

THE BRITISH HORSE SOCIETY

(Company Registration Number 00444742)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



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BUCKINGHAM PALACE

The British Horse Society's Annual Report and Financial Statements for 2021 effectively demonstrate the Society's emergence from the challenges of the pandemic with a strong platform for the future. As we increasingly return to the pastimes, activities and events that we love, and have so missed, the British Horse Society will more than ever be a trusted source of advice and support for the equestrian community. I believe the extra resilience, experience and knowledge it has gained over the last couple of years will add immeasurably to what it does.

I was fortunate to experience the work of the Society first-hand during 2021. In September I was invited to one of the Society's Healthcare and Education Clinics, a pioneering educational initiative to combat the horse welfare crisis, prevent overbreeding and to facilitate compliance with equine identification legislation. These clinics, so ably supported by the volunteer vets from the British Equestrian Veterinary Association, build relationships with local communities and provide healthcare and awareness where it may otherwise not be available or sought.

I was also delighted to attend the Society's Annual Awards in November, at Newbury Racecourse, to recognise the achievements of the volunteers and supporters which make such a positive contribution to the charity's work. It was wonderful to be able to celebrate the Award recipients for both 2020 and 2021, and to experience one of the Society's hugely enjoyable Charity Race Days, which are now becoming a regular feature in the equine calendar highlighting the many strands of the Society's activities.

I congratulate the Society's trustees, executive team, volunteers and partners on a successful, impactful year and along with many of the Society's followers I look forward to the 75th Anniversary celebrations commencing later this year.

A handwritten signature in cursive script, appearing to read 'Anne', with a long horizontal flourish extending to the right.

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CHAIRMAN'S STATEMENT

The board of trustees, which also acts as the board of directors for the purposes of the Companies Act, presents the Society's Annual Report and Financial Statements for the year ended 31 December 2021. In doing so the trustees have adopted the provisions and guidance of all relevant legislation and standards.

Looking back, what a challenge the last two years have been. But looking forward, what a position of strength the Society finds itself in. In our introduction to last year's annual report we were able to outline how well the BHS has served its membership and the wider public in response to the most extreme conditions of the pandemic, in the face of national and international hardship and the most sustained attack on livelihoods, health and mental health of modern times.

These challenges continued into and throughout 2021. We built on the experiences and lessons of 2020 and our organisational preparedness ensured we were resilient and proactive and a source of advice and guidance to all equestrians as we steadily emerged from restrictions to a more normal way of life.

As an organisation we continued to adapt to those circumstances, with our employee team working from home and headquarters in whichever combination and proportion worked best for their particular specialism, department, customers and stakeholders. Throughout, we have prioritised the safety and wellbeing of our people wherever they are located. Our technology has stood the test, and we were able to engage our committees, advisory groups and many other audiences in a hybrid of video calls and face to face meetings. While we will retain the practical, virtual platform, being able to engage with our members in a more personal way has been one of the positive themes of 2021, which has happily continued into 2022.

As the situation was evolving for the nation as a whole, it was for the Society too. The trustees continued the strategy of applying BHS resources where they were needed most. In the following pages you will be able to read in detail the areas where we have made an impact over the year and into 2022.

Our Hardship Fund, initiated in 2020, continued throughout the first quarter of the year to provide feed and forage, bedding, farriery and essential veterinary treatment for horses and ponies in BHS Riding Schools and Centres. As activities started to open up more, our main support mechanism then became our own version of Bounce Back Grants – to support the return to participation across the industry and the enhancement of equipment and facilities available in BHS accredited venues.

We have again risen to the challenge to identify, maintain and promote safe areas to ride.

Our Safety Department continues to work collaboratively with many agencies and authorities – promoting the rights of, and seeking to improve the experience of horses, ponies and riders when using the national road network. Following on from the successful introduction of the Horse i app, an innovative tool for reporting horse related road incidents, and the increased awareness through the Dead Slow campaign, we played a vital role in formulating the proposals for the recognition of vulnerable road users within The Highway Code that went to Parliament in December of 2021, which became reality when the revised code was issued in March of this year.

Throughout 2021, with the 2026 cut-off date for the recognition of bridleways in England and Wales getting closer, our Access Team accelerated our work to record and save historical bridleways from disappearing. We were on target with our number of applications made in 2021 to ensure those routes were recorded on the definitive map. It was encouraging when the postponement of the deadline was announced in March of this year, but irrespective of the deadline, this valuable work continues.

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CHAIRMAN'S STATEMENT (continued)

Our renewed programme of equine welfare and care events grew with the increased ability to go out and about in the year, visiting communities, building relationships and increasing awareness of the whole range of horse health and wellbeing issues. Add to that our partnership working in terms of research to combat equine diseases, and our impact in this area continues to be significant and pioneering.

Our positive financial performance over the last two years has allowed us to enhance our designated funds and earmark resources for projects and programmes which will build on the impact that is included within this report.

As world events occupy all our minds, the trustees have been conscious of the potential impact on our international work. In recognition of the many practical and logistic challenges we have faced in this area the trustees have understandably decided to consolidate, preserve and protect rather than invest and expand in this area. As we are ruling off on 2021 and 2022's cost of living crisis intensifies in the UK we will undoubtedly be facing new challenges.

I am delighted to report that in the recent trustee elections I was re-elected to the board as a generalist trustee. Also, please join me in congratulating Sally McCarthy and Sarah Simpson who were also re-elected to their roles as Generalist Trustee and Specialist Trustee for Education respectively. We extend a warm welcome to Nicola Greenwood who replaces Fran Mason as Specialist Trustee for Access. A big thank you to Fran who steps down having completed her term of office. We also welcome Beverley Simms, our most recently co-opted trustee who specialises in Equality, Diversity and Inclusion and will lead the development of our work in these areas.

Join me in thanking our trustees, volunteers, members, supporters and partners and our entire staff team as you read through the achievements contained herein.

As we prepare to meet the challenges ahead, the Society certainly has a great platform for the future.



Tim Lord - Chairman
June 2022

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TRUSTEES' REPORT

Status

The British Horse Society is a charitable company incorporated in England. It does not have a share capital and is limited by guarantee. The company is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator.

Objectives

Article 2 within the Society's Articles of Association outline the following charitable objectives:

- to promote and advance the education, training and safety of the public in all matters relating to the horse;
- to promote the use, breeding, well-being, safety, environment, health and management of the horse for the public benefit;
- to promote community participation in healthy recreation involving the horse;
- to 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; and
- to 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, carriage ways, public paths and other land.

For the purpose of the Society's objectives and activities, horse means any member of the family Equidae

Our Vision

Every horse is respected, protected and enjoyed by knowledgeable, caring people.

Our Mission

We are the charity dedicated to knowledge and encouraging people and horses to enjoy life together

Our Values

Horses First	The Horse is at the heart of all we do
One Team	We collaborate with and value our employees, members, supporters and partners
Respect	We are inclusive and deliver with respect, integrity, dedication and passion
Supportive	We support horses and people to enjoy life together safely
Excellence	We strive for excellence in everything we do

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TRUSTEES' REPORT (continued)

Board of Trustees

The Board of Trustees governs the Society and is responsible for the management of the charity's affairs. The Board consists of:

- between seven and nine members elected by the Society's membership;
- up to three co-opted members; and
- the Chairman

Elected members serve a term of office of three years, co-opted members serve a term of office until the next trustee election. Elections are held annually and are structured to elect members to the board with complementary skills and expertise.

Legal Status of Trustees

The Board of Trustees are registered as trustees with the Charity Commission. They are also the statutory directors of the company and as such are registered with Companies House. Throughout this report the term "Trustee" is used to mean "Trustee and Statutory Director of The British Horse Society". The term "Director" is used to mean the senior member of staff in charge of a directorate.

Qualifying third party indemnity provision is in place for all trustees and directors.

Induction of Trustees

Newly elected trustees take part in a comprehensive induction which sets out their duties and responsibilities as Trustees, together with a programme setting out the aims and operations of the Society and its strategic objectives. The Trustees have access to professional and legal advisers and receive briefings and training on any legislative or good practice issues in respect of the Society's affairs.

Board Activity

The Board of Trustees meets a minimum of six times each year, and in addition, meets with the Society's senior staff to set the direction and strategy of the charity. This cycle of meetings establishes, monitors and evaluates the Society's plans; develops strategies for the delivery of the Society's objects; and identifies the resources, financial and human, required to deliver them.

Board Committees

The Society's Articles make provision for three committees with specific rules for their composition, remit and the frequency of meetings:

- Finance Committee
- Audit Committee
- Nomination Committee

The Board may also appoint such other Board or Advisory Committees as shall be considered beneficial to the Society and delegate to it such powers and functions for it to perform its purpose.

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TRUSTEES' REPORT (continued)

Disclosure of Information to Auditor

The Board engage an independent firm of auditors and so far as the trustees are aware there is no relevant audit information of which the charitable company's auditor is unaware, and 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

Trustees' Responsibilities in Respect of the Trustees' Annual Report and Accounts

The Trustees are responsible for preparing the Trustees Annual Report and 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 United Kingdom 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.

Going Concern

The trustees confirm that they consider 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. Further detail is provided in the Going Concern accounting policy on page 31.

Public Benefit

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 objectives of the Society benefit every horse and rider and the public at large.

The Society contributes 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.

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TRUSTEES' REPORT (continued)

Investment Policy

The trustees reviewed and revised the Investment Policy during the year and the key components of the policy are as follows:

- The overall objective is to maintain and grow the purchasing power of the portfolio assets with reference to the Reserves Policy
- The trustees adopt a medium level of risk, with an unwillingness to tolerate permanent losses but with an understanding that target returns may lead to a degree of volatility and short-term fluctuations in value
- The majority of investments should be readily realisable, liquid and traded on recognised exchanges
- The assets are expected to be well diversified by class and geographical spread
- Investment managers are instructed to assess each investment as to its ethical and reputational suitability for inclusion in the Society's portfolio.

Website and Other Media Channels

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website and other media channels. The Trustees are mindful that legislation in the United Kingdom, particularly governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Reserves

The management of the Society's reserves is an integral part of the trustees' overall approach to planning and risk management, and the framing of an appropriate reserves policy is essential to the ongoing delivery of the Society's charitable objectives. In determining a Reserves Policy, the following factors have been considered:

- The requirement for protection against a significant loss in income
- The need to ensure the provision of adequate resource (human and financial) in the event of the need for a period of recovery
- The capability to respond to growth and investment opportunities when the need arises
- The need to sustain a level of professional staff

Reserves Policy

Ultimately, the trustees wish to maintain freely available reserves at a level that enables the charity to withstand a significant loss in revenue. The trustees have identified that the exposure from such a significant loss would be within an operating range of £4.5 million to £6.0 million. The trustees require that cash or assets easily convertible to cash are maintained at that operating range.

The trustees have also identified that the level of non-refundable income deferred into future periods is sufficient to sustain 6 months' worth of staff resource.

In addition, the trustees seek to earmark funds generated in year for programmes and projects to:

- meet an immediate charitable need arising from external economic factors
- assist forward planning of charitable initiatives
- increase the charity's capability to deliver its objectives through improved infrastructure

The level of unrestricted, undesignated reserves at 31 December 2021 is £5,698,000 (2020: £5,610,000) which is within the acceptable range identified by the trustees.

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STRATEGIC REPORT

Although our planned activity for 2021 continued to be curtailed due to the effects of the coronavirus pandemic, we were determined to flex our plans and continue to make an impact in each of our areas of work and across each of the BHS territories. The following pages outline that impact, by department, and identify the beneficiary or stakeholder group where possible.

Access

2021 has seen the Society invest further in its regional Access Team, with the appointment of two more Access Field Officers, one covering our North and North West regions and one covering Wales. We continue in our plans to support Access related activity across all of our regions.

The Society has raised the visibility of equestrian access across the home nations, and we are now able to make representations in respect of many more national and local development plan consultations, as well as planning applications for the inclusion of equestrian access in route proposals and active travel schemes. This work has been promoted to the public and received significant positive response. In fact, the demand for access advice is ever present and our team respond to an average of 1,688 enquiries per week.

Throughout the year we have continued to lobby for parity of access and inclusion when access is being provided. Meetings with Steven Barclay MP, Chief Secretary to the Treasury, George Eustice, Secretary of State Environment, Food and Rural Affairs, Defra and Natural England Officers led to equestrian's inclusion in access and active travel proposals, an extension to the 2026 cut off date, and for equestrian access to be included in the new Environmental Land Management Scheme.

In Wales we wrote to all of the Senedd candidates setting out our access priorities, and continued to contribute to the Wales Access Reform Programme.

Our work in Northern Ireland in 2021 saw the first true multiuser route being opened at Gortin Glen Forest, and at Drumkeeragh Forest, a 200 hectare area of land with waymarked horse trail and multiuser trails. Both of these sites previously operated a permit system, and both sites removed these, enabling free access for equestrians. Drumkeeragh is trialling the first Horse Friendly Vehicle Barrier to be installed in N.I., and the first ever Accessible Mounting block was part funded by the BHS Ride Out Fund and installed in Gortin Glen Forest enabling lesser able riders and those reliant on wheelchairs to have greater support when mounting. A local RDA centre can now lead rides around this forest. The 2022 Access Strategy for Northern Ireland was also published along with the creation of the "Riding Out in Northern Ireland" short video to promote responsible use.

During 2021 BHS Scotland responded to 80 Scottish planning consultations, held 13 days of Ride Out UK (ROUK) rides across the nation and managed a large access caseload on behalf of horse riders and carriage drivers. The Society continues to pursue improving equestrian access through active travel channels, working with other recreational bodies and with Scottish Forestry. The Society has also worked with visitor management projects in Scotland to encourage responsible behaviour in the increasingly busy countryside.

Adrian Bigg, our regional access and bridleway officer for the South West was voted as the Horse and Hound volunteer of the year. Lynda Warth, our county access and bridleways officer was a highly commended Sir Colin Spedding Award finalist in recognition of the sheer scope of the access work she undertakes on behalf of equestrians in Cambridgeshire and around the country.

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STRATEGIC REPORT (continued)

With the pandemic continuing we held the societies first ever virtual UK wide Access Conference hosting 80 delegates which was a great success.

Volunteer support continues to grow with 15 Level 1, 2 or 3 Training Days run throughout the country and 19 webinars, training more than 300 people to have greater impact on protecting access in their area.

Throughout 2021, with the 2026 cut-off date for the recognition of bridleways in England and Wales getting closer, we accelerated our work to record and save historical bridleways from being extinguished. With 973 applications being made in 2021 to record those routes on the definitive map, imagine our delight when the postponement of the deadline was announced in March 2022. Irrespective of the deadline though, this valuable work continues.

Our Ride Out UK campaign in 2021 was a huge success. Despite the continuing pandemic 35 of the 50 planned ROUK events went ahead this year, and along with the Rideathon Challenge, over £24,000 has been raised towards the Ride Out Fund, enabling additional funding for projects which open and enable safe off-road equestrian access throughout the UK.

Education

Whilst COVID restrictions did continue to present difficulties in running assessments in the first four months of 2021, activity recovered significantly thereafter with over 4,500 units taken by candidates for BHS Assessments. BHS Education is definitely back up and running.

Development continued apace with the introduction of our Pony Stars Junior Challenge Awards - a new initiative for under 12s. Introduced in March, the awards comprise 100 topics and are delivered by APCs and BHS Approved Centres. And since, BHS has delivered over 10,000 packs, facilitating over 500,000 challenges for junior riders.

Following on from industry requests we have developed a CPD Risk Awareness Course. Delivered by expert coaches, this three-hour online course is interactive and is aimed to remind coaches about the importance of risk awareness and risk management. The course promoted discussion and engagement and served to bring relatable real-world scenarios to life.

We have developed and piloted an Inclusive Coaching level 3 qualification. This aims to develop a coach's use of soft skills such as communication, language and interpersonal skills, and reflect how the use of these can positively or negatively affect the relationship between the coach and the client. This vital support to enhance the coach's skills and knowledge giving them the tools and confidence to adapt their skills to meet the needs of a wide variety of clients will be rolled out during 2022.

With the stop-start nature of the last two years we felt it important to re-engage with our coach and centre community. We ran a comprehensive programme of Back in Touch Days with 15 face to face events with over 400 coaches attending plus one final virtual event that had 100 participants. We were able to share important updates, engage with coaches and centres, and understand how the pandemic had affected the education landscape.

We have worked with our current first aid providers SkillsBase, to develop an equine specific workshop-style course. It provides support and tools to industry professionals (and volunteers) to support and signpost individuals (both adults and children) who may be experiencing mental health challenges. This covers some of the concerns seen in equestrian such as eating disorders and male suicide. A fantastic course to support anyone in the industry.

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STRATEGIC REPORT (continued)

Fundraising and Associated Initiatives

In 2021 we continued the implementation of the Fundraising Strategy. One of the key objectives is to grow the contribution from Charitable Trusts and Granting Bodies. We have been successful in securing considerable support for the Changing Lives through Horses programme.

We secured a grant from the Road Safety Trust for a joint piece of research with Cycling UK to look at the impact of humanising cyclists and riders to change drivers' attitudes towards them.

An implicit association test has been conducted and is being evaluated by Nottingham Trent University (NTU) to determine the impact of the resulting video. This partnership work, along with Cycling UK will be invaluable as often road safety is disparate with partners working on similar projects, alone. Working together will have greater reach and impact.

We continue to support the Equine Grass Sickness (EGS) project being carried out by the Moredun Foundation. The BHS has committed to raise funds for three years to support the biobank which will be a store of samples collected for research into EGS.

Legacy Giving is another key objective of the Fundraising Strategy. We have implemented a plan of Legacy Days hosted at BHS Approved Riding Schools. This has provided a unique opportunity for individuals considering leaving a legacy to see some of the work of the BHS first-hand. This has included observing young people taking part in the Changing Lives through Horses programme and meeting some of the Second Chance horses and ponies who have been rehabilitated in our riding schools. This approach is proving successful with members pledging to leave a gift in their will.

We ran two very successful Charity Race Days at Wetherby (October) and Newbury (November). In total 20 sponsored riders took part in our designated races which together with auctions on the days generated over £50,000 to support our campaigns with members and guests alike having a hugely enjoyable time.

The British Horse Society is registered with the Fundraising Regulator. We monitor our fundraising activities to ensure we follow the Code of Fundraising Practice and the Fundraising Promise, with no complaints arising in 2021.

Membership

We started the year with 116,320 members and ended the year with 117,420 members. A net growth of 1,100 members in total. We actually saw a 4.19% growth of membership in the UK. Unfortunately this gain was counterbalanced to a degree by the loss of Gold members in Ireland following Brexit. Despite the Society's best efforts to find a solution, we were unable to extend our Gold membership offer with insurance outside of the UK.

Domestically, we saw our best membership retention figures to date following continued significant improvements to our membership journey communications and our continued drive to serve the equestrian community.

We continue to strive for a high value for money proposition with our membership offer, with the cost of membership balancing the provision of attractive member benefits with the integral support for our charitable aims.

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STRATEGIC REPORT (continued)

Participation

British Riding Clubs

Despite having to reduce our normal programme of events we were delighted to be able to run four out of seven championships in 2021, all of which were a great success. Our faithful BRC volunteers were out in force to support us, and thanks must go to them and our sponsors for their continued support.

In an innovative and complex undertaking, the previously cancelled 2020 and 2021 dressage aspects of the Novice and Intermediate Winter Championships were held online in Spring 2021. We had over 1,250 entries, enough to fill 60 arenas, if we had run a physical event. The BRC team worked incredibly hard to ensure those people that had to miss a championship due to lockdown had a chance to represent their club nationally and more importantly, have fun. In total, we had 18,700 entries at qualifiers in 2021.

A number of online clinics took place throughout the Autumn months, giving clubs and members helpful advice on a number of subjects including GDPR, Health and Safety, competition rules and committee roles. We had thought that the popularity of these online events would wane after lockdown restrictions were lifted, but they remain ever popular, and we are delighted to be able to offer this support. Our online Christmas Cracker dressage competition was also hugely well supported, with over 380 entries.

Clubs were seeking to re-engage with members and looking to recruit new members after the various restrictions had been in place and we were pleased to be able to assist and we duly relaunched our Marketing Toolkit to clubs in the summer of 2021 and offered them online marketing support.

BRC teamed up with BHS Welfare throughout 2021, who were on hand with the weighbridge to offer advice to members at our national championships, as well as continuing their articles in Rider Magazine. We were also pleased to work with the Education Team, offering a special Pony Stars Junior Challenge Awards initiative to our clubs and members.

Changing Lives Through Horses

The summer of 2021 saw the culmination of 18 months development work with the relaunch of the Changing Lives Through Horses Programme – offering an increased age range from 5 – 25 and now with two award structures with session plans linked across all school curriculums.

Accompanying the new programme were brand new materials and supporting documents to support our approved centres to offer the programme, including a comprehensive coach handbook, new notebooks for participants and new explorer award booklets aimed at our older participants. The programme now had an educational robustness and clear progression pathways for participants.

Our new Centre training moved online as a result of COVID with a new set of training resources. This has been an incredibly positive transition, meaning we can train more centres in a timely manner with a greater geographical range. Centres have reported that they like the collaborative nature of the training sessions.

Networking with our coaches and centres has had an increased focus with monthly coffee morning sessions and the introduction of termly CPD topics aimed at developing the skills and knowledge of our coaches around the young people who access the programme. Topics so far have included

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STRATEGIC REPORT (continued)

Understanding Young People with additional social, emotional and mental health needs and Anxiety and the Impact on Learning.

The growth of the programme has led to a growth in the CLTH team and we ended 2021 approaching the moment when our 1,000th all-time participant would be enrolled on the programme – with over 300 young people currently actively accessing sessions across the UK in over 35 centres.

Approved Centres

After the uncertainty of the last two years we were pleased to end the year with 635 Approved Centres. Of these, 12 were completely new and we also had a further 28 applications pending to become an Approved Centre. We are working hard to support and sustain our numbers of approved centres and our new Business Support Managers visited 123 Centres over the year and every one of our Centres had direct contact from us to offer any support they may need.

We were delighted to team up with Sky to be part of an initiative to offer free riding sessions. This was an opportunity to market the sport to an audience that the BHS would not usually reach. We had 35 Centres take part offering riding experiences to 926 participants in 2021 and Business Support Managers are currently recruiting centres to ensure this is a success again in 2022.

Throughout the pandemic it has been the BHS strategy to offer trusted business support advice, political lobbying and financial aid to BHS Approved Centres who were greatly impacted by the pandemic. The BHS Hardship Fund provided support of over £1,000,000 for the welfare of horses and ponies in our BHS Approved Riding Schools. We followed this support with a new Bounce Back grant for our Approved Centres. This grant was designed to increase participation by supporting business growth by engaging with new groups or providing new activities and experiences for existing clients. The BHS awarded over £168,000 to 71 centres to enable them to purchase equipment to increase participation and diversity at their centres and to encourage participation after the challenges experienced through COVID restrictions.

The Approved Centre Team further supported our Centres by holding a total of 29 virtual coffee mornings on a variety of topics. These had an average of 10 Centres on each call. The BHS Riding Schools Championship was held virtually, due to the pandemic, but still attracted 78 riders across 9 centres and offered non-horse owning riders the chance to compete at a National level. We worked very closely with the RSPCA on our Second Chance project, which attracted 239 applications from Centres to rehome a Second Chance pony and resulted in 65 horses and ponies being successfully rehomed through the scheme.

Regions and Nations

Our Regional and National managers held over 400 education and participation events across the UK, engaging over 6,000 members and supporters. With the early part of the year still in lockdown, the team created a full programme of virtual events which were well received and are now part of our overall Winter calendar. It was wonderful to welcome back members face to face, from the beginning of the Summer and our Ride Out UK pleasure rides were a highlight as well as camps, clinics, talks and continual professional development events.

Our National Managers in Scotland, Ireland and Wales continue to work closely with devolved governments to represent the interests of horse riders and owners to great effect. We were also delighted to open our new Operations Hub in Stirling to support our members in Scotland and the North of England.

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STRATEGIC REPORT (continued)

Safety

The BHS Safety Team had a successful year after the challenges of 2020 and were able once again to build on all the partnership working that has been developed with key stakeholders in all our departmental strands. The Dead Slow campaign occupied most of our time and resources, but we had significant impact in many areas. This award-winning campaign is aimed at improving the safety of horses, riders and carriage drivers on our roads. It educates drivers in how to pass horses safely, but also gives safety advice and information to riders. It has three strands, Safer Drivers, Safer Riders and Safer Horses.

The new proposals in the Highway Code for vulnerable road users were laid before Parliament in December. The BHS were part of the Stakeholders Review Group alongside the Department of Transport, DVSA, Cycling UK and Living Streets. The new proposals affecting equestrians were based around the BHS Dead Slow campaign wording for drivers and the 'Be Nice Say Hi' campaign for interaction between equestrians and cyclists.

This is a significant step in making it safer for horses, riders and carriage drivers on the roads in England, Scotland and Wales. These proposals would not have been in the Highway Code without the influence of the Safety team.

We have continued to be involved with Road Safety Partnerships, Road Safety GB, the Police, Fire and Rescue Services and Driving Instructors. We have facilitated and participated in many Road Safety Webinars and been asked to speak and present to road safety professionals.

The partnership approach has had good effect working with local authorities, including placing Dead Slow signs at locations where there have been hot spots identified or near misses reported to the BHS on our Horse Incident website. This reporting system was further enhanced by the release of the BHS Horse i app in March. This app makes it easier and quicker for equestrians to report road incidents to the BHS. The other incidents that can be reported relate to: Fireworks, Dog, Drones, Low Flying Aircraft and Slippery Road Surfaces. There has been great take up of the app with 12,000 downloads. We aim for many more.

We have also worked with Police Units across the UK, partnering them with Close Pass Operations in identified safety hot spots. Drivers who pass plain clothes mounted police officers too fast or too close are stopped and educated with Dead Slow advice.

The BHS published the Department for Transport funded report Horse Incident Reporting Awareness Study in November. The BHS were awarded a grant from the Department of Transport to review and refine the Horse Incidents website and encourage more riders to report incidents. A researcher was employed as part of the grant, and improvements to the website, together with the app were part of the recommendations.

The BHS were also awarded a grant from the Road Safety Trust to make an educational film together in partnership with Cycling UK to inform drivers how to pass horses and cyclists safely but also to show that riders may well be, for example, firefighters and nurses, a very topical production that is under evaluation by Nottingham Trent University.

We have held Road and Rider Awareness events, training for commercial driving companies, and attended Driving Instructor Conferences and major motoring events, to inform drivers, riders and other vulnerable road users of responsibilities and advice on how to stay safe on the roads when passing horses.

THE BRITISH HORSE SOCIETY
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STRATEGIC REPORT (continued)

The Safety Team have been able to continue the Henry the Horse initiative, to inform 9- and 10-year-olds how to walk or cycle safely past horses, delivered in schools, in a COVID-friendly way. It also gives the Dead Slow messages to parents. This initiative is being evaluated by ROSPA and has continued to have superb reviews from parents, head-teachers and the school children themselves.

The BHS have also been consulted by the Governmental Office of Product Safety and Standards regarding Firework safety and equestrians giving them relevant information from the Horse i App.

Welfare

We had an uncertain start to the year with our face-to-face events curtailed until the start of May due to the ongoing pandemic and associated restrictions. All our Healthcare Clinics for the Spring were postponed. As soon as we were able to we headed out in force with a full programme of proactive initiatives. Our Horse Care and Welfare Vehicle attended an incredible 45 events nationwide where we quite literally got hands-on engaging with 1,284 horses and 1,159 horse owners. We visited a huge range of shows, BHS Approved Centres, colleges and BRC competitions.

In the Autumn we held 3 clinics – in Clitheroe, Ashford (Kent) and Bridgend - and 116 horses attended. Sixty-six horses were castrated at the clinics. Our clinics aim to break the cycle of indiscriminate breeding by reaching out to owners and communities who may not normally seek regular healthcare for their horses who have been identified as vulnerable. At our Healthcare Clinic in Ashford, we were honoured to be joined by HRH, The Princess Royal. An amazing 1,424 horses have attended the clinics since we first started them and 666 have been castrated. This is over 3 times the original number we first set out to achieve.

Our Horse Care and Welfare Helpline has been on hand to support horse owners, our members, followers and supporters with support and advice where needed. This year our experienced and knowledgeable Welfare Helpline Coordinators have supported 10,732 people with a wide range of care and welfare topics.

We increased our employed team of Welfare Field Officers with a brand-new role situated in the Midlands. Together with our team of Volunteer Welfare Advisers, our front-line team handled 1,310 new welfare concerns. These concerns involved 3,342 horses.

We have supported many horse owners through our Friends At The End initiative. As we continued through the pandemic, many horse owners were increasingly faced with changes to circumstances and tough decisions on the future of their equine companion. However, our network of Friends At The End volunteers and staff help to ensure that no horse owner faces this loss alone and have been on hand to provide support to 97 horse owners this year, this was more than double the number in 2020.

Our presence across social media platforms has allowed us to interact successfully with horse owners and the general public, providing educational advice and support on key welfare issues. A major part to this has been through our #WelfareWednesday and additional welfare posts which this year have reached over 5 million people. This has been enhanced further through our targeted campaigns.

On top of our proactive welfare work we also have an amazing network of staff within our team taking on numerous Equine ID passport applications. As an ID-only Passport Issuing Organisation, our passport team are also on hand to answer any queries relating to your horse's passport or current passport regulations within the UK. This year we have processed 3,463 passports.

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STRATEGIC REPORT (continued)

Our campaigning efforts continued to reach new heights. We had a paper accepted at the International Equine Colic Symposium – a real highlight for the veterinary and research world. This is incredible for our REACT Colic Campaign to be recognised in this way and raises awareness of our campaigning work to a global audience.

The numbers of rescued horses being rehomed into BHS Approved Centres continues to grow through our Second Chance scheme. A fantastic 65 more horses have been rehomed in the year which is a total of 92 to date. We are mindful that not every horse that is in a rescue centre or charity care is fit for this scheme. Many rescued horses come with health issues caused by the neglect they faced and/or inbreeding and so are unfortunately only fit for being companions. The horses which go into our centres as riding school ponies have to pass yearly veterinary inspections as part of licensing requirements, so we have a stringent process in ensuring the horses which go through this scheme are fit for purpose.

Our Volunteers

Our volunteer community remains strong and grew by 13% to over 1,100 volunteers in 2021. Our volunteer community is essential to the delivery of all our work across Access, Welfare, Safety, Education and Participation and all our teams thank this impressive volunteer workforce for their invaluable contribution. During 2021 we focused on modernising and strengthening our Volunteer programme with the establishment of a new Volunteer advisory group and a Trustee (Gill Longhurst) with specific responsibility for Volunteering.

We are very grateful for our volunteers' support and were able to thank many of them in person at our annual Awards Ceremony at Newbury racecourse in November. This covered both 2020 and 2021 awards as we were unable to hold our awards in 2020 due to Covid. We were delighted to welcome HRH Princess Anne, who presented a number of our volunteers with their awards.

Operations and Infrastructure

The technology team have built further on the solid work of 2020 with the introduction of an e-learning platform for colleagues along with making further improvements to the productivity tools available to employees. A lot of design, planning and building has also taken place for some major technology upgrades in 2022.

A number of projects were launched under the banner of the digital transformation strategy including selecting a partner to deliver a new BHS website, the Horse i app was launched to improve reporting of horse incidents resulting in a 300% increase in reported incidents along with development of our systems to ensure engagement with BHS approved centres is simpler and more relevant for the centre.

A designated fund was agreed with the trustees to continue this work in 2022 as some of the initial projects and benefits will start to be realised.

Technology costs have continued to be managed very well by taking opportunities to remove costs where possible resulting in no significant increase in technology costs from the previous year while continuing to provide all core services including robust cyber security in another challenging year for global threats.

The wellbeing of our employees – our Home Team - has remained uppermost in our minds throughout the year. We have applied COVID secure policies and procedures and have ensured regular engagement on a departmental and whole team basis. As the various restrictions, directives and guidelines around working from home and returning to the office played out we introduced

THE BRITISH HORSE SOCIETY
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STRATEGIC REPORT (continued)

blended working arrangements to ensure efficient yet considerate working conditions. The year saw a proliferation of social, wellbeing and mindfulness events for our Home Team, who have responded so well to the challenges of the last two years.

Risk

In order to fulfil their responsibility to identify and manage the risks that the Society faces, the Trustees require a risk register to be maintained. The risks documented therein are reviewed by the Audit Committee and the Finance Committee as part of their programme of work.

The register is updated and revised at least six-monthly, and where appropriate, the trustees, a specific director, or group of directors is assigned to each risk. The register is made available for inspection to the Society's auditors. During 2021 the Trustees recognised the following principal risks:

- A significant decline in income due to either internal or external factors
- A major outbreak of an equine disease which may adversely affect members' ability or influence their choice to remain in membership
- Reductions in membership if membership services and benefits are not maintained, or their perceived value is diminished

Financial Report for the Year

The trustees are pleased to present a surplus on unrestricted funds of £1,488,000, which combined with a net gain on investments of £436,000, enabled the trustees to designate funds in year in support of future initiatives to encourage participation, engagement, career progression in the equine industry and to enhance the Society's infrastructure and capability to deliver charitable and member services.

Adjusting for this movement in funds our unrestricted, undesignated reserves total £5,698,000 at 31 December 2021, and this is in keeping with the Society's reserves policy.

With a return to a more normal level of activity total income increased by 15% from £12,144,000 to £14,016,000 with membership revenue, education activities and events being the main contributors to that increase. There was a commensurate increase in total expenditure of 11% from £11,919,000 to £13,248,000. Total expenditure is analysed and presented in detail in note 7 to the financial statements. Staff costs and numbers are outlined in detail in Note 8 to the financial statements

Expenditure on designated funds of £851,000 represents planned investment in the Society's charitable objectives and infrastructure and is presented in detail in note 16 to the financial statements.

During the year the Society received revenue for specific purposes of £541,000 and made associated expenditure of £410,000. These amounts are accounted for within Restricted Funds and are presented in detail in Note 15 to the financial statements.

Investment holdings performed well during the year and the trustees consolidated all holdings into one high performing managed fund. Gains of £436,000 outperformed market indices and investments are reported more fully in Note 11 to the Financial Statements.

THE BRITISH HORSE SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
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STRATEGIC REPORT (continued)

As the economic effects of the pandemic extended and hardened for all industries, the trustees maintained their approach of utilising the Society's resources to support the welfare of horses and encourage participation within Approved Riding Schools using Accredited Professional Coaches. Such support was in the form of the continuation of the Hardship Fund from 2020 and with the introduction of Bounce Back grants which saw an injection of £168,000 for equipment to encourage participation. This expenditure is included in total expenditure relating to the Hardship Fund in note 16 to the accounts.

Future Plans

During 2021 we focused on continuing the resilience the Society had shown throughout the turbulence of 2020. The regular and systematic forecasting, modelling and agile approach has continued and will inform our activities for 2022 and beyond.

Although we have been necessarily flexible with operational content and timelines the trustees have adhered to the principles in our Strategic Plan 2019-2024. The immediacy and significance of the global pandemic has meant we have had to flex and adjust accordingly within our guiding principles and objectives. The economic fall out of the global pandemic and Brexit, and other world events may only just be manifesting themselves and if the experiences of 2020 and 2021 have taught us anything, it is that we wish to continue to support, advise and protect our beneficiaries and stakeholders within the boundaries of our charitable objectives, while making the necessary business developments to ensure the sustainability and effectiveness of the Society.

The Trustees' Report, Strategic Report and the Financial Report were approved by the Board on:

29th June 2022



Tim Lord
Chairman

THE BRITISH HORSE SOCIETY
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For the year ended 31 December 2021
OFFICERS AND DIRECTORS

PATRON:	Her Majesty Queen Elizabeth II
VICE-PATRON:	Her Royal Highness the Princess Royal
PRESIDENT:	Martin Clunes OBE
TRUSTEES:	
Chairman:	Tim Lord (re-elected June 2022)
Vice-Chairman:	Sally McCarthy (re-elected June 2022)
Other Elected Trustees:	Nicola Greenwood (elected June 2022) Sandra Harris Kerryn Haynes (elected June 2021) Ken Law Gillian Longhurst (appointed March 2021) Fran Mason (term of office ended June 2022) Karen Silcock (elected June 2021) Sarah Simpson (re-elected June 2022)
Co-opted Trustees:	Professor Tim Morris Rt. Hon. Dame Caroline Spelman DBE PC Beverley Simms (all co-opted trustees renewed June 2022)
SENIOR MANAGEMENT TEAM:	
Chief Executive	James Hick
Chief Operating Officer	Sarah Phillips
Director of Access	Mark Weston
Director of Business Development	Emma Stone (from April 2022) Georgina Walters (to April 2022)
Director of Education	Tracy Casstles (from February 2022) Alex Copeland (to February 2022)
Director of Finance	Duncan Snook
Director of Fundraising	Tracy Casstles (to February 2022)
Director of Marketing and Communications	Sandra Ford
Director of Membership	Emma Day
Director of Participation	Laura Sanger
Director of Programme	Georgina Walters (from April 2022)
Director of Safety	Alan Hiscox
Director of Technology	Nikki Greenway (from May 2022) Paul Perkins (to March 2022)
Director of Welfare	Gemma Stanford
COMPANY SECRETARY:	Duncan Snook

THE BRITISH HORSE SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2021
ADMINISTRATIVE DETAILS, ADVISERS AND COMPANY INFORMATION

Registered Office and Principal Address

The British Horse Society, Abbey Park, Stareton, Kenilworth, Warwickshire CV8 2XZ

Legal and Charitable Status

The Society was incorporated on 5th November 1947 as a company limited by guarantee and is governed by its Articles of Association. The company number is 444742. The Society's charity registration numbers are 210504 in England and Wales, and SCO38516 in Scotland.

Subsidiaries

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

The British Horse Society Qualifications Limited (formerly Equestrian Qualifications GB Limited) was incorporated on 18 January 2006 as a wholly owned subsidiary of the Society. The company's registration number is 5679140.

The results of the two subsidiaries above have been consolidated within the accounts of the Society.

Auditors

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

Bankers

Lloyds Bank plc
125 Colmore Row, Birmingham B3 3SF

Legal Advisers

Bates Wells & Braithwaite LLP
10 Queen Street Place, London EC4R 1BE

Taxation Advisers

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

Investment Managers

McInroy & Wood
53 Davies Street, London W1K 5JH

M & G Investments
Laurence Pountney Hill, London EC4R 0HH

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH HORSE SOCIETY

Opinion

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 2021 which comprise the Consolidated and Society Statements of Financial Activities, the Group and Society Balance Sheets, the Group and Society Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 2021; 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 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).

Basis for opinion

We have been appointed auditor 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.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH HORSE SOCIETY

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual 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 their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual 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) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 6 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 and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH HORSE SOCIETY

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006,

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH HORSE SOCIETY

Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulation (GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group/parent charity is in compliance with these law and regulations and read minutes of trustee meetings.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions, recognition date and transactions entered into outside the normal course of business, challenging judgments, estimates and timing applied to the recognition of income streams.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Paul Oxtoby

PAUL OXTOBY (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 20 July 2022

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 2021

				2021	2020
		Unrestricted	Designated	Restricted	
		£000	£000	£000	
				Total	Total
				£000	£000
Income and endowments from:					
Donations, legacies and grants	2	178	-	502	680
Charitable activities:					
Membership subscriptions	3	11,020	-	-	11,020
Examinations and other fees		853	-	1	854
Events		605	-	38	643
Other trading activities:					
Job Retention Scheme Grants		16	-	-	16
Trading income		248	-	-	248
Advertising		343	-	-	343
Commission received		12	-	-	12
Challenge Rides		-	-	-	-
Other income	4	196	-	-	196
Investment income	5	4	-	-	4
Total income		13,475	-	541	14,016
Expenditure on					
Raising funds	7	694	-	81	775
Charitable activities	7	11,293	851	329	12,473
Total expenditure		11,987	851	410	13,248
Net income/(expenditure)		1,488	(851)	131	768
Net gain/(loss) on investments		436	-	-	436
		1,924	(851)	131	1,204
Designations and fund transfers	15,16	(1,836)	1,879	(43)	-
Net movement in funds		88	1,028	88	1,204
Fund balances brought forward		5,610	752	979	7,341
Fund balances carried forward		5,698	1,780	1,067	8,545

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 2021

		Unrestricted	Designated	Restricted	2021	2020
		£000	£000	£000	Total	Total
					£000	£000
Income and endowments from:						
Donations, legacies and grants	2	206	-	502	708	948
Charitable activities:						
Membership subscriptions	3	11,020	-	-	11,020	9,520
Examinations and other fees		853	-	1	854	420
Events		605	-	38	643	279
Other trading activities:						
Job Retention Scheme Grants		16	-	-	16	275
Trading income		94	-	-	94	59
Advertising		-	-	-	-	-
Commission received		11	-	-	11	7
Challenge Rides		-	-	-	-	6
Other income	4	214	-	-	214	253
Investment income	5	4	-	-	4	6
Total income		13,023	-	541	13,564	11,773
Expenditure on						
Raising funds	7	296	-	81	377	289
Charitable activities	7	11,289	851	329	12,469	11,228
Total expenditure		11,585	851	410	12,846	11,517
Net income/(expenditure)		1,438	(851)	131	718	256
Net gain/(loss) on investments		436	-	-	436	(24)
		1,874	(851)	131	1,154	232
Designations and fund transfers	15,16	(1,836)	1,879	(43)	-	-
Net movement in funds		38	1,028	88	1,154	232
Fund balances brought forward		5,731	752	979	7,462	7,230
Fund balances carried forward		5,769	1,780	1,067	8,616	7,462

THE BRITISH HORSE SOCIETY
BALANCE SHEETS
Company Registration Number: 00444742
At 31 December 2021

		Group		Society	
	Notes	2021 £000	2020 £000	2021 £000	2020 £000
FIXED ASSETS					
Intangible fixed assets	9	241	374	241	374
Tangible fixed assets	10	2,947	3,127	2,947	3,127
Investments	11	3,312	2,876	3,317	2,881
		6,500	6,377	6,505	6,382
CURRENT ASSETS					
Stock		94	106	-	-
Debtors	12	2,127	962	2,230	1,129
Term deposits		1,501	1,500	1,501	1,500
Cash at bank and in hand		2,869	1,992	2,864	1,967
		6,591	4,560	6,595	4,596
CURRENT LIABILITIES					
Creditors due within one year	13	4,266	3,325	4,204	3,245
		2,325	1,235	2,391	1,351
NET CURRENT ASSETS					
		2,325	1,235	2,391	1,351
Creditors due after more than one year	13	280	271	280	271
		8,545	7,341	8,616	7,462
REPRESENTED BY					
Restricted funds	15	1,067	979	1,067	979
Designated funds	16	1,780	752	1,780	752
Other charitable funds	17	5,764	5,725	5,769	5,731
Non-charitable trading funds	17	(66)	(115)	-	-
		8,545	7,341	8,616	7,462

The financial statements were approved and authorised for issue by the Board on 29th June 2022 and signed on its behalf by:



Tim Lord
Chairman



Sally McCarthy
Director

THE BRITISH HORSE SOCIETY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	2021	2020
	£000	£000
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	<u>1,181</u>	<u>848</u>
Cash flows from investing activities:		
Interest from investments	4	6
Purchase of intangible fixed assets	(230)	(49)
Purchase of tangible fixed assets	(77)	-
Purchase of investments	(1,484)	(17)
Disposal of investments	1,484	17
Net cash (used in) investing activities	<u>(303)</u>	<u>(43)</u>
Change in cash and cash equivalents in the year	878	805
Cash and cash equivalents at the beginning of the year	3,492	2,687
Cash and cash equivalents at the end of the year	<u>4,370</u>	<u>3,492</u>
Reconciliation of net income to net cash flow from operating activities:		
Net income for the year	1,204	202
Depreciation and amortisation	620	494
Investment income	(4)	(6)
Investment (gains)/losses	(436)	24
Movement in stocks	12	18
Movement in debtors	(1,165)	405
Movement in creditors	950	(289)
Net cash provided by operating activities	<u>1,181</u>	<u>848</u>
Analysis of changes in cash and cash equivalents	At 1st	At 31st
	January	December
	2021	2021
	Cash flows	
Cash at bank	1,992	877
Short term deposits	1,500	1
	<u>3,492</u>	<u>878</u>
		<u>4,370</u>

THE BRITISH HORSE SOCIETY
SOCIETY STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	2021		2020
	£000		£000
Cash flows from operating activities:			
Net cash provided by operating activities	<u>1,201</u>		<u>837</u>
Cash flows from investing activities:			
Interest from investments	4		6
Purchase of intangible fixed assets	(230)		-
Purchase of tangible fixed assets	(77)		(49)
Disposal of tangible fixed assets	-		-
Purchase of investments	(1,484)		(17)
Disposal of investments	1,484		17
Net cash (used in) investing activities	<u>(303)</u>		<u>(43)</u>
Change in cash and cash equivalents in the year	898		794
Cash and cash equivalents at the beginning of the year	3,467		2,673
Cash and cash equivalents at the end of the year	<u>4,365</u>		<u>3,467</u>
Reconciliation of net income to net cash flow from operating activities:			
Net income for the year	1,154		232
Depreciation and amortisation	620		494
Investment income	(4)		(6)
Investment (gains)/losses	(436)		24
Movement in debtors	(1,101)		389
Movement in creditors	968		(296)
Net cash provided by operating activities	<u>1,201</u>		<u>837</u>
Analysis of changes in cash and cash equivalents	At 1st		At 31st
	January		December
	2020	Cash flows	2020
Cash at bank	1,967	897	2,864
Short term deposits	1,500	1	1,501
	<u>3,467</u>	<u>898</u>	<u>4,365</u>

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

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 2019) - (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 are eliminated on the 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 recognised as restricted funds.

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:

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. Accounting Policies (continued)

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.

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 by 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
Commercial vehicles	5 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 in the period to which they relate.

Taxation

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

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 employee's 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.

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. Accounting Policies (continued)

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.

Trade 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 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 have reviewed the Society's position and the appropriate basis on which to prepare the financial statements. The Trustees anticipate that there may continue to be an adverse impact on the Society's income streams. However, the Trustees have assessed this impact by considering projections to the end of December 2023 which have been prepared to stress test the financial resilience of the Society. Whilst the Trustees recognise that 2022 will be a challenging year and it is possible that it will be necessary to draw on some of the Society's reserves, which have been established to provide financial resilience, they consider that it remains appropriate to prepare the financial statements on a going concern basis. The stress testing of the Society's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to continue to manage the impact of the pandemic.

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. Accounting Policies (continued)

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.

2. Donations, Legacies and Grants

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Donations received include:				
Qualifying donations from subsidiaries	-	-	28	1
Legacies received include:				
P Hurst	79	388	79	388
E MacFadyen	19	-	19	-
C Nesom	33	-	33	-
K Friar	25	-	25	-
B Sharman	10	-	10	-
G West	-	212	-	212
M Brand	-	10	-	10
Grants received include:				
British Equestrian Federation	75	70	75	70
C S Heber-Percy Charitable Trust	30	25	30	25
Department for Transport	23	23	23	23
Worshipful Company of Saddlers	20	-	20	-
Binsted PC	10	-	10	-
The Centaur Trust	13	-	13	-
The Derbyshire Environmental Trust	50	-	50	-
The Road Safety Trust	13	-	13	-
The Thompson Family Trust	10	-	10	-
The Kaye's and Labourne's Charity	-	20	-	20
Thistledown Trust	-	20	-	20
Horse Health Wessex	-	10	-	10
Other donations, legacies and grants (all less than £10,000)	270	169	270	169
	680	947	708	948

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

3. Membership Income

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
During the year ended 31 December membership subscriptions after provision for deferred life membership income were:	9,549	8,376	9,549	8,376
In the same period, gift aid was claimed amounting to:	1,471	1,144	1,471	1,144
	<u>11,020</u>	<u>9,520</u>	<u>11,020</u>	<u>9,520</u>

4. Other Income

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Other (includes consultancy, service charges and miscellaneous items)	150	174	163	185
Rental income	46	63	51	68
	<u>196</u>	<u>237</u>	<u>214</u>	<u>253</u>

5. Income from Investments

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Interest receivable	<u>4</u>	<u>6</u>	<u>4</u>	<u>6</u>

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

6. Subsidiary Companies

The Society has two wholly owned trading subsidiaries, which are incorporated in England. The British Horse Society (Trading Company) Limited (company registration 02644832) undertakes the trading activities of the Society and The British Horse Society Qualifications Limited (company registration 5679140) undertakes accreditation of equine qualifications. Each company donates any taxable profits to the Society.

The British Horse Society Qualifications Limited was formerly known as Equestrian Qualifications GB Limited. The change of name was made by special resolution in September 2019.

The trading results of each subsidiary are included within the consolidated accounts. Each individual entity files audited accounts with the Registrar of Companies. A summary of the results of each subsidiary is shown below:

	2021	2020
	£000	£000
The British Horse Society (Trading Company) Limited		
Turnover	486	379
Less: Cost of sales	410	351
Result for the year	76	28
Qualifying donation to parent charity	28	1
Assets	257	209
Liabilities	166	166
Net funds	91	43
The British Horse Society Qualifications Limited		
Turnover	93	33
Less: Cost of sales	92	92
Result for the year	1	(59)
Assets	4	2
Liabilities	161	160
Net funds	(157)	(158)

The board of trustees do not envisage any circumstances that may lead to any material uncertainties related to events or conditions that may cast significant doubt about the ability of either subsidiary to continue as a going concern.

The charity will continue to support each subsidiary for the benefit to the parent in terms of raising funds and regulatory compliance.

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

7. Analysis of Total Expenditure

Group	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2021 £000
Expenditure on raising funds in 2021					
Fundraising, trading, cost of goods and other costs	557	137	-	81	775
Expenditure on charitable activities in 2021					
Membership services	3,350	1,326	138	4	4,818
Training, examinations and approvals	1,808	1,223	562	133	3,726
Safety, Access and Welfare	1,326	1,317	131	191	2,965
Events	673	270	20	1	964
Total charitable activities	7,157	4,136	851	329	12,473
Total expenditure	7,714	4,273	851	410	13,248

Society	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2021 £000
Expenditure on raising funds in 2021					
Fundraising, trading, cost of goods and other costs	159	137	-	81	377
Expenditure on charitable activities in 2021					
Membership services	3,350	1,326	138	4	4,818
Training, examinations and approvals	1,804	1,223	562	133	3,722
Safety, Access and Welfare	1,326	1,317	131	191	2,965
Events	673	270	20	1	964
Total charitable activities	7,153	4,136	851	329	12,469
Total expenditure	7,312	4,273	851	410	12,846

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

7. Analysis of total expenditure (continued)

Group	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2020 £000
Expenditure on raising funds in 2020					
Fundraising, trading, cost of goods and other costs	498	115	-	17	630
Expenditure on charitable activities in 2020					
Membership services	2,908	1,299	96	4	4,307
Training, examinations and approvals	2,134	1,229	114	123	3,600
Safety, Access and Welfare	548	1,174	713	165	2,600
Events	503	262	17	-	782
Total charitable activities	6,093	3,964	940	292	11,289
Total expenditure	6,591	4,079	940	309	11,919

Society	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2020 £000
Expenditure on raising funds in 2020					
Fundraising, trading, cost of goods and other costs	157	115	-	17	289
Expenditure on charitable activities in 2020					
Membership services	2,908	1,299	96	4	4,307
Training, examinations and approvals	2,074	1,229	114	123	3,540
Safety, Access and Welfare	548	1,174	713	165	2,600
Events	502	262	17	-	781
Total charitable activities	6,032	3,964	940	292	11,228
Total expenditure	6,189	4,079	940	309	11,517

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

7. Analysis of Total Expenditure (continued)

Support Cost Breakdown by Activity

Group and Society	Fundraising £000	Membership services £000	Exams, training and approvals £000	Safety, Access and Welfare £000	Events £000	Total £000
2021						
Management	21	205	189	204	42	661
Finance	10	93	86	92	19	300
Technology and infrastructure	42	410	378	407	83	1,320
Facilities	18	173	159	172	35	557
Human Resources	12	116	107	115	24	374
Marketing and communications	34	329	304	327	67	1,061
	137	1,326	1,223	1,317	270	4,273
Group and Society 2020						
Management	21	239	226	215	48	749
Finance	9	91	86	83	18	287
Technology and infrastructure	35	398	376	359	81	1,249
Facilities	14	156	148	141	31	490
Human Resources	9	109	103	99	22	342
Marketing and communications	27	306	290	277	62	962
	115	1,299	1,229	1,174	262	4,079

Included in total costs above are Governance Costs of £59,088 (2020: £141,145) which include Chairman, Trustee and CEO expenses of £3,789 (2020: £7,404) and Legal, professional and audit fees of £50,616 (2020: £133,741).

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Total expenditure includes:				
Auditors remuneration				
for audit work	26	28	24	25
for non-audit work	7	4	7	4
Operating leases				
for land and buildings	14	-	14	-
for plant and machinery	210	165	210	165

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

8. Trustees and Employees

No remuneration is paid to any trustee by virtue of their position on the board with the exception of the Chairman. The Chairman's remuneration was approved by the Charity Commission and a resolution of the trustees in June 2006. The trustees who held office during the year are listed in the Directors and Officers section of this report.

	2021	2020
	£	£
Group and Society		
The cost of travel and subsistence reimbursed to 3 (2020:8) trustees during the year amounted to:	1,216	2,857
Chairman's remuneration:		
T Lord	7,965	7,965
Trustees were paid fees for examinations and other services as follows:		
S Simpson	894	3,036

Following consultation with the Charity Commission payments to trustees for other services unrelated to their duties as trustees have been included with payments for examinations and other services as wholly permitted by the Society's articles.

The total remuneration including employer's national insurance and pension contributions payable to key management personnel, which is defined as the Chief Executive and the Senior Management Team, was £1,176,209 (2020: £1,142,057).

Staff Costs

	2021	2020
	£000	£000
Group		
Salaries and wages	5,021	4,693
Social security costs	532	465
Pension costs	256	241
Other employee costs and benefits	123	127
	5,932	5,526

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

8. Trustees and Employees (continued)

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 employee costs and benefits include medical benefits and engagement costs. In the year there were redundancy or termination payments to leavers totalling £24,217 (2020: £68,923).

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

	2021	2020
£130,001 to £140,000	1	1
£90,001 to £100,000	1	1
£80,001 to £90,000	4	2
£70,001 to £80,000	2	4
£60,001 to £70,000	2	2

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 £57,678 (2020: £50,592) was contributed to a defined contribution pension scheme for the 10 (2020: 10) employees whose emoluments exceeded £60,000.

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

	2021	2020
Charitable activities	143	133
Raising funds	3	3
	146	136

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

9. Intangible Fixed Assets

Group and Society	Education Software £000	Membership Software £000	Other IT related Projects £000	Total £000
Cost				
At 31 December 2020	609	407	454	1,470
Disposals	-	-	-	-
Additions	-	-	230	230
At 31 December 2021	609	407	684	1,700
Amortisation				
At 31 December 2020	260	407	429	1,096
Charge for the year	349	-	14	363
At 31 December 2021	609	407	443	1,459
Net Book Values				
As at 31 December 2021	-	-	241	241
As at 31 December 2020	349	-	25	374

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 2021

10. Tangible Fixed Assets

Group and Society	Motor Vehicles £000	Freehold Property £000	Computer Equipment £000	Fixtures & Fittings £000	Total £000
Cost					
At 31 December 2020	243	4,707	1,428	407	6,785
Additions	-	-	77	-	77
At 31 December 2021	243	4,707	1,505	407	6,862
Depreciation					
At 31 December 2020	129	1,734	1,406	389	3,658
Charge for the year	48	180	19	10	257
At 31 December 2021	177	1,914	1,425	399	3,915
Net Book Values					
As at 31 December 2021	66	2,793	80	8	2,947
As at 31 December 2020	114	2,973	22	18	3,127

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.

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

11. Fixed Asset Investments

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Listed investments	3,312	2,876	3,312	2,876
Shares in subsidiary undertakings	-	-	5	5
	3,312	2,876	3,317	2,881

Listed investments	Brought forward	Additions	Disposals	Gains/ (Losses)	Carried forward
	£000	£000	£000	£000	£000
Group and Society					
M & G Charifunds	1,278	-	(1,484)	206	-
McInroy & Wood HG Investment	1,598	1,484	-	230	3,312
Total listed investments	2,876	1,484	(1,484)	436	3,312

	2021	2020
	£000	£000
Listed investments at cost	2,592	2,169
Shares in subsidiary undertakings		
Society	2021	2020
	£000	£000
Shares in subsidiary undertakings as 31 December at cost	5	5

The Society owns the entire ordinary share capital of The British Horse Society (Trading Company) Limited and The British Horse Society Qualifications Limited which are both incorporated in England and Wales, are both trading subsidiaries and are disclosed in more detail in Note 6 on page 34.

In addition, the Society owns the entire share capital of the following dormant companies both incorporated in England and Wales which are held at a valuation of nil (2020: nil):

The College of the Horse Limited	(incorporated 1999 - company number 3750680)
Equestrian Education Limited	(incorporated 2016 – company number 10196718)

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

12. Debtors

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade debtors	122	128	43	71
Amounts due from subsidiaries	-	-	264	247
VAT	16	7	16	7
Other debtors	4	6	4	6
Prepayments and accrued income	1,985	821	1,903	798
	2,127	962	2,230	1,129

13. Creditors

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Creditors due within one year:				
Trade creditors	1,070	265	1,051	241
Deferred income	2,753	2,656	2,753	2,656
Taxation and social security	147	111	147	111
Accrued expenditure	256	282	213	226
Other creditors	40	11	40	11
	4,266	3,325	4,204	3,245

Creditors due after more than 1 year:

Deferred income	280	271	280	271
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Of the above the following will fall due:

in 2 to 5 years:	50	44	50	44
In over 5 years:	230	227	230	227

In accordance with the accounting policy on subscriptions, income is recognised and time apportioned on a monthly basis giving rise to a provision for deferred income. Movements on deferred income are as follows:

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Balance at 1st January 2021	2,927	2,681	2,927	2,681
Released from previous accounting periods	(2,647)	(2,410)	(2,647)	(2,410)
Income deferred in current year	2,753	2,656	2,753	2,656
Balance at 31st December 2021	3,033	2,927	3,033	2,927

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

14. Share Capital

The Society is a company limited by guarantee and as a result has no share capital. In the event of the Society being wound up, each person, who is a member at the time, 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 sterling.

15. Restricted Funds

Group and Society	At 1st January 2021	Income	Expenditure	Transfers between reserves	At 31st December 2021
	£000	£000	£000	£000	£000
2026 Sport England	1	75	(76)	-	-
Access Fighting	48	1	(5)	-	44
Bodynfoel Award	11	-	-	-	11
Challenge Rides	11	-	-	-	11
Changing Lives Through	217	127	(96)	-	248
Faith Hope and Charity	20	-	(5)	-	15
Grass Sickness Biobank	21	-	(20)	-	1
Hardship Fund	-	61	(18)	(43)	-
Healthcare Clinics	31	4	(11)	-	24
Helping Horses	28	20	(12)	-	36
Helping Horses on the Move	26	-	(10)	-	16
Horse Incident Reporting	9	24	(31)	-	2
Hurst Legacy	388	78	-	-	466
Look Out for Laura	-	12	(12)	-	-
Paths for Communities	71	99	(93)	-	77
Responsible Breeding	20	-	-	-	20
Road Safety	4	16	-	-	20
Saddlers Training	10	-	(3)	-	7
Second Chance	8	16	(4)	-	20
Other funds:					
All balances of £10,000 or less					
or less than £10,000 income	55	8	(14)	-	49
	979	541	(410)	(43)	1,067

2026 Sport England Fund is a grant aided programme to achieve the mapping and preservation of historic routes and the safeguarding of bridleways for the benefit of equestrians and the general public.

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.

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.

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15. Restricted Funds (continued)

Faith, Hope and Charity Fund supports Faith, Hope and Charity and 'other ponies like them'
 Grass Sickness Biobank Fund finances a programme of research into equine grass sickness.
 Hardship Fund was established to support the wellbeing and welfare of horses and ponies in BHS Approved Centres during, and as a consequence of, the global pandemic. During the year the restricted fund transferred to, and combined with a designated fund with the same purpose.

Healthcare Clinics Fund supports clinics as part of the BHS welfare programme.

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

Helping Horses on the Move Fund is a bespoke horse welfare vehicle funded by a grant from SEIB against which the depreciation of the vehicle is charged.

Horse Incident Reporting Fund supports the establishing of a system and process for the digital reporting of horse related incidents

Hurst Legacy is a specific legacy for bridleway improvement in the Storrington area.

Look Out For Laura Fund is a partnership to produce a film supporting vulnerable road users.

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

Responsible Breeding is designed to tackle overbreeding through education.

Road Safety fund facilitates research of safety for the ridden or driven horse.

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

Second Chance Fund was established to rehome horses who have suffered an unhappy past giving them a second chance to rest, recover and rediscover a better life.

16. Designated Funds

Group and Society	At 1st January 2021 £000	Expenditure £000	Transfers between reserves £000	Designations £000	At 31st December 2021 £000
Access 2026	8	(1)	-	-	7
Access Field Officer Wales	-	(4)	-	40	36
Bursaries	138	(26)	-	-	112
Career Transition	-	-	-	300	300
Development Fund	21	(21)	-	-	-
Digital Transformation	-	(107)	-	760	653
Driving Force	-	-	-	200	200
Education Booking Online	186	(186)	-	-	-
Fit for the Future	44	(35)	-	-	9
Forever for the Horse	26	(9)	-	70	87
Government Action	22	-	-	-	22
Hardship Fund	65	(252)	43	166	22
Healthcare Clinics	4	(2)	-	-	2
Horse Accident	5	-	-	-	5
International Development	-	(17)	-	100	83
Paths for Communities	30	(5)	-	-	25
Ride By Your Side	200	(183)	-	200	217
Sport England 2026	3	(3)	-	-	-
	752	(851)	43	1,836	1,780

16. Designated Funds (continued)

Access 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 Field Officer Wales supports the role in Wales for the first year of operation.

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

Career Transition Fund is aimed specifically to support those who have completed their BHS Stage 1 or Stage 2 and want to progress to Stage 3 and to develop the equine industry workforce.

Digital Transformation Fund is designed to finance and support the improvement of the BHS digital infrastructure to enhance engagement and communication with stakeholders.

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

Fit For The Future supports research and programme activity to inform business strategy.

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.

Hardship Fund is established to support the wellbeing and welfare of horses and ponies in BHS Approved Centres during, and as a consequence of the global pandemic.

Healthcare Clinics Fund was set aside is to deliver castration related activities.

Horse Accident Fund is for the improvement of information and functionality of the Horse Accident reporting structure.

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

Ride By Your Side Fund supports the promotion of the Society as a friendly, caring, supportive presence for its members and stakeholders.

Sport England 2026 Fund is designed to support the grant aided programme that operates within restricted funds.

Transfers between reserves

The unrestricted, designated and restricted funds are reviewed regularly by senior management and trustees. This exercise identifies where there is a relationship either within or between funds. Designated funds are subject to reclassification and review as to ongoing suitability.

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17. Other Unrestricted Funds

	Group		Society	
	2021	2020	2021	2020
	£000	£000	£000	£000
Charitable funds:				
At 31 December 2020	5,725	2,611	5,731	2,611
Net income and expenditure	1,875	733	1,874	739
Transfers to and from designated and restricted funds	(1,836)	2,381	(1,836)	2,381
At 31 December 2021	5,764	5,725	5,769	5,731
Non-charitable trading funds:				
At 31 December 2020	(115)	(88)	-	-
Result for the year	49	(27)	-	-
At 31 December 2021	(66)	(115)	-	-

18. Analysis of Group Net Assets between Funds

	Unrestricted funds	Restricted funds	Total funds
	£000	£000	£000
Fund balances at 31 December 2021 are represented by:			
Intangible fixed assets	241	-	241
Tangible fixed assets	2,947	-	2,947
Fixed asset investments	3,312	-	3,312
Term deposits and current asset investments	1,501	-	1,501
Cash at bank and in hand	1,802	1,067	2,869
Other current assets	2,221	-	2,221
Creditors	(4,546)	-	(4,546)
Total net assets	7,478	1,067	8,545

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19. Financial Commitments

	2021	2020
	£000	£000

Operating lease commitments

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

Group and Society

Payments within one year:

Land and buildings	19	-
Plant and machinery	204	143
	<u>223</u>	<u>143</u>

Payments within two to five years:

Land and buildings	78	-
Plant and machinery	125	177
	<u>203</u>	<u>177</u>

Payments after more than five years:

Land and buildings	<u>84</u>	<u>-</u>
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Capital Commitments

During the year the Society secured two chassis for future purchase and fit out in support of the Driving Force initiative. It is estimated that each vehicle will cost £80,000. The chassis were secured due to foreseen difficulties in vehicle procurement and supply and a deposit of £20,000 per vehicle was recorded in the year ending 31 December 2021. The two vehicles will be added in full to the fixed asset register in 2022.

During the year the Society tendered for and awarded a contract for the design, build and delivery of a new website for launch in 2022. The contract value is £230,000 and at 31 December 2021 there was an outstanding commitment of £30,000. The asset will be fully commissioned in 2022 and amortisation will commence after its launch.

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20. Related Party Transactions

Subsidiaries

The British Horse Society owns 100% of the share capital of The British Horse Society (Trading Company) Limited and The British Horse Society Qualifications Limited. The registered office of both subsidiaries is Abbey Park, Stareton, Kenilworth, Warwickshire CV8 2XZ. During the year the transactions with these companies were as follows:

	2021	2020
	£000	£000
The British Horse Society (Trading Company) Limited:		
Gift aid income	28	1
Intercompany trade and recharges	41	37
Amounts due from subsidiary	107	91

The British Horse Society Qualifications Limited:

Intercompany trade and recharges	(25)	33
Amounts due from subsidiary	157	156

Other related parties

T Lord is a director and shareholder of Berkshire Riding Centre Limited (company number 03193741) and S McCarthy is a director of Aberdeen Riding Club Limited (company number SC159535). During the year transactions with these companies were as follows:

	2021	2020
	£000	£000
Berkshire Riding Centre Limited		
Equestrian Education and Facility Services	5	1
Aberdeen Riding Club Limited		
Equestrian Education and Facility Services	1	1