6.75% Treasury Stock 2004	10 762	10 155
Scottish East Investment Trust 25p ordinary shares	4 230	0
3.5% war stock	2 180	1 981
M & G charifund income units	35 561	27 862
	98 277	83 117
	1 323 851	2 551 838
Listed investments at cost	66 403	61 826

	Group		The Society	
	1997	1996	1997	1996
	£	£	£	£
14. Creditors due within one year				
Bank overdrafts	8 191	34 478	8 191	30 731
Trade creditors	348 559	423 518	250 035	353 364
PAYE and NI payable	53 422	60 361	53 422	60 361
Other creditors	1 833	362 583	1 756	16 387
Accruals	310 543	243 382	282 694	220 299
Income received in advance	833 733	823 111	833 321	822 161
	1 556 281	1 947 433	1 429 419	1 503 303

15 Share capital

The Society is a company limited by guarantee, having no share capital. In the event of the Society being wound up, each person who is at that time a member, or has ceased to be a member within one year of that date, is liable to contribute to the Society such amount as the Society may require, not exceeding two pounds.

16 Restricted funds

Group and The Society

Summary of restricted funds

	1997	1996
	£	£
At 31st December 1996	685 053	604 912
Amount received in the year	184 581	152 243
Transferred (to) from other charitable funds – note 18	(28 442)	(19 675)
Transferred (to) from designated funds – note 17	(160 231)	0
Amount disbursed in the year	(113 459)	(52 427)
At 31st December 1997	567 502	685 053

Years of the horse development fund

At 31st December 1996	321 560	308 351
Amount received in the year	19 958	26 676
Transferred (to) from other charitable funds – note 18	0	2 109
Amount disbursed in the year	(3 088)	(15 576)
At 31st December 1997	338 430	321 560

Action for horses

At 31st December 1996	3 185	0
Amount received in the year	5 138	3 185
Transferred (to) from other charitable funds – note 18	(8 323)	0
Amount disbursed in the year	0	0
At 31st December 1997	0	3 185

Event organisers' loan funds

At 31st December 1996	59 052	58 464
Amount received in the year	3 113	588
Amount disbursed in the year	0	0
At 31st December 1997	62 165	59 052

Fixed asset grants

At 31st December 1996	10 414	13 912
Amount received in the year	16 305	0
Transferred (to) from other charitable funds – note 18	(5 659)	(3 498)
At 31st December 1997	21 060	10 414

The Bodynfoel fund (formerly the chairman's fund)

At 31st December 1996	3 216	2 476
Amount received in the year	537	850
Transferred (to) from other charitable funds – note 18	0	(50)
Amount disbursed in the year	(850)	(60)
At 31st December 1997	2 903	3 216

The Fenwick watch fund

At 31st December 1996	812	771
Amount received in the year	47	41
Amount disbursed in the year	0	0
At 31st December 1997	859	812

Welfare supporters fund

At 31st December 1996	14 880	15 760
Amount received in the year	1 631	1 765
Transferred (to) from other charitable funds – note 18	0	530
Amount disbursed in the year	(3 740)	(3 175)
At 31st December 1997	12 771	14 880

The Lady Joicey dressage trainers scheme fund

At 31st December 1996	1 122	2 025
Amount received in the year	2 111	2 160
Transferred (to) from other charitable funds – note 18	(240)	0
Amount disbursed in the year	(2 993)	(3 063)
At 31st December 1997	0	1 122

The Saddlers' training fund

At 31st December 1996	26 099	28 011
Amount received in the year	21 956	21 739
Transferred (to) from other charitable funds – note 18	(14 453)	(15 817)
Amount disbursed in the year	(10 934)	(7 834)
At 31st December 1997	22 668	26 099

The transfers (to) other charitable funds reimburse expenditure on behalf of the Saddlers' training fund.

NOTES ON THE ACCOUNTS continued

The Horse and Hound training fund

	1997	1996
	£	£
At 31st December 1996	6 539	10 715
Amount received in the year	378	2 000
Transferred (to) from other charitable funds – note 18	0	(4 597)
Amount disbursed in the year	0	(1 579)
At 31st December 1997	6 917	6 539

The Range Rover bursary fund

At 31st December 1996	2 000	4 000
Amount received in the year	116	2 000
Amount disbursed in the year	0	(4 000)
At 31st December 1997	2 116	2 000

Abandonment fund

At 31st December 1996	151 473	80 024
Amount received in the year	8 758	85 471
Transferred (to) from other charitable funds – note 18	0	648
Transferred (to) from designated funds – note 17	(160 231)	0
Amount disbursed in the year	0	(14 670)
At 31st December 1997	0	151 473

W W Thomson bursary fund

At 31st December 1996	18 557	17 596
Amount received in the year	4 577	953
Transferred (to) from other charitable funds – note 18	0	1 000
Amount disbursed in the year	(155)	(992)
At 31st December 1997	22 979	18 557

Inchcape dressage team training fund

At 31st December 1996	63 322	60 424
Amount received in the year	6 355	4 276
Amount disbursed in the year	(5 403)	(1 378)
At 31st December 1997	64 274	63 322

The dressage young trainers scheme

At 31st December 1996	411	0
Amount received in the year	0	411
Transferred (to) from other charitable funds – note 18	220	0
Amount disbursed in the year	(631)	0
At 31st December 1997	0	411

The rescue and rehabilitation scheme

At 31st December 1996	0	0
Amount received in the year	93 463	0
Transferred (to) from other charitable funds – note 18	13	0
Amount disbursed in the year	(85 565)	0
At 31st December 1997	7 911	0

The John Yeats bursary fund

At 31st December 1996	2 411	2 383
Amount received in the year	138	128
Amount disbursed in the year	(100)	(100)
At 31st December 1997	2 449	2 411

17 Designated funds

Group and The Society

At 31st December 1996	231 465	141 252
Amount received in the year	11 173	17 308
Transferred (to) from restricted funds – note 16	160 231	0
Transferred (to) from other charitable funds – note 18	(600)	84 275
Amount disbursed in the year	(142 300)	(11 370)
At 31st December 1997	259 969	231 465

Pony Club project fund

At 31st December 1996	113 741	115 649
Amount received in the year	0	6 212
Transferred (to) from other charitable funds – note 17	0	0
Amount disbursed in the year	(113 741)	(8 120)
At 31st December 1997	0	113 741

BHTA training fund

At 31st December 1996	0	0
Amount received in the year	0	0
Transferred (to) from restricted funds – note 16	160 231	0
Amount disbursed in the year	0	0
At 31st December 1997	160 231	0

Following the sale of the business of horse trials, the abandonment fund became unclassified and was designated by the Board as the BHTA training fund.

Road safety fund

	1997	1996
	£	£
At 31st December 1996	45 913	0
Amount received in the year	1 998	2 110
Transferred (to) from other charitable funds – note 18	0	44 553
Amount disbursed in the year	(14 399)	(750)
At 31st December 1997	33 512	45 913

Bridleways fund

At 31st December 1996	7 953	0
Amount received in the year	605	575
Transferred (to) from other charitable funds – note 18	0	7 378
Amount disbursed in the year	(5 500)	0
At 31st December 1997	3 058	7 953

Welfare fund

At 31st December 1996	63 858	0
Amount received in the year	8 570	8 411
Transferred (to) from other charitable funds – note 18	(600)	57 947
Amount disbursed in the year	(8 660)	(2 500)
At 31st December 1997	63 168	63 858

Horse trials reserves

At 31st December 1996	0	25 603
Transferred (to) from other charitable funds – note 18	0	(25 603)
At 31st December 1997	0	0

18 Other charitable funds

Group

At 31st December 1996	2 849 912	3 289 850
(Deficit) surplus for the year	(707 525)	(375 338)
	2 142 387	2 914 512
Transferred from (to) restricted funds – note 16	28 442	19 675
Transferred from (to) designated funds – note 17	600	(84 275)
At 31st December 1997	2 171 429	2 849 912

The Society

At 31st December 1996	2 852 662	3 288 411
(Deficit) surplus for the year	(707 525)	(371 149)
	2 145 137	2 917 262
Transferred from (to) restricted funds – note 16	28 442	19 675
Transferred from (to) designated funds – note 17	600	(84 275)
At 31st December 1997	2 174 179	2 852 662

19 Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£

Fund balances at 31st December 1997 are represented by:

Tangible fixed assets	1 043 235	28 742	1 071 977
Investments	1 263 316	60 535	1 323 851
Current assets	1 680 792	478 561	2 159 353
Current liabilities	(1 555 945)	(336)	(1 556 281)
Total net assets	2 431 398	567 502	2 998 900

Unrealised gains included above

On investment assets (see below)	11 434	5 719	17 153
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Reconciliation of movements in unrealised gains on investment assets

Unrealised gains at 31st December 1996	3 535	3 032	6 567
Add net gains on revaluations in the year	7 899	2 687	10 586
Unrealised gains at 31st December 1997	11 434	5 719	17 153

20 Guarantees and other financial commitments

	1997	1996
	£	£
Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31st December 1998		
expiring after five years	44 414	44 101

The leases on land at Stoneleigh expire in December 2017 and are subject to 5 yearly rent reviews, with the next review due on 1st January 1999.

The lease at Tweseldown expires on 27th February 2002 and is subject to 5 yearly rent reviews, with the next review on 1st March 2001.

21 Post balance sheet event

On 1st January 1998, the Society sold the business of dressage to a newly incorporated company limited by guarantee.

On 1st January 1997, the Society transferred the business of Pony Club to a newly incorporated company, limited by guarantee, The Pony Club, which is a registered charity. On 1st January 1997, the Society sold the businesses of horse trials, endurance riding, horse driving trials and vaulting to newly incorporated companies limited by guarantee.

The British Horse Society council

The following persons were members of Council at 31st December 1997. Unless otherwise indicated they held office throughout the year.

President:	His Royal Highness The Prince of Wales
Vice President:	The Rt Hon The Lord Vestey DL
Chairman	Mr E A T Bonnor-Maurice DL MFH
Treasurer	Mr M E Chamberlayne (from June)

Elected chairmen of executive or policy committees

BEC management	in abeyance from March 1990
Dressage	Miss L B Dillingham
Horse & pony breeds	Mrs A J F Loriston-Clarke MBE FBHS
National	Mr M Overton MRCVS
Welfare	Mr M A Clayton
Access & rights of way	Mrs K B W Wickham
Scotland	Mrs E J Coward
Wales	—
Northern Ireland	Dr S M Bell FFARCS
Riding Clubs	Mr A J Vaughan-France
Safety	Mrs S M Berry
Training and Education	Mrs J M Goldsmith FBHS

Elected by members of the Society

	<i>Retire in</i>
The Hon Mrs A Luard	1998
Lt Col T J C Washington	1998
Harry Greenway	1999
Elisabeth Lady Joicey	1999
Miss P J Turner BHSI	2000

Co-opted members

Mrs D Williams
Rt Hon Sir Adam Butler
Dr J Lloyd Parry MA
Mr R T H Heeley FRICS (from February)

British Show Jumping Association representatives

Mrs J E Edwards
Rear Admiral A J Bellamy CB OBE

Nominated members (non-voting)

	<i>Representing</i>
Mrs M S Langford OBE	Riding for the Disabled Association
Mr R W Warden	National Light Horse Breeding Society (HIS)
Mrs D Williams	National Pony Society
Miss C Douglas	British Driving Society
Miss J V M Nixon MRCVS	British Equine Veterinary Association
Mr H Davies MA (from June)	Association of Show & Agricultural Organisations
Mrs P Harris	Association of British Riding Schools
Mr D A W Gardiner DL	Country Landowners Association
Mr I R McKie MFH	Master of Foxhounds Association
Mr M F Trotter	Hurlingham Polo Association

Elected regional representatives

Mr E B Smiley FBHS	Northern Ireland
Mrs M C Hardey	Scotland
Mr P Kearl	Wales

Regional chairmen ex officio regional representatives

Mr M J Sullivan	North West
Mr P J Roberts FBHS	West Midlands
Col A P Gilks TD	East Midlands
Lt Col R N R Cross OBE	North
Mr D M Burke QPM BA	Yorkshire
Mrs J S R Self	Eastern
Major R B Sullivan-Tailleur	South West
Mrs M P McDonald	South East
Mr S Oates MICE	Greater London
Mr L C Denham	Southern

The following persons ceased to be members of Council during 1997:

Mr P B Cannon, Mrs B A W Evans, Sir Hugh Neill KCVO CBE TD., Mr J Porter, Mr C Precey, Mr L Punnett

The following persons ceased to be members of Council at 31st December 1997 when Council was replaced by a Board of Trustees:

Rear Admiral A J Bellamy, Mrs S M Berry, Mr E A T Bonnor-Maurice, Mr D M Burke QPM BA, The Rt Hon Sir Adam Butler, Capt C A Coldrey, Mrs H G Coward, Lt Col R N R Cross OBE, Mr L C Denham, Miss L B Dillingham, Mrs J E Edwards, Col A P Gilks TD, Mrs M C Hardey, Mr R T H Heeley FRICS, Elisabeth Lady Joicey, Mr P C Kearn, Dr J Lloyd Parry, Mrs A J F Loriston-Clarke MBE FBHS, The Hon Mrs A Luard, Mrs M P McDonald, Mr S Oates MICE, Mr M Overton MRCVS, Mr P J Roberts FBHS, Mr E B Smiley FBHS, Mr M J Sullivan, Major R B Sullivan-Tailleur, Miss P J Turner, BHSI, Mr A J Vaughan-France, Lt Col T J C Washington, Mrs K B W Wickham, Mrs D Williams.

The following persons were elected to serve on the Board of Trustees from 1st January 1998:

Dr S M Bell FFARCS, Mr M A Clayton, Mr M E Chamberlayne, Mrs C S A Cook, Mr P Cook BHSI, Mrs J M Goldsmith FBHS, Mr Harry Greenway, Mr P J Houghton Brown, Mrs J S R Self, Miss E M Stokes FBHS, Mrs M Tapping, Mr C Waterhouse.

The following changes of members of the Board occurred between 1st January 1998 and 25th March 1998:

Mr J Holt co-opted on 26th January and resigned on 25th March.





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