

THE BRITISH HORSE SOCIETY

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2016

Company number 00444742



The British Horse Society
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for the year ended 31 December 2016

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The British Horse Society

DIRECTORS AND OFFICERS

PATRON: Her Majesty the Queen

PRESIDENT: Martin Clunes

TRUSTEES:

Chairman of Trustees:

Claire Aldridge (resigned July 2016)
David Sheerin (appointed July 2016)

Other Trustees:

Christine Blackford
Fred Hodges
Diane Tranter
Lotta von der Heyde
Kirsty Handel (appointed July 2016)
Lorraine Young (appointed August 2016)
Martin Clemmey (appointed March 2017)
Desi Dillingham
(appointed July 2016, resigned March 2017)
Simon Hardwick
(co-opted January 2016, resigned March 2016)
Heather Hardy (resigned July 2016)
Marjory Norrie (resigned July 2016)
Susan Pimbley (resigned July 2016)
Christine Worthington (resigned July 2016)

MANAGEMENT TEAM:

Chief Executive

Lynn Petersen

Chief Operating Officer

Sarah Phillips (appointed February 2017)

Group Director, Marketing, Membership
and Fundraising

Nicole Lander (resigned November 2016)

Director, Marketing and Communications

Natasha Eastwood (appointed December 2016)

Director, Access

Mark Weston

Director, Equine Policy

Lee Hackett (resigned February 2017)

Director, Education

Alex Copeland

Director, Finance

Tim Taylor (resigned March 2016)

Duncan Snook (appointed November 2016)

Director, Interim Finance

Frank Warn (April 2016 to May 2016)

Martin Clemmey (July 2016 to November 2016)

Director, Fundraising

Laura Pepper (resigned June 2016)

Director, Information Technology

Dee Scarlett (resigned May 2017)

Director, Human Resources

Alison Macdonald

Director, Membership

Emma Day

Director, Participation

Sarah Phillips

Director, National Development

Alan Hiscox (to July 2016)

Des Payne (appointed September 2016)

Director, Safety

Alan Hiscox (appointed July 2016)

The British Horse Society

ADMINISTRATIVE DETAILS, ADVISERS AND COMPANY INFORMATION

LEGAL STATUS

The Society was incorporated on 5 November 1947 as a company limited by guarantee, having no share capital. The company registration number is 444742. The Society's charity registration numbers are 210504 in England and Wales, and SC038516 in Scotland. The Society is governed by its Articles of Association.

The British Horse Society (Trading Company) Ltd was incorporated on 11 September 1991 as a wholly owned subsidiary of the Society. The company's registration number is 2644832.

Equestrian Qualifications GB Ltd was incorporated on 18 January 2006 as a wholly owned subsidiary of the Society. The company's registration number is 5679140.

The results have been consolidated within the accounts of the Society.

AUDITORS

RSM UK Audit LLP
St Philips Point
Temple Row
Birmingham
B2 5AF

BANKERS

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

Lloyds Bank plc
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125 Colmore Row
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B3 3SF

INVESTMENT MANAGERS

McInroy & Wood
53 Davies Street
London
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M & G Investments
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LEGAL ADVISERS

PriceWaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London
SE1 2RD

Anderson Strathern LLP
1 Rutland Court
Edinburgh
EH3 8EY

TAX ADVISERS

RSM UK Tax and Accounting Limited
St Philips Point
Temple Row
Birmingham
B2 5AF

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Abbey Park
Stareton
Kenilworth
Warwickshire
CV8 2XZ

The British Horse Society

REPORT OF THE CHAIRMAN AND CHIEF EXECUTIVE for the year ended 31 December 2016

Welcome to our Annual Report.

2016 was a special year for The British Horse Society. We have renewed our commitment to equestrian education by conducting an industry-wide consultation, to ensure our qualifications continue to be leading the way for equestrian education. We replaced the BHS Register of Instructors with our Accredited Professional Coach programme and experienced 100% growth in APCs. We have supported these initiatives with the BHS Instructors Scholarship programme, offering real financial assistance to pursue further qualifications. After all, BHS is life-long learning for the benefit of horses everywhere.

In every corner of the BHS we are growing stronger to serve our members throughout the UK. Our Participation Project funded by Sport England is booming; at year end our members hit an all-time high of 96,500; British Riding Clubs remain the backbone of amateur BHS competition; in addition to health clinics and our REACT campaign, thousands of horse and ponies in need were taken care of by our army of welfare volunteers; our successful Dead Slow campaign is making the roads safer for horses; we are fighting hard in Westminster for lower business rates for our Approved BHS Riding Establishments; our access volunteers are working diligently to save historic bridleways and preserve safe off-road access; and Changing Lives through Horses has engaged people who understand the power of horses to help young people at risk.

We want to thank all our remarkable volunteers who give so generously of their time to support our essential welfare, access, education and safety work.

The trustees, who act as directors of the Charity for the purposes of the Companies Act, present their annual report together with the audited financial statements for the year ended 31 December 2016. In preparing the Annual Report and financial statements of the Charity, the trustees have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standards applicable in the UK and Republic of Ireland (FRS102).

The next section of the report gives a summary of our exciting achievements during 2016 and the financial section presents the audited accounts and demonstrates how we have raised and deployed BHS funds in pursuit of our charitable objectives.

2016 was a great platform for all the wonderful things to come in 2017.



David Sheerin
Chairman



Lynn Petersen
Chief Executive

The British Horse Society

TRUSTEES REPORT (Incorporating Strategic Report)
for the year ended 31 December 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status

The British Horse Society is a charitable company incorporated in England and does not have share capital.

Trustees

The Board of Trustees governs our Society. The members of the Board are the Directors of the company and the Trustees of the Charity. The Board consists of nine members elected by the membership and up to three members co-opted by the Board.

The Board has two committees, Finance and Audit. The Board also considers the advice provided by various advisory committees and BHS staff.

Board of Trustees

The British Horse Society Board of Trustees is legally responsible for all aspects of the Society's business. This includes the efficient, effective and economical deployment of the charity's resources, the identification and management of risks, which may adversely affect the Society's performance, and the determination of an appropriate strategy for the delivery of programmes of work, which will be conducive to the achievement of the Society's Objects.

The Trustees of the charity are also the Directors of The British Horse Society, a company limited by guarantee (hereafter the word "Trustee" is used to mean "Trustees and Directors of The British Horse Society", and the word "Director" is used to mean the paid senior member of staff in charge of a directorate).

Induction of Trustees

New Trustees have the opportunity to take part in a complete induction setting out the principal aims and operation of the Society, together with an explanation of the duty and responsibility of being a charity trustee. They also receive regular briefings from the Society's solicitors about legal developments. Additional training is also provided for the trustees and the society pays for them to receive "Governance and Leadership" magazine.

Pay policy for senior staff

The board of directors are the trustees of the charity. Details of expenses and transactions relating to trustees are disclosed in note 8 to the accounts.

The pay of the senior management team (key management personnel in charge of directing and operating the charity on a day to day basis) is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors salaries are benchmarked against pay levels in the charity sector. The remuneration bench-mark is the mid-point of the range paid for similar roles which may be adjusted with an increased responsibility payment for any additional responsibilities. If recruitment has proven difficult, in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Regional and County Committees

The Society is based in Warwickshire with 13 National and Regional Managers across the UK and Scotland. The Development Officers support the work of the Society, alongside the regional and county committees. An elected chairman, supported by volunteers, leads each committee.

The British Horse Society

TRUSTEES REPORT (Incorporating Strategic Report) for the year ended 31 December 2016

Statement of Trustees Responsibilities

The Trustees (who are also Directors of The British Horse Society for the purposes of company law) are responsible for preparing the Trustees Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group, and of the income and expenditure of the group for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES REPORT (Incorporating Strategic Report) for the year ended 31 December 2016

Disclosure of information to Auditor

So far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Risk

In discharge of their responsibility to manage the risks of the Society, the Trustees require a risk register to be maintained. The Finance and Audit Committees of the Board keep this document under review. Every risk on the register is allocated to a Director who must, every six months, certify the status of each risk and the actions being taken to address it. As publication of the risks may, in certain instances, increase the prospect of the risk materialising, the full register is not published, although it is made available for inspection to the Society's auditors. Nevertheless, during 2016 Trustees recognised the principal risks as those relating to:

- (i) a significant decline in income due to either internal or external factors
- (ii) a major equine disease outbreak which might adversely affect members' financial ability to remain in membership
- (iii) the loss of significant income from possible changes to gift aid rules
- (iv) membership reductions if insurance benefits are not maintained

OBJECTIVES AND ACTIVITIES

The objects for which the Society is established are to:

- 1) promote and advance the education, training and safety of the public in all matters relating to the horse
- 2) promote the use, breeding, well-being, safety, environment, health and management of the horse for the public benefit
- 3) promote community participation in healthy recreation involving the horse
- 4) promote and facilitate the prevention of cruelty, neglect or harm to horses and to promote the relief, safety, sanctuary, rescue and welfare of horses in need of care, attention and assistance
- 5) promote and secure the provision, protection and preservation of rights of way and of access for ridden and driven horses over public roads, highways, footpaths, bridleways, carriageways, public paths and other land.

Horses, for the purpose of the objects, mean any member of the family equidae.

To deliver to these objectives the charity uses the resources (human and financial) it has available in the most effective way.

The BHS works hard to reduce the incidence of equine abuse and promotes the highest standards of equine care through education. It engages proactively and in partnership with other equine charities to help tackle the indiscriminate breeding that led to the current horse crisis.

The British Horse Society

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The charity seeks to educate riders about being safe on the roads and through the dedicated www.horseaccidents.org.uk website, collects data on all types of accidents that involve people who ride horses. It is the only UK equestrian charity with a safety team, who campaign on all aspects of horse and rider safety.

The BHS upholds and promotes the highest standards of equitation by providing training, education, development and guidance. It offers a range of examinations from beginner level to international coach level, which together helps to raise the level of equestrian competence across the UK and in countries where there are approved BHS centres.

British Riding Clubs (part of the BHS) provides opportunities for riders to compete locally at different levels and, if needed, the benefit of belonging to a riding club for people who don't own their own horse.

The BHS website is regularly updated with information and advice for horse owners, riders and people who are interested and love horses.

The BHS also uses social media to communicate education, safety, welfare, access and general equestrian advice.

The charitable work of the BHS is largely funded by income generated from those elements of our work where a fee is charged. During 2016 these areas gained increased support and interest with a growth of membership revenue of 8.8% for the year.

Public Benefit

The objectives and activities of the BHS benefit every horse and rider and the public at large.

During 2016 the BHS Welfare team handled more than 1,400 new welfare concerns, and helped thousands more horses and ponies in need. We distributed information packs and educated owners about the wide range of issues relating to the prevention, identification and treatment of the life threatening condition of colic. We continued to operate our castration clinics and our healthcare and education package.

The BHS Safety team launched its Dead Slow campaign relating to the safety of road users. This was heralded by government and has been adopted by police departments to assist the education of drivers. This success culminated in the award of Driver Education Campaign of the Year by the Driving Instructors Association.

As public authorities have increasingly less to spend on public rights of way the work of our Access team becomes more significant. Also, as 2016 marked the 10 year countdown to the 2026 cut-off for the recording of historic bridleways in England the BHS Access team continues to gather evidence and information to initiate and progress definitive map modification orders to help people save local routes ahead of the deadline.

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for the year ended 31 December 2016

STRATEGIC REPORT

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Education

During the year we continued to set professional standards through a world-renowned education programme. We have experienced significant growth in our number of Accredited Professional Coaches since we introduced the change from the Register of Instructors in May 2016 with an increase from 2,000 to over 4,000 accredited coaches.

Our network of Accredited Professional Coaches and Approved Centres delivered millions of riding lessons and held hundreds of training events to improve the level of equestrian knowledge and standards thereby improving the well-being of all horses. We held more than 600 examination days in the UK and Ireland, examining over 7,000 candidates. As part of our commitment to ensure the BHS education system remains the best in the world, we have consulted across the industry and started to adjust our qualifications accordingly. We have developed new partnerships with more organisations, allowing us to increase the support and development to more owners and riders thus ensuring we will continue to improve the well-being of horses and ponies wherever they are located.

Participation

British Riding Clubs continues to offer opportunities for recreational riders to enjoy their horses in a supportive environment, benefitting from the camaraderie of the club structure. Whilst there has been a small decrease in membership, 2% on 2015, engagement in both club activities and Championships has increased, thus maintaining the number of people participating in the sport in a safe, supported and regulated environment. The continuing development of the Championship classes and structure means that these prestigious events are truly inclusive and ensure grass roots riders have the opportunity to compete at a National level, raising the profile of the Society. This year we have invested into training our volunteers which has resulted in over 100 new Official Stewards, facilitating over 220 days of qualifiers and enabling over 19,000 entries from teams and individuals. Our programme offering grassroots cross country training, using international trainers, has proved hugely popular and has provided safe, structured training to a member group we would not previously have engaged with directly.

The BEF and Sport England funded Participation Project continues to grow. The 2016 target of 4,000 participants was exceeded and we are on track to reach the same target for 2017. Over 8,000 individuals have been engaged since the project began, being encouraged to progress within the industry. An impressive 243 centres and 116 APCs signed up to participate in this project in the last year. The overarching aim of the project is to engage with riders and horse owners to support them with the aim of riding more frequently and being more able to care for and enjoy their time around horses. A required outcome of the project is to reach and support people who the BHS would not normally reach through their membership structure. This has been achieved using the Accredited Professional Coaches to deliver both of the BHS training courses in unapproved centres. This has resulted in over 150 unapproved centres and their clients being reached via this project.

BHS Approved Centres, and unapproved centres, continue to face very challenging times. Both riding schools and livery yards are finding it difficult to maintain a profitable business. Across the country we are hearing of riding schools closing and selling to developers. The impending rise in Business Rates is also an impending concern; however the BHS have been campaigning strongly on behalf of the Approved Centres. The campaign has included writing to every MP in England and Wales with the details of the increases in Rateable Value which will be affecting the riding schools in their constituency. Both national and regional press coverage has been achieved and awareness raising meetings held with MPs. The campaign continues.

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There are currently 822 BHS Approved Centres, which is a decrease of 5% on 2015. Approved Centres still benefit from the support of the BHS team and the centres in the South East Region are being supported by a new Participation Field Officer who engages with centres and assists with increased growth and participation.

The BHS Instructors' Development Scholarship has been introduced to help aspiring coaches gain further BHS qualifications and provide riding schools with qualified staff. Launched in April 2016, 20 candidates have benefited from £39,500 of funding and two new BHSAIs have been awarded to date.

Membership

In 2016 The British Horse Society family increased by 5,954 members to 96,500, a growth of 6.5%. Members continue to enjoy great benefits, an exciting calendar of BHS events as well as supporting our many important charitable activities.

Fundraising

The BHS Fundraising team continues to support our essential charity work and our many welfare, safety and access campaigns. Donations and legacies for welfare work continue to rise as we face increasing demand for the services of our welfare officers. Also, in advance of the main launch in early 2017 our Changing Lives through Horses campaign had already raised in excess of £47,000 in 2016 - in support of improving the lives of young people who are at risk of disengagement or exclusion using horses as the inspiration for change. The Forever for the Horse Fund, which tackles specific equine welfare, education and access issues increased by over £74,000 in 2016. Our fundraising activities are enhanced by the surpluses generated in our trading subsidiaries, who continue to gift aid their profits to the charity.

Access

2016 has again been dominated by news that Councils have less and less to spend on public rights of way; less is being spent on maintenance and repairs meaning that some bridleways just cannot be used. This means that the Society's access work is even more important if safe off road access is to be maintained and increased for equestrians. With resources at local authorities in short supply the BHS Paths for Community Fund is a welcome resource enabling the provision of new and improved routes for equestrians to achieve. In Wiltshire, for example, the Society has provided funds to assist Wiltshire County Council clear five bridleways to provide safe off road riding for horse riders. Further schemes completed this year include a new 1km circular route in Lancashire, and a permissive route allowing riders to access a network of existing routes in Ceredigion. The Society provided grants of £4,000 to these schemes which enabled a further £50,000 of local funding to be released.

We have delivered more access training to people than ever before and have trained over 400 delegates to ensure more people have the knowledge and skills they need to remain effective in the protection and extension of safe off road routes for equestrians.

There is now only 10 years until the 2026 cut-off date for recording historic bridleways in England. Definitive Map Modification Orders are now being progressed in earnest in Yorkshire, Norfolk, Somerset, Cornwall, Sussex, Lancashire, Cumbria, Northumberland and Hertfordshire. The Society has set aside a further £10,000 in the 2026 Fund thereby facilitating the obtaining and digitising of historical map evidence to enable volunteers to more easily research historic equestrian routes for the submission of these definitive map modification order applications with the impact being the preservation of these routes for future generations of riders and carriage drivers.

The British Horse Society

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Development Team

No matter where you live in the UK, the BHS is providing a standard programme of delivery – BHS/BRC events, training, CPD, camps and joint events the with Pony Club, RDA, British Dressage, British Showjumping and British Eventing. The national and regional managers have assisted all BHS departments to grow. They are increasingly involved with the riding centres, livery yard proprietors, instructors and coaches, members of the public, colleagues, volunteers, show organisers, and other organisations whose work contributes to the objectives of the Society. Together with our partners, we are serving the needs of our members with training and an enhanced number of opportunities to learn and participate in their nation and region.

Volunteers

BHS currently has over 900 volunteers mainly dedicated to welfare, access, participation and education issues and the efficient running of our 83 local and regional committees. We are indebted to our volunteers whose skill, knowledge and enthusiasm make a massive contribution to the delivery of our charitable objectives. Many devote hours on a regular basis, or indeed provide full-time support to our Access and Welfare Departments. We have calculated the value of work that our volunteers carry out for the Society at £3.5 million – our thanks go to each and every one for their vital contribution.

Welfare

In 2016, our education focus went from strength to strength. We held a sell-out Welfare Conference selling 200 tickets to our Members, horse owners and industry professionals. We had world class speakers who were able to educate our audience about the causes, effects and prevention of stress in horses. We introduced our new Veterinary Student Champion initiative. This initiative is helping to integrate the Society into veterinary universities. Veterinary universities provide an opportunity for the work of the BHS to be promoted to a new and important audience. In addition, the research being undertaken by veterinary universities is extremely important for equine health and welfare which is of vital interest to the Society. We launched our REACT Now to Beat Colic campaign. This campaign saw the BHS team up with The University of Nottingham to help horse owners combat the life-threatening condition of colic. We distributed over 8,000 information packs within the first three months of the launch. The packs aim to educate owners about the wide range of issues relating to colic, in particular, identifying the more subtle and early signs of colic.

The BHS/BEVA collaboration held six more clinics where 145 more colts and stallions were castrated, which brought our total to 208 castrations in just 18 months as well as a total of 379 horses attending for the healthcare and education package. We are targeting hard-to-reach communities who would not have castrated their colts without our intervention. It is hard to put a definite figure on the number of indiscriminately bred foals this will have prevented, but we castrated one stallion that had sired 150 foals. The majority of the colts we castrate are youngsters so based on this figure we have potentially prevented over 31,000 incidents of indiscriminate breeding.

Our UK 'army' of volunteer Welfare Officers assisted with 1,400 new welfare cases helping thousands more horses in need. So our team can continue to grow to assist even more horses, we held twelve training days, where a total of 101 Welfare Officers received training. The training day content included lone-working training and two training days were solely focused supporting horse owners through our Friends at the End initiative. The outcome is that we have a more widespread population of Welfare Officers and Friends at the End volunteers.

In October, we recruited our first employed staff Welfare Field Officer, who joined us as part of a pilot project in the South East. Part of this role is to help recruit and train more volunteer Welfare Officers as well as providing extra support on a local level. Our Welfare Field Officer will be arranging CPD events and proactive welfare events such as castration clinic and equine identification days. The outcome is that

The British Horse Society

TRUSTEES REPORT (Incorporating Strategic Report) for the year ended 31 December 2016

our Welfare Officers will feel better supported and have greater knowledge, enabling them to assist local horse-owners and their horses more effectively.

Safety

2016 was a significant year for the Safety Department with regard to forming partnerships and making huge progress with the safety of horse riders on the road. The Dead Slow campaign was launched in March 2016 and immediately caught the attention of Parliament and Driving Associations. Several MPs have met with the Director of Safety and the Dead Slow message was mentioned in a Road Safety Debate in Westminster. Jake Berry MP was briefed by the BHS for this debate. As a result the Under Secretary of State for Transport stated the Department for Transport (DfT) would work with the BHS to improve the safety of horse riders on our roads. The DfT have since met with the BHS Safety Director and have endorsed the Ride Safe Guide. The Campaign won Driver Education Campaign of the Year from the Driving Instructors Association (DIA). The DIA have met with the BHS Safety and Marketing Departments and we are developing material that driving instructors and learner drivers will put into use in lessons.

Police all over the UK have adopted Dead Slow and worked with the BHS to educate drivers. In 2017 more partnerships will develop. The National Police Chiefs Council has presented to the NDORS (National Driver Offender Re-training Scheme) Strategic Group and it has been agreed to include elements of Dead Slow in future courses. The BHS has held 5 Rider Responsibility Events with the Police and legal representatives to inform and enhance riders' knowledge of safely riding on the road. The Motor Cycle Industry and Cycling UK as representatives of other vulnerable road users wish to work together with the BHS to highlight driver education. Future meetings between these groups are planned to form consistent messages to government.

The Safety Department has worked closely with the Education and Access Department to develop and improve rider safety in the new Ride Safe Award. This will include riding out everywhere and not just on the roads. Over 300 Ride Safe Assessors and Trainers have been trained in the delivery and assessment of Ride Safe.

In other areas of safety the BHS has been consulted about fireworks, drones, low flying aircraft and dangerous dogs and the challenges they can cause horse owners and riders. The close contact with the RSPCA, Department for Transport (Aviation), RAF, Police and Firework Campaigners will continue in 2017.

TRUSTEE COMPLIANCE

The Trustees confirm, that in their opinion, they have complied with the duty in Section 17(5) of the Charities Act 2011, to have due regard to public benefit guidance issued by the Charity Commissioner. The BHS delivers a range of public benefits. We contribute to the safety and growth of the equestrian industry by encouraging people of all ages and from all sections of society to participate in equestrian activities, by promoting a range of horse-related activities, by working to maximise the opportunities for people to ride in safe environments, and by supporting those people and businesses who provide equestrian facilities. These activities help to raise the aggregate health and fitness of the nation.

FINANCIAL OVERVIEW

Continued recognition of the work carried out by the BHS and increased awareness of our education and charitable work resulted in a growing number of members, donors, participants and supporters in 2016. This increased support is enabling the development of further projects in the vital areas of education, welfare, access and safety.

Overall The British Horse Society achieved total income of £10,978,381 (2015: £10,473,665) which delivered a net income of £531,136 (2015: £375,013) in the year, bringing its total reserves to £9,091,284 (2015: £8,560,148). The Trustees ensure a regular review of risk is carried out by both the Finance and Audit Committees of the Board.

The British Horse Society

TRUSTEES REPORT (Incorporating Strategic Report) for the year ended 31 December 2016

FINANCIAL REVIEW AND POLICIES

The Accounts, which form part of this report, comply with the requirements of the Accounting and Reporting by Charities Statement of Recommended Practice (Charities SORP) (FRS 102). The Trustees consider that in preparing these accounts they have consistently applied appropriate accounting policies supported by reasonable judgements and estimates where required.

Reserves Policy

In order to ensure a sustainable future and to allow for any unexpected reductions in income, the Society maintains a reserves policy. The Board of Trustees confirmed at its meeting on 20 March 2012 that the Society would continue to hold, as minimum, free unrestricted reserves equal to three months' worth of expenditure. The trustees have reviewed and still consider this an appropriate reserves policy.

Free unrestricted reserves are defined as the undesignated unrestricted charitable funds after deduction of the value of the freehold property (net of its designated fund). At 31 December 2016 the free unrestricted reserves were £3,374,718 (2015: £2,764,831). This is greater than three months' worth of total expenditure, which for 2016 equated to £2.7 million (2015: £2.5 million). This increase in reserves, in the opinion of the trustees, supports the planned increase in Education and Membership activity in 2017 and 2018.

Investment Policy

It is the Society's policy to invest surplus funds in UK based banks or other institutions. These investments take the form of cash deposits and listed investments only and are limited to £1.5 million plus interest with each bank or institution. Performance has been reviewed and monitored with investment managers throughout the year.

Financial Report for the Year

The Society's consolidated results include a surplus for 2016 of £531,136 (2015: £375,013) boosted by net gains in investments of £303,883 (2015: £1,630). In reviewing the results for the year and forward budgets the trustees have earmarked funds for projects in support of charitable activities in 2017.

Membership fees continue to be the main driver of income growth and they increased on 2015 by 8.8% to £7,075,696 (2015: £6,503,850) after provisions for life membership. Expenditure on our charitable activities was in line with expectation at £9,453,955 (2015: £8,834,129). This includes an amount of £4,161,155 (2015: £3,843,647) for membership services covering items such as National and Regional Managers, support in the regions and counties, insurance, publication costs and a share of administrative support costs. Significantly, our expenditure on training, examinations and approvals has increased to £3,288,386 (2015: £2,567,845) and reflects our focus on education and accreditation.

Both of our trading subsidiaries achieved important surpluses, and will continue to gift aid their profits to the charity.

GOING CONCERN

The Trustees confirm that they considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements, and do not consider that there are any material uncertainties to the group's ability to continue to do so over a period of at least 12 months from the date of approval of the financial statements.

The Trustees report and strategic report were approved on behalf of the board on 14th June 2017

David Sheerin
Chairman



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH HORSE SOCIETY

Opinion on financial statements

We have audited the financial statements of the British Horse Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2016 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Report and the incorporated Strategic Report. We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 7 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

MICHAEL HUGGINS (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date

7 July 2017

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The British Horse Society

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)

for the year ended 31 December 2016

	Notes	Unrestricted funds £	Designated Fund £	Restricted funds £	Total 2016 £	Total 2015 £ Restated
Income and endowments from						
Donations, legacies and grants	2	103,490	-	197,085	300,575	363,578
Charitable activities:						
Membership subscriptions	5	7,075,696	-	-	7,075,696	6,503,850
Examinations and other fees		1,636,036	-	13,078	1,649,114	1,730,494
Events		780,106	-	50	780,156	703,449
Other trading activities:						
Trading income		226,824	-	-	226,824	183,325
Advertising		446,264	-	-	446,264	431,276
Commission received		48,523	-	-	48,523	76,541
Challenge rides		-	-	141,263	141,263	161,029
Other income	3	239,234	-	-	239,234	251,336
Investment income	4	70,732	-	-	70,732	68,787
Total		10,626,905	-	351,476	10,978,381	10,473,665
Expenditure on						
Raising funds	7	1,160,519	-	136,654	1,297,173	1,266,153
Charitable activities	7	8,996,896	331,319	125,740	9,453,955	8,834,129
Total		10,157,415	331,319	262,394	10,751,128	10,100,282
Net gains on investments		303,883	-	-	303,883	1,630
Net income/(expenditure)		773,373	(331,319)	89,082	531,136	375,013
Transfers between funds	15,16	(163,486)	160,808	2,678	-	-
Net movement in funds		609,887	(170,511)	91,760	531,136	375,013
Fund balances brought forward at 1 January 2016		2,764,831	5,431,408	363,909	8,560,148	8,185,135
Fund balances carried forward at 31 December 2016		3,374,718	5,260,897	455,669	9,091,284	8,560,148

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.

The British Horse Society

SOCIETY STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)

for the year ended 31 December 2016

	Notes	Unrestricted funds £	Designated Fund £	Restricted funds £	Total 2016 £	Total 2015 £ Restated
Income and endowments from						
Donations, legacies and grants	2	103,490	-	197,085	300,575	444,267
Charitable activities:						
Membership subscriptions	5	7,075,696	-	-	7,075,696	6,516,479
Examinations and other fees		1,581,645	-	13,078	1,594,723	1,629,522
Events		780,106	-	50	780,156	703,449
Other trading activities:						
Trading income		31,696	-	-	31,696	24,892
Advertising		7,082	-	-	7,082	2,139
Commission received		48,523	-	-	48,523	63,839
Challenge rides		-	-	141,263	141,263	161,029
Other income	3	241,034	-	-	241,034	247,270
Investment income	4	70,732	-	-	70,732	68,528
Total		9,940,004	-	351,476	10,291,480	9,861,414
Expenditure on						
Raising funds	7	558,590	-	136,654	695,244	650,883
Charitable activities	7	9,050,668	331,319	125,740	9,507,727	8,837,148
Total expenditure		9,609,258	331,319	262,394	10,202,971	9,488,031
Net gains on investments		303,883	-	-	303,883	1,630
Net income/(expenditure)		634,629	(331,319)	89,082	392,392	375,013
Transfers between funds	15,16	(163,486)	160,808	2,678	-	-
Net movement in funds		471,143	(170,511)	91,760	392,392	375,013
Reconciliation of funds						
Fund balances brought forward at 1 January 2016		2,754,704	5,431,408	363,909	8,550,021	8,175,008
Fund balances carried forward at 31 December 2016		3,225,847	5,260,897	455,669	8,942,413	8,550,021

The British Horse Society

BALANCE SHEETS

31 December 2016

Company Registration No: 00444742

		Group		Society	
	Notes	31 December 2016 £	31 December 2015 £ Restated	31 December 2016 £	31 December 2015 £ Restated
FIXED ASSETS					
Intangible fixed assets	9	599,994	-	599,994	-
Tangible fixed assets	10	3,833,467	4,187,301	3,833,467	4,187,301
Investments	11	2,408,368	2,088,364	2,413,369	2,093,365
		6,841,829	6,275,665	6,846,830	6,280,666
CURRENT ASSETS					
Stock		51,611	76,624	-	-
Debtors	12	1,415,334	1,194,118	1,616,085	1,269,750
Term deposits and investments		2,588,438	2,582,316	2,588,438	2,582,316
Cash at bank and in hand		1,520,322	2,458,764	1,142,760	2,407,742
		5,575,705	6,311,822	5,347,283	6,259,808
CURRENT LIABILITIES					
Creditors due within one year	13	2,995,250	3,686,339	2,920,700	3,649,453
NET CURRENT ASSETS		2,580,455	2,625,483	2,426,583	2,610,355
Creditors due after more than one year	13	331,000	341,000	331,000	341,000
NET ASSETS		9,091,284	8,560,148	8,942,413	8,550,021
PRESENTED BY					
Restricted funds	15	455,669	363,909	455,669	363,909
Unrestricted funds					
Designated Funds	16	5,260,897	5,431,408	5,260,897	5,431,408
Other charitable funds	17	3,225,847	2,754,704	3,225,847	2,754,704
Non-charitable trading funds	17	148,871	10,127	-	-
Total reserves		9,091,284	8,560,148	8,942,413	8,550,021

The financial statements were approved and authorised for issue by the Board on 14th JUNE 2017 and are signed on its behalf by:

David Sheerin
Chairman

Christine Blackford
Director

The British Horse Society
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2016

	2016 £	2015 £ Restated
Cash flows from operating activities:		
Net cash (used in)/ provided by operating activities	(380,560)	1,010,851
Cash flows from investing activities:		
Interest from investments	70,732	68,787
Purchase of intangible fixed assets	(570,927)	(93,964)
Purchase of tangible fixed assets	(35,444)	(125,440)
Purchase of investments	(16,121)	(2,035,459)
Net cash (used in) investing activities	(551,760)	(2,186,076)
Change in cash and cash equivalents in the reporting period	(932,320)	(1,175,225)
Cash and cash equivalents at the beginning of the reporting period	5,041,080	6,216,305
Cash and cash equivalents at the end of the reporting period	4,108,760	5,041,080
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	531,136	375,013
Adjustments for:		
Depreciation and amortisation charges	360,211	756,621
Interest from investments	(70,732)	(68,787)
(Gains) from investments	(303,883)	(1,630)
Decrease in stocks	25,013	32,758
(Increase) in debtors	(221,216)	(120,574)
(Decrease)/increase in creditors	(701,089)	37,450
Net cash (used in)/provided by operating activities	(380,560)	1,010,851

	As at 1 January 2016 £	Cash flows £	Other charges £	As at 31 December 2016 £
Analysis of changes in cash and cash equivalents				
Cash at bank	2,458,764	(938,442)	-	1,520,322
Short term deposits	2,582,316	6,122	-	2,588,438
	5,041,080	(932,320)	-	4,108,760

The British Horse Society
SOCIETY STATEMENT OF CASH FLOWS
For the year ended 31 December 2016

	2016 £	2015 £ Restated
Cash flows from operating activities:		
Net cash (used in)/ provided by operating activities	(707,100)	1,320,559
Cash flows from investing activities:		
Interest from investments	70,732	33,328
Purchase of intangible fixed assets	(570,927)	(93,964)
Purchase of tangible fixed assets	(35,444)	(125,440)
Purchase of investments	(16,121)	(2,035,459)
Net cash (used in) investing activities	(551,760)	(2,221,535)
Change in cash and cash equivalents in the reporting period	(1,258,860)	(900,976)
Cash and cash equivalents at the beginning of the reporting period	4,990,058	5,891,034
Cash and cash equivalents at the end of the reporting period	3,731,198	4,990,058
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	392,392	375,013
Adjustments for:		
Depreciation and amortisation charges	360,211	756,621
Interest from investments	(70,732)	(33,328)
(Gains) from investments	(303,883)	(1,630)
(Increase)/decrease in debtors	(346,335)	198,382
(Decrease)/increase in creditors	(738,753)	25,501
Net cash (used in)/provided by operating activities	(707,100)	1,320,559

Analysis of changes in cash and cash equivalents	As at 1 January 2016 £	Cash flows £	Other charges £	As at 31 December 2016 £
Cash at bank	2,407,742	(1,264,982)	-	1,142,760
Short term deposits	2,582,316	6,122	-	2,588,438
	4,990,058	(1,258,860)	-	3,731,198

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The British Horse Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below:

Basis of Consolidation

The group accounts consolidate the financial statements of the Society and its trading subsidiary undertakings. Intra-group transactions, profits and balances 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.

Income

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, inclusive of membership income, 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 receivable.

Subscriptions

Annual subscriptions are recognised and time apportioned on a monthly basis. A proportion of life memberships are deferred. This deferral is calculated with reference to estimated remaining years to expiry.

Legacies and Donations

Credit for income arising under these headings is taken in the year in which the amount can be assessed with reasonable probability. 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 where the amount is required to be held.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and assessment of examiners.
- Expenditure on charitable activities includes the costs of exams, events and providing membership services.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

Support costs are those costs incurred directly in support of expenditure on the objectives of the charity and are allocated on the basis of headcount attributable to the department.

Intangible and tangible Fixed Assets

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 straight line basis to write off their cost over their expected useful lives. Intangible fixed assets are capitalised in respect of project related software and development costs and are written off once commissioned over their expected useful lives. The annual rates applied to the principal items are:

Freehold buildings	25 years
Fixtures and fittings	3-5 years
Motor vehicles	4 years
Computer equipment	3 years
Database and technology assets	3 years

Freehold land is not depreciated

Operating Leases

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

Defined Contribution Pension Scheme

The Society operates money purchase pension schemes which all employees may join after having served for a qualifying period. Both the Society and the employee make defined contributions to purchase the employees individual pension. All such contributions are held in separate trust funds which are independent of the Society's finances. The pension costs charged against the Society's results represent the amount of the Society's contributions payable to the schemes in respect of the accounting period.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The Society is a Registered Charity and undertakes activities which, under present legislation, are not subject to Corporation Tax. The Society's subsidiaries are not Registered Charities and undertake trading activities within the meaning of the Taxes Acts and are liable to Corporation Tax. However the subsidiaries gift aid all their taxable profits to the Society. As a consequence no provision is made for the payment of Corporation Tax either current or deferred.

Stocks

Stocks on hand of consumables and items for resale are stated at the lower of cost and estimated net realisable value. Net realisable value is based upon estimated selling prices less cost of disposal. Provision is made for obsolete and slow moving items.

Investments

Current asset investments include short term deposits held at UK banks.

Listed investments are included at fair value; the movement in listed investments is shown through the statement of financial activities.

Investments in subsidiary companies are included at cost.

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

Debtors

Trade and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and Bank Balances

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

Trade Creditors and Liabilities

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Liabilities are recognised when either a constructive or legal obligation exists.

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 the 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.

Going Concern

The trustees consider that the charity has adequate funds to meet anticipated future objectives.

Financial Instruments

The group and charity only have financial assets of a kind which qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their settlement value.

Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are appropriate critical accounting estimates and assumptions made in determining the deferred proportion of life memberships.

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

2 Donations, legacies and grants

	Group		Society	
	2016	2015	2016	2015
	£	£	£	£
Donations received include:				
The Worshipful Company of Saddlers and the Kaye's and Labourne's Charity	20,000	-	20,000	-
The Kate Wightman Trust	10,000	-	10,000	-
Mrs P MacNamara	-	39,209	-	39,209
Qualifying donations from subsidiaries	-	-	-	124,786
Legacies received include:				
Mrs MVP Ashton (deceased)	28,330	-	28,330	-
Grants received include:				
British Equestrian Federation	55,553	110,550	55,553	110,550
Scottish National Heritage	18,413	-	18,413	-
The Worshipful Company of Saddlers	44,400	-	44,400	-
Other donations, legacies and grants received	123,879	213,819	123,879	169,722
	<hr/>	<hr/>	<hr/>	<hr/>
	300,575	363,578	300,575	444,267
	<hr/>	<hr/>	<hr/>	<hr/>

3 Other income

	Group		Society	
Group	2016	2015	2016	2015
	£	£	£	£
Raffle income	-	30,932	-	30,932
Other income (includes consultancy, service charges and miscellaneous items)	168,603	143,592	168,603	139,526
Rental income	70,631	66,063	72,431	66,063
Other branch income	-	10,749	-	10,749
	<hr/>	<hr/>	<hr/>	<hr/>
	239,234	251,336	241,034	247,270
	<hr/>	<hr/>	<hr/>	<hr/>

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

4 Income from investments

	Group		Society	
	2016	2015	2016	2015
	£	£	£	£
Income from listed investments	19,224	35,459	19,224	35,459
Interest receivable	51,508	33,328	51,508	33,069
	<u>70,732</u>	<u>68,787</u>	<u>70,732</u>	<u>68,528</u>

5 Membership income

	Group		Society	
	2016	2015	2016	2015
	£	£	£	£
		Restated		Restated
During the year ended 31 December membership subscriptions after provision for deferred life membership income were:	6,286,682	5,847,302	6,286,682	5,859,931
In the same period, gift aid was claimed amounting to:	789,014	656,548	789,014	656,548
	<u>7,075,696</u>	<u>6,503,850</u>	<u>7,075,696</u>	<u>6,516,479</u>

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

6 Subsidiary companies

The Society has two wholly owned trading subsidiaries, which are 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. Equestrian Qualifications GB Limited undertakes assessment of examiners and covenants its taxable profits to the Society.

The trading results of each Subsidiary are included within the consolidated accounts. Audited accounts have been filed with the Registrar of Companies. A summary of the results of each subsidiary is shown below:

The British Horse Society (Trading Company) Limited	2016	2015
	£	£
Turnover	634,310	619,841
Less: Cost of Sales	(601,929)	(610,490)
Finance income	-	259
	<hr/>	<hr/>
Profit for the year	32,381	9,610
	<hr/>	<hr/>
Gift Aid to charity	-	9,610
	<hr/>	<hr/>
The aggregate of assets, liabilities and funds		
Assets	418,141	205,038
Liabilities	370,633	189,911
	<hr/>	<hr/>
Net funds	47,508	15,127
	<hr/>	<hr/>
Equestrian Qualifications GB Limited	2016	2015
	£	£
Turnover	287,149	319,888
Less: Cost of Sales	(180,787)	(204,712)
	<hr/>	<hr/>
Profit for the year	106,362	115,176
	<hr/>	<hr/>
Gift Aid to charity	-	115,176
	<hr/>	<hr/>
The aggregate of assets, liabilities and funds		
Assets	114,866	28,413
Liabilities	8,503	28,412
	<hr/>	<hr/>
Net funds	106,363	1
	<hr/>	<hr/>

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

7 Analysis of total expenditure

Group	Activities Undertaken directly £	Support costs £	Designated Funds £	Restricted Funds £	Total 2016 £
Expenditure on raising funds in 2016					
Fundraising, trading, costs of goods and other costs	944,340	216,179	-	136,654	1,297,173
Expenditure on charitable activities in 2016					
Membership services	2,668,441	1,232,223	190,001	70,490	4,161,155
Training, examinations and approvals	1,976,603	1,232,223	54,623	24,937	3,288,386
Safety, Access and Welfare	603,120	540,448	70,496	28,892	1,242,956
Events	570,895	172,943	16,199	1,421	761,458
Total charitable activities	5,819,059	3,177,837	331,319	125,740	9,453,955
Total expenditure	6,763,399	3,394,016	331,319	262,394	10,751,128
Society	Activities Undertaken directly £	Support costs £	Designated Funds £	Restricted Funds £	Total 2016 £
Expenditure on raising funds in 2016					
Fundraising, trading, costs of goods and other costs	342,411	216,179	-	136,654	695,244
Expenditure on charitable activities in 2016					
Membership services	2,668,441	1,232,223	190,001	70,490	4,161,155
Training, examinations and approvals	2,030,375	1,232,223	54,623	24,937	3,342,158
Safety, Access and Welfare	603,120	540,448	70,496	28,892	1,242,956
Events	570,895	172,943	16,199	1,421	761,458
Total charitable activities	5,872,831	3,177,837	331,319	125,740	9,507,727
Total expenditure	6,215,242	3,394,016	331,319	262,394	10,202,971

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

7 Analysis of total expenditure (continued)

Group (2015)	Activities Undertaken directly £	Support costs £	Designated Funds £	Restricted Funds £	Total 2015 £
Expenditure on raising funds in 2015					
Fundraising, trading, costs of goods and other costs	845,615	171,906	105,735	142,897	1,266,153
Expenditure on charitable activities in 2015					
Membership services	2,896,416	705,842	138,588	102,801	3,843,647
Training, examinations and approvals	1,379,641	926,310	249,431	12,463	2,567,845
Safety, Access and Welfare	506,854	225,595	53,816	15,504	801,769
Events	784,231	695,588	135,665	5,384	1,620,868
Total charitable activities	5,567,142	2,553,335	577,500	136,152	8,834,129
Total expenditure	6,412,757	2,725,241	683,235	279,049	10,100,282
Society (2015)	Activities Undertaken directly £	Support costs £	Designated Funds £	Restricted Funds £	Total 2015 £
Expenditure on raising funds in 2015					
Fundraising, trading, costs of goods and other costs	236,403	165,848	105,735	142,897	650,883
Expenditure on charitable activities in 2015					
Membership services	2,951,131	684,954	138,588	102,801	3,877,474
Training, examinations and approvals	1,403,507	898,897	249,431	12,463	2,564,298
Safety, Access and Welfare	506,854	218,920	53,816	15,504	795,094
Events	784,231	675,002	135,665	5,384	1,600,282
Total charitable activities	5,645,723	2,477,773	577,500	136,152	8,837,148
Total expenditure	5,882,126	2,643,621	683,235	279,049	9,488,031

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

7 Analysis of total expenditure (continued)

Support Cost Breakdown by Activity

Group and Society	Fundraising £	Membership £	Exams & Training £	Safety £	Events £	Total 2016 £
Management	27,213	155,112	155,112	68,030	21,770	427,237
Finance	51,566	293,926	293,926	128,914	41,253	809,585
IT	49,877	284,298	284,298	124,692	39,901	783,066
Facilities	27,893	158,990	158,990	69,732	22,314	437,919
HR	18,078	103,042	103,042	45,194	14,462	283,818
Marketing and communications	41,554	236,855	236,855	103,884	33,243	652,391
	216,181	1,232,223	1,232,223	540,446	172,943	3,394,016

Support Cost Breakdown by Activity

Group (2015)	Fundraising £	Membership £	Exams & Training £	Safety £	Events £	Total 2015 £
Management	10,073	41,603	54,598	13,297	41,000	160,571
Media and Public liaison	18,326	75,685	99,326	24,190	74,586	292,113
Finance	21,809	85,942	112,785	27,468	84,693	332,697
HR	12,651	52,249	68,568	16,699	51,490	201,657
Computer services	45,297	187,077	245,510	59,792	184,358	722,034
Facilities	16,283	67,248	88,253	21,493	66,271	259,548
Depreciation	47,467	196,038	257,270	62,656	193,190	756,621
	171,906	705,842	926,310	225,595	695,588	2,725,241
Society (2015)						
Management	6,560	27,094	35,557	8,660	26,700	104,571
Media and Public liaison	18,228	75,281	98,795	24,061	74,188	290,553
Finance	19,366	79,981	104,963	25,563	78,818	308,691
HR	12,651	52,249	68,568	16,699	51,490	201,657
Computer services	45,297	187,077	245,510	59,792	184,358	722,034
Facilities	16,279	67,234	88,234	21,489	66,258	259,494
Depreciation	47,467	196,038	257,270	62,656	193,190	756,621
	165,848	684,954	898,897	218,920	675,002	2,643,621

Included in support costs above are Governance costs of £67,277 (2015: £70,438) which include Chairman, Trustee and CEO expenses £34,370 (2015: £54,288) and Legal, professional and audit fees of £32,907 (2015: £16,150).

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

7 Analysis of total expenditure (continued)

	Group		Society	
	2016	2015	2016	2015
	£	£	£	£
Total expenditure includes:				
Auditors remuneration				
for audit work	22,188	18,150	19,188	16,150
for non-audit work	8,950	1,950	8,950	1,950
Operating leases				
for land and buildings	27,070	27,070	27,070	27,070
for plant and machinery	30,428	30,428	30,428	30,428

8 Trustees and employees

No remuneration is paid to any Trustee by virtue of his or her position on the Board with the exception of the Chairman. The Society has paid the Chairman remuneration as approved by the Charity Commissioner and resolution of Trustees dated 22 June 2006.

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

Group and Society	2016	2015
	£	£
The cost of travel and subsistence reimbursed to 12 (2015: 12) Trustees during the year amounted to:	23,638	24,136
Chairman's remuneration:		
C Aldridge	5,104	7,656
D Sheerin	3,190	-
Trustees were paid fees for examinations and other services carried out as follows:		
D Tranter	88	-
M Norrie	737	-
D Sheerin	44	142
F Hodges	7,672	3,854
H Hardy	128	-

Payment for examinations is specifically permitted by the Charity's Memorandum and Articles of Association. Following liaison with the Charity Commissioner, the Governing Documents have been amended to specifically allow payments to Trustees for other services unrelated to their duties as Trustees.

The total compensation including employer's national insurance and pension contributions payable to key management personnel of the charity was £882,258 (2015: £627,639).

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

8 Trustees and employees (continued)

Staff costs

Group	2016 £	2015 £
Salaries and wages	3,305,229	2,853,877
Social Security costs	308,476	270,496
Pension costs	180,580	181,349
Other costs and employee benefits	104,323	76,912
	<hr/>	<hr/>
Total	3,898,608	3,382,634
	<hr/>	<hr/>

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently audited and administered fund. The pension cost charge represents the contributions payable by the Society to the fund. Other costs and employee benefits include medical benefits and engagement expenses. In the year £17,011 (2015: £31,522) was paid by way of redundancy or termination payments to leavers.

The number of employees whose emoluments as defined for taxation purposes amounted to more than £60,000 in the year was as follows:

	2016 No.	2015 No.
£140,001 - £150,000	1	1
£80,001 - £90,000	1	1
£70,001 - £80,000	1	2
£60,001 - £70,000	3	-

The items used to determine the above values are the gross salary, employer's contribution for life cover, and the taxable value of benefits in kind. An amount of £41,193 (2015: £22,585) was contributed to a defined contribution pension scheme for the 6 (2015: 4) employees whose emoluments exceeded £60,000.

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

	2016 No.	2015 No.
Charitable activities	103	91
Cost of generating funds	5	7
	<hr/>	<hr/>
	108	98
	<hr/>	<hr/>

In accordance with the Charities SORP (FRS102) the benefit to the charity provided by general volunteers is not reflected in the Statement of Financial Activities. Each and every volunteer is valued by the BHS. Some volunteer a day a year with us, while others devote hours on a regular basis, or indeed provide full-time support. We want to say a huge thank you to them all and express our gratitude to each and every one of our volunteers who support our essential work in Welfare, Access, Communications, Safety, Education and Fundraising.

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

9 Intangible Fixed Assets				
Group and Society	Education Software	Membership Software	Other IT related Projects	Total
	£	£	£	£
Cost				
At 31 December 2015	-	-	-	-
Reclassification	35,820	42,605	15,539	93,964
Additions	230,728	158,244	181,955	570,927
At 31 December 2016	266,548	200,849	197,494	664,891
Amortisation				
At 31 December 2015	-	-	-	-
Reclassification	2,816	1,448	2,741	7,005
Charges for the year	11,940	26,824	19,128	57,892
At 31 December 2016	14,756	28,272	21,869	64,897
Net Book Value				
As at 31 December 2016	251,792	172,577	175,625	599,994
As at 31 December 2015	-	-	-	-

All intangible fixed assets developed and owned by the Society are used or intended for use for direct charitable purposes. All categories and classifications of intangible fixed assets were reviewed in the year in order to best reflect the assets use and nature. Amortisation of intangible fixed assets is charged against charitable activities.

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

10 Tangible Fixed Assets					
Group and Society	Database	Freehold	Computer	Fixtures &	Total
	£	Property	Equipment	Fittings	£
		£	£	£	£
Cost					
At 31 December 2015	415,265	4,707,147	1,191,341	1,886,769	8,200,522
Reclassification	-	-	1,271,766	(1,365,730)	(93,964)
Additions	-	-	33,759	1,685	35,444
Disposals	(415,265)	-	(1,191,341)	(117,573)	(1,724,179)
At 31 December 2016	-	4,707,147	1,305,525	405,151	6,417,823
Depreciation					
At 31 December 2015	415,265	840,420	1,191,341	1,566,195	4,013,221
Reclassification	-	-	1,063,849	(1,070,854)	(7,005)
Charges for the year	-	176,032	112,605	13,682	302,319
Disposals	(415,265)	-	(1,191,341)	(117,573)	(1,724,179)
At 31 December 2016	-	1,016,452	1,176,454	391,450	2,584,356
Net Book Value					
As at 31 December 2016	-	3,690,695	129,071	13,701	3,833,467
As at 31 December 2015	-	3,866,727	-	320,574	4,187,301

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.

All categories and classifications of tangible fixed assets were reviewed in the year in order to best reflect the assets use and nature.

11 Fixed Asset Investments

	Group		Society	
	2016	2015	2016	2015
	£	£	£	£
Listed investments	2,408,368	2,088,364	2,408,368	2,088,364
Shares in subsidiary undertakings	-	-	5,001	5,001
	2,408,368	2,088,364	2,413,369	2,093,365

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

11 Fixed Asset Investments (continued)

Listed investments

	Brought forward £	Additions £	Disposals £	Gains £	Carried forward £
Group and Society					
M&G Charifund	998,302	-	-	124,186	1,122,488
McInroy & Wood HG Investment	1,038,940	16,121	-	176,077	1,231,138
M&G Charifund (Committee funds)	51,122	-	-	3,620	54,742
Total listed investments	2,088,364	16,121	-	303,883	2,408,368

	2016 £	2015 £
Listed investments at cost	2,106,211	2,087,359

Shares in subsidiary undertakings

Society	2016 £	2015 £
Shares in subsidiary undertakings at 31 December at cost	5,001	5,001

The Society owns the entire ordinary share capital of The British Horse Society (Trading Company) Limited and Equestrian Qualifications GB Limited which are both incorporated in England and Wales.

12 Debtors

	Group		The Society	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	188,786	226,324	90,900	122,782
Amounts due from subsidiary undertakings	-	-	298,637	181,437
VAT	152,915	36,009	152,915	36,009
Other debtors	36,342	78,313	36,342	76,156
Prepayments and accrued income	1,037,291	853,472	1,037,291	853,366
	1,415,334	1,194,118	1,616,085	1,269,750

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

13 Creditors

	Group		The Society	
	2016	2015	2016	2015
	£	£	£	£
		Restated		Restated
Creditors due within one year:				
Trade creditors	576,657	1,152,903	513,873	1,122,199
Amount due to subsidiary	-	-	5,950	-
Deferred income	2,052,616	2,124,497	2,052,616	2,124,497
Taxation and social security	103,381	97,569	89,553	97,569
Accrued expenditure	255,958	235,780	252,070	229,598
Other creditors	6,638	75,590	6,638	75,590
	2,995,250	3,686,339	2,920,700	3,649,453
Creditors due after more than one year:				
Deferred income	331,000	341,000	331,000	341,000
Of the above the following will fall due:				
In 2 to 5 years:	40,000	40,000	40,000	40,000
In over 5 years:	291,000	301,000	291,000	301,000
Deferred income				
		Creditors due within one year	Creditors due after more than one year	Total
		year	£	
Group and Society				
Balance at 1 January 2016 (restated)		2,124,497	341,000	2,465,497
Amount released to incoming resources		(2,124,497)	(10,000)	(2,134,497)
Amount deferred in the year		2,052,616	-	2,052,616
Balance at 31 December 2016		2,052,616	331,000	2,383,616

Deferred income comprises subscriptions and fees received in advance including amounts in respect of life memberships.

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 TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

15 Restricted Funds

Group and The Society	At 1st January 2016 £	Income £	Expenditure £	Transfers Between Reserves £	At 31st December 2016 £
Access Fighting	64,424	662	-	-	65,086
Bodynfoel Award	11,332	-	-	-	11,332
Castration Clinics	-	10,414	(1,960)	-	8,454
Challenge Rides	33,622	141,287	(136,654)	-	38,255
Changing Lives through Horses	-	47,107	(2,837)	12,000	56,270
Elise Pilkington Charitable Trust	10,521	-	-	-	10,521
Faith, Hope and Charity	34,327	8	(1,362)	11	32,984
Helping Horses	-	25,058	(85)	-	24,973
Irene Heppell York	14,784	-	-	-	14,784
Livery Yard project	21,365	55,061	(66,221)	-	10,205
Paths For Communities	4,252	6,809	-	396	11,457
Responsible Breeding	20,533	-	-	-	20,533
Road Safety	12,900	139	(55)	(1,383)	11,601
Saddlers Riding Opportunities	20,312	-	(1,400)	(12,000)	6,912
Saddlers Training	6,596	26,100	(18,300)	-	14,396
Scottish National Heritage Multi Use Audits	-	13,413	(13,413)	-	-
UK Coaching Certificate Level 4 Alumni	-	13,078	-	-	13,078
Year of the Horse Development	24,619	-	-	-	24,619
Other funds: All balances of £10,000 or less or less than £10,000 income in year	84,322	12,340	(20,107)	3,654	80,209
	363,909	351,476	(262,394)	(2,678)	455,669

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

Bodynfoel Award Fund and the interest thereon finances the annual award to an individual who has done the most in the previous 12 months to forward the Society's objectives.

Castration Clinics Fund was established to hold castration clinics as part of the BHS welfare programme.

Challenge Rides Fund was created for welfare assistance and training.

Changing Lives through Horses aims to improve the lives of young people who are disengaged and at risk of becoming excluded, using horses as the inspiration for change.

Elise Pilkington Charitable Trust donated towards our castration initiative, which is helping to tackle the UK Horse Crisis.

Faith, Hope and Charity Fund must go towards supporting Faith, Hope and Charity and 'other ponies' like them.

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

15 Restricted Funds (continued)

Helping Horses is designed to change the behaviour, through education, of people who do not look after their horses properly.

Irene Heppell York Fund was established in 2000 to provide for the welfare of aged horses in the York area.

Livery Yard Project Fund is to provide advice and support for recreational riders to keep them retained in equestrianism.

Paths for Communities Fund is for bringing equestrian routes into use.

Responsible Breeding is a programme designed to tackle overbreeding through education.

Road Safety fund is a fund to facilitate research of safety for the ridden or driven horse.

Saddlers Riding Opportunities Fund is to provide the opportunity for children with severely disadvantaged backgrounds to ride at a BHS Approved Centre.

Saddlers Training Fund provides the annual grant for specific training activities held by the British Horse Society and other riding disciplines.

Scottish National Heritage Multi Use Audits grant was used to finance a review of the use of Scotland's Great Trails.

UK Coaching Certificate Level 4 Alumni Fund supports candidates to further their coaching qualifications.

The Year of the Horse Development Fund encourages 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.

16 Designated Funds

Group and The Society	At 1 January 2016 £	Expenditure £	Transfers Between Reserves £	At 31 December 2016 £
2026	10,000	(777)	10,000	19,223
Access Dedication	23,875	(2,732)	-	21,143
BHS App	60,000	-	-	60,000
BHS as an Influential Organisation	-	-	30,000	30,000
Bursaries	250,000	(538)	(3,643)	245,819
Capital Reserve	3,865,227	(176,032)	-	3,689,195
Castration 2015	54,434	(7,597)	5,009	51,846
Education Booking Online	281,232	(11,940)	-	269,292
Exams Relaunch	250,000	(42,145)	-	207,855
Field Officer – Access	36,550	-	-	36,550
Field Officer - Participation	40,000	(16,220)	-	23,780
Field Officer - Welfare	40,000	(8,825)	-	31,175
Forever for the Horse	134,314	(107)	74,905	209,112
Government Action	30,000	-	-	30,000
Horse Accident Website	-	-	20,000	20,000
IT Projects	292,600	(13,969)	-	278,631
Paths For Communities	-	(4,054)	23,154	19,100
PCM Barnes	18,176	-	-	18,176
Think Horse	45,000	(46,383)	1,383	-
	5,431,408	(331,319)	160,808	5,260,897

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

16 Designated Funds (continued)

2026 Fund facilitates the obtaining and digitising of historical map evidence, the research of historic equestrian routes and the submission of definitive map modification orders.

Access Dedication Fund provides for support and acquisition of strategic bridleway access.

BHS App Fund has been designated to provide funds for development of a BHS mobile phone application.

BHS as an Influential Organisation is a fund established for increased presence at party political conferences and other forums.

Bursaries Fund is earmarked for the support of education and training bursary activity.

Capital Reserve Fund represents an amount equal to the Net Book Value of the HQ Freehold Property.

Castration 2015 Fund was set aside is to deliver castration related activities.

Education Booking Online Fund is for the development of our web based education offer.

Exams Relaunch Fund is for the redevelopment of BHS qualifications.

Field Officer Funds provide a visible local presence for our Access, Participation and Welfare programmes.

Forever for the Horse Fund is to support tackling specific equine welfare, education and access issues as they arise.

Government Action Fund provides for lobbying at national level.

Horse Accident Website Fund is for the improvement of information and functionality of the Horse Accident website.

IT Projects Fund is for the improvement and enhancement of IT related projects.

Paths for Communities Fund is for bringing equestrian routes into use.

PCM Barnes Fund is for various purposes including the renovation of library resources and support for disadvantaged children, projects and training.

Think Horse Fund provides for safety campaigning.

Transfers between reserves (Unrestricted, restricted and designated)

A complete review took place during the year leading to some reclassifications and transfers.

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

17 Other unrestricted funds

Group and The Society	Group 2016 £	Group 2015 £ Restated	The Society 2016 £	The Society 2015 £ Restated
Charitable funds:				
At 31 December 2015	2,754,704	2,731,915	2,754,704	2,731,915
Prior year adjustment (note 18)	-	(350,000)	-	(350,000)
As restated	2,754,704	2,381,915	2,754,704	2,381,915
Net Income and Expenditure	634,629	1,009,228	634,629	1,009,228
Transfer to designated and restricted funds	(163,486)	(636,439)	(163,486)	(636,439)
At 31 December 2016	3,225,847	2,754,704	3,225,847	2,754,704
Non-charitable trading funds				
At 31 December 2015	10,127	10,127	-	-
Result for the year	138,744	-	-	-
At 31 December 2016	148,871	10,127	-	-

18 Prior Year Adjustment

The Society has changed its accounting policy for life memberships. Previously such memberships were credited in full to income within unrestricted charitable funds in the year of receipt. The trustees have decided that life memberships are now subject to a deferral which recognises a reasonable expectation of the value of remaining years to expiry.

The level of deferred income in respect of Life Memberships at 31 December 2014, 31 December 2015, 31 December 2016 and 31 December 2017 has been calculated at £398,000, £350,000, £341,000 and £331,000 respectively. This gives rise to an adjustment to opening reserves at 1 January 2016 reflected in Note 17 above. This adjustment has been recognised and reflected in the Statement of Financial Activities, Balance Sheet, Statement of Cashflows and notes relating to Accounting Policies, Membership Income and Creditors in which all comparative figures have been restated.

The British Horse Society
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2016

19 Analysis of group net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 December 2016 are represented by:			
Intangible fixed assets	599,994	-	599,994
Tangible fixed assets	3,833,467	-	3,833,467
Fixed asset investments	2,408,368	-	2,408,368
Term deposits and current asset investments	2,588,438	-	2,588,438
Cash at bank and in hand	1,064,653	455,669	1,520,322
Other current assets	1,466,945	-	1,466,945
Creditors	(3,326,250)	-	(3,326,250)
Total net assets	8,635,615	455,669	9,091,284

20 Guarantees and other financial commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

Group and Society	2016 £	2015 £
Payments within one year:		
for land and buildings	27,070	27,070
for plant and machinery	28,989	30,428
	56,059	57,498
Payments within two to five years:		
for land and buildings	13,535	40,605
for plant and machinery	48,283	72,179
	61,818	112,784
Payments after more than five years		
for land and buildings	-	-
for plant and machinery	-	1,506
	-	1,506

The British Horse Society

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

21 Related party transactions

The British Horse Society owns 100% of the share capital of The British Horse Society (Trading Company) Limited and Equestrian Qualifications GB Limited.

Transactions with The British Horse Society (Trading Company) Limited were as follows:

	2016	2015
	£	£
Gift aid income	-	9,610
Intercompany trade and recharges	142,999	183,599
Amounts due to subsidiary	298,637	165,247

Transactions with Equestrian Qualifications GB Limited were as follows:

	2016	2015
	£	£
Gift aid income	-	115,176
Intercompany trade and recharges	230,599	30,917
Amounts due from subsidiary	5,950	-
Amounts due to subsidiary	-	16,190

Transactions with Trustees are included within note 8.