

THE BRITISH HORSE SOCIETY

Stoneleigh Deer Park , Kenilworth , Warwickshire CV8 2XZ

Incorporated on 5th November 1947

Registered Number 444742

Charity number 210504

ANNUAL REPORT 2007

INDEX

Statement of the Board's responsibilities	1
Auditors' report	2
Statement of accounting policies	3 to 4
Group statement of financial activities for the year ended 31 December 2007	5
Group cash flow statement for the year ended 31 December 2007	6
Balance sheets at 31 December 2007	7
Notes to the accounts	8 to 15

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THE BRITISH HORSE SOCIETY

Statement of the Directors' Responsibilities

The directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the results of the company for that period. In preparing those accounts the directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

For and on behalf of the Board



Mr P Print
13 March 2008

Independent auditors' report to the members of The British Horse Society

We have audited the accounts of The British Horse Society for the year ended 31 December 2007 which comprise the Accounting Policies, Statement of Financial Activities, Balance Sheets, Cash Flow Statement and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Society's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the accounts.

In addition, we report to you if, in our opinion, the Society has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Society'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 information in the accounts.

Opinion

In our opinion:

- The accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group and Society's affairs as at 31 December 2007 and of the group's incoming resources and application of resources, including the income and expenditure, for the year then ended, and
- The accounts have been properly prepared in accordance with the Companies Act 1985, and
- The information given in the Trustees' Report is consistent with the accounts.

17 March 2008
Oxford


Critchleys
Chartered Accountants
Registered Auditors

THE BRITISH HORSE SOCIETY

Accounting policies

1 Basis of accounting

The accounts have been prepared in accordance with the statement of recommended practice "Accounting and Reporting by Charities" issued in 2005 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.

The income and expenditure of the trading subsidiary are shown gross in the statement of financial activities.

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.

Income received for training courses, examinations and events is included in the statement of financial activities on the date on which the course, examination or event occurs. Income received in advance is included within creditors.

Gift Aid income resulting from membership is accounted for on a receivable basis.

Other income, including affiliation fees, is recognised when it is received.

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 in which the amount can be assessed with reasonable certainty. 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 costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. 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 25 years
short term leasehold buildings	over the period of the lease
fixtures and fittings	20% - 33 33%
motor vehicles	25%
computer equipment	33 33%
database	33 33%

Grants received, in respect of fixed assets, are credited to a deferred income account, which is released to income and expenditure account 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.

10 Investments

Current asset investments include short term deposits held at UK Banks. Listed investments are included at market value.

11 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the accounts.

12 Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Where costs cannot be directly attributed to a particular heading they have been allocated to activities on the basis consistent with the use of the resources. All support costs have been allocated on the basis of number of employees.

Fundraising costs are those incurred in seeking voluntary contributions.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs consist of audit fees and the direct costs of the Board of Trustee Meetings.

THE BRITISH HORSE SOCIETY

Group statement of financial activities

for the year ended 31 December 2007

	Note	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	296 701	205 633	502 334	172 950
Activities for generating funds					
Trading Income		451 851		451 851	468 802
Advertising and inserts in magazines		344 350		344 350	289 837
Challenge Rides		0	81 897	81 897	92 012
Commissions Received		54 769		54 769	94 445
Other income	2	142 647	9 297	151 944	85 544
Investment income	3	513 028		513 028	317 312
Incoming resources from charitable activities					
Members Subscriptions	4	4 012 423		4 012 423	2 752 752
Examinations and Other fees		2 174 976		2 174 976	2 215 690
Events		420 379		420 379	414 148
Total incoming resources		8 411 124	296 827	8 707 951	6 903 492
Resources expended					
Cost of Generating Funds	6	624 735	80 225	704 960	686 802
Charitable Activities	6	5 984 933	256 024	6 240 957	5 634 122
Governance Costs	6	40 122	0	40 122	29 521
Total resources expended	6	6 649 790	336 249	6 986 039	6 350 445
Net incoming (outgoing) resources before transfers		1 761 334	(39 422)	1 721 912	553 047
Transfers between funds		0	0	0	0
Net incoming resources (resources expended)		1 761 334	(39 422)	1 721 912	553 047
Net gains (losses) on investment assets		(5 700)	0	(5 700)	7 835
Net movement in funds		1 755 634	(39 422)	1 716 212	560 882
Fund balances brought forward at 31 December 2006		4 599 571	411 953	5 011 524	4 450 642
Fund balances carried forward at 31 December 2007		6 355 205	372 531	6 727 736	5 011 524

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
All activities are continuing

THE BRITISH HORSE SOCIETY

Group cash flow statement

	for the year ended 31 December 2007			
	2007	2007	2006	2006
	£	£	£	£
Net cash inflow from operating activities		1 338 672		680 179
Capital expenditure and financial investments				
Payments to acquire tangible fixed assets	(106 781)	(106 781)	(90 760)	(90 760)
Management of liquid resources				
Investment in short term deposits		(1 732 534)		(1 162 000)
		<u>(500 643)</u>		<u>(572 581)</u>
Notes to the group cash flow statement				

Reconciliation of net incoming resources to net cash inflow from operating activities

Net Incoming resources	1 721 912	553 047
Depreciation	129 760	127 047
Loss (Profit) on Sale of Assets	0	0
Decrease (Increase) in stocks	639	25 062
Decrease (Increase) in debtors	(500 370)	(82 493)
Increase (Decrease) in creditors	(13 269)	57 516
Net cash inflow from operating activities	<u>1 338 672</u>	<u>680 179</u>

Analysis of changes in net funds

	2006	Cash flows	Other changes	31 Dec 07
	£	£	£	£
Cash at bank	942 039	(500 643)	0	441 396
Current asset investments	60 862	0	(5 700)	55 162
Short term deposits	4 390 717	1 732 534	0	6 123 251
	<u>5 393 618</u>	<u>1 231 891</u>	<u>(5 700)</u>	<u>6 619 809</u>

Reconciliation of net cash flow to movement in net funds

	2007
	£
Increase (Decrease) in cash for the year	(500 643)
Net inflow (outflow) from liquid resources	1 732 534
Realised gains on revaluations in the year	0
Release of Unrealised gains on sale	0
Unrealised gains (losses) on revaluations in the year	(5 700)
Net inflow (outflow) from Investment shares	0
Change in net debt	1 226 191
Net funds at 31 December 2006	5 393 618
Net funds at 31 December 2007	<u>6 619 809</u>

THE BRITISH HORSE SOCIETY

Balance sheet

Group and The Society

at 31 December 2007

	Note	Group		The Society	
		2007 £	2006 £	2007 £	2006 £
Fixed assets					
Tangible assets	8	904 148	927 127	904 148	927 127
Investments	9	0	0	5 000	5 000
		<u>904 148</u>	<u>927 127</u>	<u>909 148</u>	<u>932 127</u>
Current assets					
Stocks		143 218	143 857	0	0
Debtors	10	1 157 208	656 838	1 251 128	874 057
Investments	11	6 178 413	4 451 579	6 178 413	4 451 579
Cash at bank and in hand		441 396	942 039	417 443	808 051
		<u>7 920 235</u>	<u>6 194 313</u>	<u>7 846 984</u>	<u>6 133 687</u>
Current liabilities					
Creditors due within one year	12	2 096 647	2 109 916	2 043 062	2 068 956
		<u>5 823 588</u>	<u>4 084 397</u>	<u>5 803 922</u>	<u>4 064 731</u>
Net current assets					
		<u>6 727 736</u>	<u>5 011 524</u>	<u>6 713 070</u>	<u>4 996 858</u>
Net assets					
		<u>6 727 736</u>	<u>5 011 524</u>	<u>6 713 070</u>	<u>4 996 858</u>

Represented by

Income funds

Restricted funds	15	372 531	411,953	372 531	411 953
Unrestricted funds					
Designated funds	16	403 228	415 216	403 228	415 216
Other charitable funds	17	5 937 311	4 169 689	5 937 311	4 169 689
Non-charitable trading funds	17	14 666	14 666	0	0
Total reserves		<u>6 727 736</u>	<u>5 011 524</u>	<u>6 713 070</u>	<u>4 996 858</u>

The accounts were approved and authorised for issue by the Board on 13 March 2008 and signed on its behalf by

Mr P PRINT - Chairman

Mr I MACLELLAN - Treasurer

THE BRITISH HORSE SOCIETY

NOTES ON THE ACCOUNTS

for the year ended 31 December 2007

	2007 £	2006 £
1 Voluntary Income		
Donations receivable include the following		
Mr R Gneveson Deceased	207 390	0
Mrs J Flory Deceased	40 365	0
Mr J W Matthews Deceased	0	10 097
Miss P C M Barnes Deceased	0	2 372

Since 31 December 2007, the Society has received a legacy of £178141 Pending clarification of the terms of the legacy this amount has not been included in these accounts

Grants receivable include the following		
Scottish Natural Heritage	26 642	13 350
Sport England	30 000	30 000
Sports Councils for Northern Ireland	40 466	33 007
Special EU Programmes Body	20 295	0
Leader +	26 983	7 618

2 Other Income

Raffle Income	51 267	31 672
Other income includes consultancy and miscellaneous items	100 677	53 882
	<u>151 944</u>	<u>85 554</u>

3 Investment Income

Income from listed investments	7 267	6 476
Income from investment property	108 245	98 008
Interest receivable	397 516	212 828
	<u>513 028</u>	<u>317 312</u>

4 Members subscriptions

During the year to 31 December 2007, a significant claim for Gift Aid was submitted to HMRC This included amounts receivable over a six year period The amount receivable amounted to £1 million, of which £0.8 million related to prior years

5 Subsidiary company

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 The trading results of the Subsidiary are included within the consolidated accounts

Audited accounts have been filed with the Registrar of Companies

A summary of the results of the subsidiary is shown below

The British Horse Society (Trading Company) Limited	Total 2007	Total 2006
Turnover	886 458	856 647
Cost of Sales	741 995	717 170
Gross Profit	144 463	139 477
Gift Aid Donation to Charity	144 463	139 477
Net profit	<u>0</u>	<u>0</u>

The aggregate of the assets, liabilities and funds was

Assets	320 396	363 711
Liabilities	(300 730)	(344 045)
Funds	<u>19 666</u>	<u>19 666</u>

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

6 Analysis of total resources expended

	Activities undertaken directly	Support Costs	Total 2007	Activities undertaken directly	Support Costs	Total 2006
Cost of Generating Funds			£			£
Fundraising trading costs of goods sold and other costs	577 751	127 209	704 960	575 948	110 854	686 802
Charitable Activities						
Membership Services	2 535 561	610 096	3 145 657	2 307 260	518 089	2 825 349
Training, examinations and approvals	1 264 105	441 344	1 705 449	1 191 567	361 985	1 553 552
Safety, access and welfare	599 990	340 096	940 086	496 165	273 751	769 916
Events	358 899	90 866	449 765	392 547	92 758	485 305
	<u>4 758 555</u>	<u>1 482 402</u>	<u>6 240 957</u>	<u>4 387 539</u>	<u>1 246 583</u>	<u>5 634 122</u>
Governance Costs	40 122	0	40 122	29 521	0	29 521
Total resources expended	<u>5 376 428</u>	<u>1 609 611</u>	<u>6 986 039</u>	<u>4 993 008</u>	<u>1 357 437</u>	<u>6 350 445</u>

Support Cost Breakdown by Activity

Support Cost	Fundraising trading £	Membership Services £	Training, exams and approvals £	Safety, access and welfare £	Events £	Basis of Allocation
Management	27 799	133 322	96 443	74 320	19 857	No of Employees
Media and Public Liaison Office	9 789	46 948	33 961	26 171	6 992	No of Employees
Finance	34 279	164 396	118 923	91 642	24 485	No of Employees
Personnel	9 812	47 064	34 048	26 236	7 010	No of Employees
Computer Services	18 654	89 464	64 718	49 871	13 324	No of Employees
Facilities	26 876	128 902	93 251	71 856	19 198	No of Employees
Total	<u>127 209</u>	<u>610 096</u>	<u>441 344</u>	<u>340 096</u>	<u>90 866</u>	

Governance costs includes

	2007	2006
Auditors' remuneration	£	£
for audit work	11 000	10 400
for non-audit work	1 430	1 000

Within Resources Expended are operating lease rentals

for land and buildings	43 383	35 725
for plant and machinery	20 972	20 569

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

7 Trustees and employees

Trustees

No remuneration is paid to any trustee by virtue of his or her position on the board with the exception of the chairman

It was approved on 22 June 2006 by the Board of Trustees that the chairman should be paid

£5000 per annum from 30 June 2006

The Trustees who held office throughout the year are shown in the published accounts

The cost of travel and subsistence to 14 trustees during the year amounted to	23 868	19 532
Chairman's remuneration	5 000	2 500
Fees paid to trustees during the year for examinations carried out	<u>27 609</u>	<u>27 640</u>

Staff costs

Wages and salaries	1 994 896	1 780 645
Social security costs	190 203	172 741
Pension Costs	138 619	126 888
Life assurance costs	15 724	8 157
Other costs and employee benefits	<u>79 713</u>	<u>90 796</u>
	<u>2 419 155</u>	<u>2 179 227</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.

Other costs and employee benefits include medical benefits, car allowances and engagement expenses.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year were as follows	Number	Number
£90,001 - £100,000	1	0
£80,001 - £90,000	0	1
£60,001 - £70,000	<u>2</u>	<u>1</u>

The items used to determine the above values are

gross salary, employer's contribution for life cover and the taxable value of benefits in kind. An amount of £18795 was contributed to a money purchase pension scheme.

The average number of employees calculated on a full-time equivalent basis, analysed by function was

Charitable activities	77	75
Cost of generating funds	<u>7</u>	<u>7</u>
	<u>84</u>	<u>82</u>

8 Tangible fixed assets Group and The Society

	Database £	Freehold property £	Plant & Machinery £	Fixtures fittings & equipment £	Total £
Cost					
At 31 December 2006	198 392	1 046 502	0	475 011	1 719 905
Additions	24 935	0	6 198	75 648	106 781
Disposals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 31 December 2007	<u>223 327</u>	<u>1 046 502</u>	<u>6 198</u>	<u>550 659</u>	<u>1 826 686</u>
Depreciation					
At 31 December 2006	179 413	255 227	0	358 138	792 778
Charge for the year	23 034	29 860	517	76 349	129 760
Disposals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 31 December 2007	<u>202 447</u>	<u>285 087</u>	<u>517</u>	<u>434 487</u>	<u>922 538</u>
Net book value					
At 31 December 2007	<u>20 880</u>	<u>761 415</u>	<u>5 681</u>	<u>116 172</u>	<u>904 148</u>
At 31 December 2006	<u>18 979</u>	<u>791 275</u>	<u>0</u>	<u>116 873</u>	<u>927 127</u>

The cost as shown above represents the full cost to the Society before deducting grants and contributions received, of which there were none in the year to 31 December 2006 and 31 December 2007.

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

Included in Freehold property is £300,000 of land which is not depreciated.

The Society also owns Royal International Horse Show trophies, the values of which are not included in the fixed asset values above.

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

9 Fixed asset investments

The Society

Shares in subsidiary undertaking
At 31 December

2007
£

2006
£

5 000 5 000

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

Group and The Society

Leasehold property

Cost

As at 31 December 2006 and 31 December 2007

94 081 94 081

Depreciation

As at 31 December 2006 and 31 December 2007

94 081 94 081

Net book value

As at 31 December 2006 and 31 December 2007

0 0

By 30th April 1998, the move to new offices on Stoneleigh Deer Park was complete and the former main offices were leased to British Equestrian Federation Limited

The Trustees consider that due to the nature of the lease, there is no open market value

10 Debtors - amounts falling due within one year

Trade debtors
Loans to event organisers
Current account with subsidiary undertaking
Other Debtors
Prepayments

Group		The Society	
2007	2006	2007	2006
£	£	£	£
292 231	168 870	139 006	83 004
19 000	27 000	19 000	27 000
0	0	247 145	303 085
394 149	0	394 149	0
451 828	460 968	451 828	460 968
<u>1 157 208</u>	<u>656 838</u>	<u>1 251 128</u>	<u>874 057</u>

11 Investments

Group and The Society

Unlisted investments at cost

Abbey National - time deposit account
Royal Bank of Scotland - customer bid deposit account
Natwest - Fixed term deposit account
Bank of Scotland - Fixed term deposit account

2007 2006

1 752 961 1 650 974
1 487 977 1 407 945
1 400 000 705 000
1 482 313 626 798
6 123 251 4 390 717

Analysis of listed investments at market value

3 5% war stock
M & G chanfund income units

3 346 3 418
51 816 57 444
55 162 60 862

6 178 413 4 451 579

Listed investments at cost

49 900 49 900

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

12 Creditors due within one year	Group		The Society	
	2007	2006	2007	2006
	£	£	£	£
Trade creditors	128 988	165 210	110 637	159 623
PAYE, NI and VAT payable	29 074	84 750	0	52 191
Other creditors	38 498	52 284	35 396	49 470
Accruals	253 595	240 492	250 537	240 492
Subscriptions received in advance	1 301 394	1 224 404	1 301 394	1 224 404
Other income received in advance	345 098	342 776	345 098	342 776
	<u>2 096 647</u>	<u>2 109 916</u>	<u>2 043 062</u>	<u>2 068 956</u>

13 Deferred income	Group	The Society
Balance at 1 January 2007	1 567 180	1 567 180
Amount released to incoming resources	(1 567 180)	(1 567 180)
Amount deferred in the year	<u>1 646 492</u>	<u>1 646 492</u>
Balance at 31 December 2007	<u>1 646 492</u>	<u>1 646 492</u>

Deferred income comprises subscriptions and fees received in advance

14 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.

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

15 Restricted funds Group and The Society

	At 1 January 2007 £	Income £	Expenditure £	At 31 December 2007 £
Year of the Horse Development fund	112 236	0	(31 026)	81 210
Event Organisers' loan funds	70 872	0	0	70 872
The Bodynfoel fund	8 662	390	(172)	8 880
The Saddlers' Training fund	14 351	27 800	(23 487)	18 664
The Horse and Hound Training fund	5 293	0	0	5 293
W W Thomson Bursary fund	36 608	3 383	0	39 991
The John Yates Bursary fund	2 043	0	(100)	1 943
Irene Heppell York fund	26 732	0	0	26 732
Sabrina Way and Three Rivers Ride	6 194	10 624	(15 213)	1 605
Grants including Sports Council	91 925	159 377	(175 698)	75 604
Challenge Rides Welfare fund	0	81 897	(81 897)	0
Mrs K Edgar Fund	28 823	0	(6 000)	22 823
Caroline Pratt Memorial Fund	8 214	0	(2 656)	5 558
Access Fighting Fund	0	13 356	0	13 356
Total Restricted funds	411 953	296 827	(336 249)	372 531

The Development fund was accumulated to encourage the use of the horse, to raise standards of riding and of horsemanship and, above all, to make certain that horses and ponies used and owned are not abused

The Event Organisers' fund is used specifically to provide loans to organisers of Horse Trials Events

The Saddlers Training fund holds the annual grant presented by the Worshipful Company of Saddlers for specific training activities held by The British Horse Society and other riding disciplines

The Horse and Hound Training fund is to aid specific training activities

The W W Thomson Bursary fund has been provided to assist with the training of potential designers and course builders, and in particular for the advancement of education and safety

The Irene Heppell York fund was provided for the welfare of aged horses in the York area

The Sabrina Way and Three Rivers Ride fund was set up from the grants and donations given to assist with the production of trail guide leaflets for riders

The Challenge Rides Welfare fund was created by the challengers of the Iceland, Jordan, Mongolia and Peru Rides for welfare assistance & training

The Mrs K Edgar Fund was donated for the provision of horse rescue purposes

The Caroline Pratt Memorial Fund was provided to support the training and development of up and coming Cheshire event riders

The Access Fighting Fund was set up to engage in legal proceedings on behalf of all equestrians

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

16 Designated funds Group and The Society

	At 1 January 2007 £	Income £	Expenditure £	At 31 December 2007 £
Road Safety fund	38 962	3 632	(1 478)	41 116
Bridleways fund	3 934	0	0	3 934
Access Legal fund	13 077	80	0	13 157
Miss P C M Barnes fund	40 066	0	(790)	39 276
Blackdown Hills Project	1 399	0	0	1 399
The British Riding Clubs fund	317 778	0	(13 432)	304 346
Total Designated funds	415 216	3 712	(15 700)	403 228

The Road safety fund is a fund to assist in areas of research of safety for the ridden or driven horse

The Miss P C M Barnes fund has been designated by the Trustees for various specific projects

The Blackdown Hills Fund was set up from the grants provided to assist horse related businesses

The British Riding Clubs Fund has been set aside to recognise the reserves accumulated by the department, but remains a charitable fund of The British Horse Society. They have been accumulated for strategic purposes, to ensure that services are maintained to clubs during exceptional circumstances. These would include cover against late cancellation of major events, and to finance special projects including international representation, provision of additional facilities for the horse trial championships and specialised training for officials.

During the year, £100,000 was committed for Rural Riders and grass roots training over the next 5 years

17 Other charitable funds Group and The Society

At 31 December 2006

Surplus for the year

Transferred from restricted funds - note 15

Transferred from (to) designated funds - note 16

At 31 December 2007

2007 £	2006 £
4 169 689	3 569 315
1 767 622	600 374
<u>5 937 311</u>	<u>4 169 689</u>
0	0
0	0
<u>5 937 311</u>	<u>4 169 689</u>

Non-charitable trading funds

Group

At 31 December 2006

Surplus for the year

At 31 December 2007

14 666	14 666
0	0
<u>14 666</u>	<u>14 666</u>

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31 December 2007

18 Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2007 are represented by			
Tangible fixed assets	883 268	20 880	904 148
Investments	5 826 762	351 651	6 178 413
Other Current assets	1 741 822	0	1 741 822
Creditors	(2 096 647)	0	(2 096 647)
Total net assets	6 355 205	372 531	6 727 736
Unrealised gains included above			
On investment assets (see below)	5 262	0	5 262
Reconciliation of movements in unrealised gains on investment assets			
Unrealised gains at 31 December 2006	10 962	0	10 962
Release of Unrealised Gains in year	0	0	0
Add net Gains on revaluations in the year	(5 700)	0	(5 700)
Unrealised gains at 31 December 2007	5 262	0	5 262

19 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 December 2008

	2007 £	2006 £
expiring within one year		
for land and buildings	4 668	4 475
for plant and machinery	4 864	0
	9 532	4 475
expiring within two to five years		
for land and buildings	0	0
for plant and machinery	9 893	20 556
	9 893	20 556
expiring after five years		
for land and buildings	38 908	38 908
for plant and machinery	0	0
	38 908	38 908

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 2009. Some of these leases were surrendered during 1999.