

THE BRITISH HORSE SOCIETY

Stoneleigh Deer Park , Kenilworth , Warwickshire CV8 2XZ

Incorporated on 5th November 1947

Registered Number 444 742

Charity number 210504

ANNUAL REPORT 1999

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THE BRITISH HORSE SOCIETY

Statement of the Board's responsibilities

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

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

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

M A Clayton Esq - chairman
Date

M A Clayton
30-03-00

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

We have audited the accounts on pages 2 to 13 which have been prepared under the accounting policies set out on page 2.

Respective responsibilities of directors and auditors

As described above, the Board, whose members also act as trustees for the charitable activities of the Society, are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Society and of the group at 31st December 1999 and of the incoming resources and application of resources, including the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Oxford
Date

6 April 2000.

Critchleys
Chartered Accountants
Registered Auditors

Critchleys

THE BRITISH HORSE SOCIETY

Accounting policies

1 Basis of accounting

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

2 Basis of consolidation

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

3 Incoming resources

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

4 Subscriptions

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

5 Legacies and donations

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

6 Depreciation

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

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

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

7 Operating leases

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

8 Defined contribution pension scheme

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

9 Stocks

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

THE BRITISH HORSE SOCIETY

Group statement of financial activities

for the year ended 31st December 1999

| | Note | Unrestricted funds £ | Restricted funds £ | Total 1999 £ | Total 1998 £ |
|-----------------------------------------------------------------------------------|------------|-------------------------|-----------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| Subscriptions and fees | | 3 263 492 | 0 | 3 263 492 | 3 270 298 |
| Donations | 1 | 421 132 | 108 159 | 529 291 | 219 095 |
| Grants | 1 | 0 | 143 154 | 143 154 | 243 428 |
| Sundry other income | 2 | 160 852 | 0 | 160 852 | 206 414 |
| Investment income | 3 | 120 252 | 7 222 | 127 474 | 153 549 |
| Net income of trading subsidiary | 4 | 4 531 | 0 | 4 531 | 23 746 |
| Total incoming resources before exceptional items | | 3 970 259 | 258 535 | 4 228 794 | 4 116 530 |
| Resources expended | | | | | |
| Direct charitable expenditure | 5 | 3 247 698 | 284 409 | 3 532 107 | 3 330 588 |
| Other expenditure | 5 | 700 565 | 239 | 700 804 | 1 636 404 |
| Total resources expended before exceptional items | 5 | 3 948 263 | 284 648 | 4 232 911 | 4 966 992 |
| Exceptional items | 6 | 0 | 0 | 0 | 350 583 |
| Total resources expended after exceptional items | | 3 948 263 | 284 648 | 4 232 911 | 5 317 575 |
| Net (outgoing) incoming resources after exceptional items before transfers | | 21 996 | (26 113) | (4 117) | (1 201 045) |
| Transfers between funds | 15, 16, 17 | 8 061 | (8 061) | 0 | 0 |
| Net (outgoing) incoming resources | | 30 057 | (34 174) | (4 117) | (1 201 045) |
| Gains on investment assets | | | | | |
| Realised | | 0 | 4 697 | 4 697 | 2 326 |
| Unrealised | | 5 305 | (22) | 5 283 | 2 086 |
| Net movement in funds | | 35 362 | (29 499) | 5 863 | (1 196 633) |
| Fund balances brought forward at 31st December 1998 | | 1 129 648 | 672 619 | 1 802 267 | 2 998 900 |
| Fund balances carried forward at 31st December 1999 | | 1 165 010 | 643 120 | 1 808 130 | 1 802 267 |

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

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

THE BRITISH HORSE SOCIETY

Group cash flow statement

for the year ended 31st December 1999

| | 1999 | 1998 |
|------------------------------------------------------------|-----------|------------|
| | £ | £ |
| Net cash (outflow) inflow from operating activities | 201 740 | (420 993) |
| Capital expenditure and financial investments | | |
| Payments to acquire tangible fixed assets | (21 551) | (488 314) |
| Payments to acquire shares | 0 | (5 651) |
| Receipts from sale of stocks invested | 24 849 | 10 226 |
| Receipts from sale of tangible fixed assets | 36 188 | 81 273 |
| | 39 486 | (402 466) |
| Management of liquid resources | | |
| Realisation of short term deposits | 0 | 607 059 |
| Investment in short term deposits | (31 827) | 0 |
| | 209 399 | (216 400) |

Notes to the group cash flow statement

Reconciliation of net (outgoing) resources to net cash inflow from operating activities

| | | |
|-----------------------------------------------------|-----------|-------------|
| Net (outgoing) resources | (4 117) | (1 201 045) |
| Depreciation | 134 342 | 170 409 |
| Loss/(Profit) on Sale of Assets | 8 222 | 48 835 |
| Realised gains in the year | 4 697 | 2 326 |
| Decrease/(Increase) in stocks | (33 528) | 305 091 |
| Decrease (increase) in debtors | 135 302 | 309 539 |
| Increase (decrease) in creditors | (43 178) | (56 148) |
| Net cash (outflow) inflow from operating activities | 201 740 | (420 993) |

Analysis of changes in net funds

| | 31 Dec 98 | Cash flows | Other changes | 31 Dec 99 |
|---------------------------|-----------|------------|---------------|-----------|
| | £ | £ | £ | £ |
| Cash at bank | 689 021 | 209 399 | | 898 420 |
| Current asset investments | 95 787 | (24 849) | 5 283 | 76 221 |
| Short term deposits | 618 515 | 31 827 | | 650 342 |
| | 1 403 323 | 216 377 | 5 283 | 1 624 983 |

Reconciliation of net cash flow to movement in net funds

| | 1999 |
|----------------------------------------------|-----------|
| | £ |
| Increase (Decrease) in cash for the year | 209 399 |
| Net inflow/(Outflow) from liquid resources | 31 827 |
| Net inflow/ (Outflow) from investment shares | (24 849) |
| Unrealised gains on revaluations in the year | 5 283 |
| Change in net debt | 221 660 |
| Net funds at 31st December 1998 | 1 403 323 |
| Net funds at 31st December 1999 | 1 624 983 |

THE BRITISH HORSE SOCIETY

Balance sheet

Group and The Society

at 31st December 1999

| | Note | Group | | The Society | |
|-------------------------------|------|------------------|------------------|------------------|------------------|
| | | 1999 £ | 1998 £ | 1999 £ | 1998 £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | 1 102 572 | 1 259 774 | 1 102 572 | 1 259 774 |
| Investments | 9 | 0 | 0 | 5 000 | 5 000 |
| | | <u>1 102 572</u> | <u>1 259 774</u> | <u>1 107 572</u> | <u>1 264 774</u> |
| Current assets | | | | | |
| Stocks | | 139 705 | 106 177 | 23 541 | 16 917 |
| Debtors | | | | | |
| amounts falling due | | | | | |
| within one year | 10 | 264 133 | 389 613 | 585 427 | 320 886 |
| after more than one year | 11 | 125 500 | 135 322 | 125 500 | 335 322 |
| Investments | 12 | 726 564 | 714 302 | 726 564 | 714 302 |
| Cash at bank and in hand | | 898 420 | 689 021 | 620 302 | 583 486 |
| | | <u>2 154 322</u> | <u>2 034 435</u> | <u>2 081 334</u> | <u>1 970 913</u> |
| Current liabilities | | | | | |
| Creditors due within one year | 13 | 1 448 764 | 1 491 942 | 1 395 303 | 1 447 416 |
| | | <u>705 558</u> | <u>542 493</u> | <u>686 031</u> | <u>523 497</u> |
| Net current assets | | | | | |
| | | <u>1 808 130</u> | <u>1 802 267</u> | <u>1 793 603</u> | <u>1 788 271</u> |
| Net assets | | | | | |
| | | <u>1 808 130</u> | <u>1 802 267</u> | <u>1 793 603</u> | <u>1 788 271</u> |
| represented by | | | | | |
| Income funds | | | | | |
| Restricted funds | 15 | 643 120 | 672 619 | 643 120 | 672 619 |
| Unrestricted funds | | | | | |
| Designated funds | 16 | 186 359 | 199 798 | 186 359 | 199 798 |
| Other charitable funds | 17 | 978 651 | 929 850 | 964 124 | 915 854 |
| Total reserves | | <u>1 808 130</u> | <u>1 802 267</u> | <u>1 793 603</u> | <u>1 788 271</u> |

The accounts were approved by
the Board on and
signed on its behalf by

M A CLAYTON - chairman

Mrs H T PHILLIPS FCA - treasurer

M A Clayton 30-03-00
Helen Phillips 30/3/00

THE BRITISH HORSE SOCIETY

NOTES ON THE ACCOUNTS

for the year ended 31st December 1999

1 Donations and grants receivable

Donations receivable include the following :

| | 1999 £ | 1998 £ |
|--------------------------------------|-----------|-----------|
| Mrs Winifred Sutton deceased | 90 449 | 103 235 |
| Miss Marie Louise Hollebone Deceased | 306 603 | 0 |
| EMAP Active | 14 856 | 0 |
| British Dressage Limited | 6 613 | 0 |
| Miss Penelope Jane Turner Deceased | 10 000 | 0 |
| Elise Pilkington Charitable Trust | 50 000 | 0 |
| R G Hills Charitable Trust | 0 | 15 000 |
| J A Farrell deceased | 0 | 8 107 |
| Marjorie Coote Animal Charity Trust | 0 | 6 000 |
| Home of Rest for Horses | 0 | 7 200 |

Grants receivable include the following :

| | | |
|---------------------------|--------|--------|
| Scottish Natural Heritage | 25 793 | 14 972 |
| Sports Councils | | |
| England | 28 800 | 18 400 |
| Scotland | 16 000 | 15 425 |
| Wales | 0 | 0 |
| Northern Ireland | 3 000 | 0 |

2 Sundry other income

Sundry other income includes the following :

| | | |
|---------------|----------------|----------------|
| Fundraising | 45 772 | 52 637 |
| Miscellaneous | 115 080 | 153 777 |
| | <u>160 852</u> | <u>206 414</u> |

3 Investment income

Income from listed investments
Income from investment property
Interest receivable

| | | |
|--|----------------|----------------|
| | 3 960 | 5 239 |
| | 54 686 | 18 147 |
| | <u>68 628</u> | <u>130 163</u> |
| | <u>127 474</u> | <u>153 549</u> |

4 Net income of trading subsidiary

The Society has one wholly owned trading subsidiary, which is incorporated in England. The British Horse Society (Trading Company) Limited undertakes the trading activities of the Society and covenants its taxable profits to the Society.

A summary of its trading results, which are included within the consolidated accounts, is shown below.

Audited accounts have been filed with the Registrar of Companies.

Profit and loss account

| | 1999 £ | 1998 £ |
|------------------------------------------------|--------------|---------------|
| Turnover | 808 893 | 994 332 |
| Cost of sales | (802 532) | (870 192) |
| Exceptional items | 0 | (73 337) |
| Operating profit | <u>6 361</u> | <u>50 803</u> |
| Interest receivable | 3 823 | 6 727 |
| Interest payable | (5 653) | (33 784) |
| Profit on ordinary activities before taxation | <u>4 531</u> | <u>23 746</u> |
| Taxation | 0 | 0 |
| Profit on ordinary activities after taxation | <u>4 531</u> | <u>23 746</u> |
| Amount covenanted to The British Horse Society | (4 000) | (7 000) |
| Retained in subsidiary undertaking | <u>531</u> | <u>16 746</u> |

5 Analysis of total resources expended

| | Staff costs | Other | Depreciation | Total 1999 £ | Total 1998 £ |
|----------------------------------------------|------------------|------------------|----------------|--------------------|--------------------|
| Direct charitable expenditure | | | | | |
| Training | 436 845 | 1 143 580 | 28 878 | 1 609 303 | 1 445 663 |
| Safety, access and welfare | 379 416 | 357 585 | 26 862 | 763 863 | 536 945 |
| Membership support costs | 441 756 | 677 220 | 39 965 | 1 158 941 | 1 347 980 |
| | <u>1 258 017</u> | <u>2 178 385</u> | <u>95 705</u> | <u>3 532 107</u> | <u>3 330 588</u> |
| Other expenditure | | | | | |
| Fundraising and publicity | 120 369 | 159 676 | 7 894 | 287 939 | 222 894 |
| Management and administration of the charity | 168 505 | 213 617 | 30 743 | 412 865 | 1 413 510 |
| Total | <u>1 546 891</u> | <u>2 551 678</u> | <u>134 342</u> | <u>4 232 911</u> | <u>4 966 992</u> |

The Management and Administration expenses have been analysed between other departments in order to give a fairer reflection of the workings of the charity.

This expenditure for the year to 31st December 1998 has not been adjusted.

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1999

5 Analysis of total resources expended continued

Other expenditure includes :

| | 1999 | 1998 |
|------------------------|-------|--------|
| | £ | £ |
| Auditors' remuneration | 8 000 | 14 000 |
| for audit work | | |
| for non-audit work | 7 048 | 3 390 |

Within Resources Expended are operating lease rentals

| | | |
|-------------------------|--------|--------|
| for land and buildings | 79 408 | 67 657 |
| for plant and machinery | 15 183 | 0 |

6 Exceptional items

| | | |
|-----------------------------------------------|----------|----------------|
| Provision for slowmoving stock | 0 | 73 337 |
| Programming costs written off | 0 | 142 096 |
| Additional depreciation on switchboard | 0 | 44 884 |
| Termination payments following reorganisation | 0 | 90 266 |
| | <u>0</u> | <u>350 583</u> |

7 Trustees and employees

Trustees

No remuneration is paid to any trustee by virtue of his or her position on the board. The trustees who held office throughout the year are shown on published accounts

| | | |
|------------------------------------------------------------------------------------|---------------|--------------|
| The cost of reimbursing expenses to trustees during the year amounted to | 21 025 | 22 723 |
| Fees paid to trustees during the year for examinations carried out | 4 773 | 6 594 |
| The cost of providing directors and officers insurance during the year amounted to | <u>21 025</u> | <u>1 508</u> |

Staff costs

| | | |
|-----------------------------------|------------------|------------------|
| Wages and salaries | 1 219 171 | 1 135 954 |
| Social security costs | 111 241 | 118 011 |
| Pension Costs | 92 376 | 105 852 |
| Life assurance costs | 6 093 | 8 888 |
| Other costs and employee benefits | 118 010 | 152 998 |
| | <u>1 546 891</u> | <u>1 521 703</u> |

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

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

| Employees receiving | number | number |
|---------------------|----------|----------|
| £ 40,001 - £ 50,000 | 1 | 1 |
| £ 50,001 - £ 60,000 | 0 | 1 |
| £ 80,001 - £ 90,000 | <u>1</u> | <u>0</u> |

The items used to determine the above values are

gross salary, employer's contribution for pension and life cover and the taxable value of benefits in kind.

The average number of employees throughout the year was

| | | |
|--------------------------------|-----------|-----------|
| directly charitable activities | 48 | 48 |
| fundraising and publicity | 5 | 4 |
| management and administration | 18 | 16 |
| | <u>71</u> | <u>68</u> |

Wages and salaries divided by the average number of employees

| | |
|----------|----------|
| £ 17 171 | £ 18 705 |
|----------|----------|

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1999

8 Tangible fixed assets Group and The Society

| | Freehold property £ | Leasehold property £ | Fixtures fittings & equipment £ | Motor vehicles £ | Total £ |
|-----------------------|---------------------------|----------------------------|------------------------------------------|------------------------|------------|
| Cost | | | | | |
| At 31st December 1998 | 1 046 502 | 41 306 | 779 167 | 229 108 | 2 096 083 |
| Additions | 0 | 0 | 7 301 | 14 250 | 21 551 |
| Disposals | 0 | (26 306) | (13 000) | (111 732) | (151 038) |
| At 31st December 1999 | 1 046 502 | 15 000 | 773 468 | 131 626 | 1 966 596 |
| Depreciation | | | | | |
| At 31st December 1998 | 16 346 | 36 556 | 681 057 | 102 350 | 836 309 |
| Charge for the year | 29 860 | 1 500 | 60 966 | 42 016 | 134 342 |
| Disposals | 0 | (26 306) | (13 000) | (67 321) | (106 627) |
| At 31st December 1999 | 46 206 | 11 750 | 729 023 | 77 045 | 864 024 |
| Net book value | | | | | |
| At 31st December 1999 | 1 000 296 | 3 250 | 44 445 | 54 581 | 1 102 572 |
| At 31st December 1998 | 1 030 156 | 4 750 | 98 110 | 126 758 | 1 259 774 |

The cost as shown above represents the full cost to the Society before deducting grants and contributions received, of which there were none in the year to 31st December 1998 and 31st December 1999

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.

9 Fixed asset investments

The Society

Shares in subsidiary undertaking:
At 31st December

| 1999 £ | 1998 £ |
|-----------|-----------|
| 5 000 | 5 000 |

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

Group and The Society

Leasehold property

Cost

At 31st December 1998
Transfer from tangible fixed assets
At 31st December 1999

| | |
|--------|--------|
| 94 081 | 0 |
| 0 | 94 081 |
| 94 081 | 94 081 |

Depreciation

At 31st December 1998
Transfer from tangible fixed assets
At 31st December 1999

| | |
|--------|--------|
| 94 081 | 0 |
| 0 | 94 081 |
| 94 081 | 94 081 |

Net book value

At 31st December 1999

| | |
|---|---|
| 0 | 0 |
|---|---|

At 31st December 1998

| | |
|---|---|
| 0 | 0 |
|---|---|

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

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

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1999

10 Debtors : amounts falling due within one year

| | Group | | The Society | |
|---------------------------------------------|----------------|----------------|----------------|----------------|
| | 1999 | 1998 | 1999 | 1998 |
| | £ | £ | £ | £ |
| Trade debtors | 75 582 | 200 230 | 35 195 | 134 534 |
| Loans to event organisers | 7 000 | 11 500 | 7 000 | 11 500 |
| Current account with subsidiary undertaking | 0 | 0 | 371 819 | 0 |
| VAT recoverable | 1 499 | 931 | 1 499 | 892 |
| Loan to British Horse Trials Association | 20 875 | 20 875 | 20 875 | 20 875 |
| Other debtors | 38 534 | 61 704 | 39 454 | 63 314 |
| Prepayments | 120 643 | 94 373 | 109 585 | 89 771 |
| | <u>264 133</u> | <u>389 613</u> | <u>585 427</u> | <u>320 886</u> |

11 Debtors : amounts falling due after more than one year

| | 1999 | 1998 | 1999 | 1998 |
|------------------------------------------|----------------|----------------|----------------|----------------|
| Loans to event organisers | 42 000 | 22 500 | 42 000 | 22 500 |
| Loan to subsidiary undertaking | 0 | 0 | 0 | 200 000 |
| Loan to British Horse Trials Association | 83 500 | 104 375 | 83 500 | 104 375 |
| Other debtors | 0 | 8 447 | 0 | 8 447 |
| | <u>125 500</u> | <u>135 322</u> | <u>125 500</u> | <u>335 322</u> |
| | <u>389 633</u> | <u>524 935</u> | <u>710 927</u> | <u>656 208</u> |

The loan to subsidiary undertaking was secured by a debenture in favour of the Society and interest was charged at 2% over the base rate quoted by the Society's bankers. The loan was repaid during 1999.

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

12 Investments

Group and The Society

| | 1999 | 1998 |
|-------------------------------------------------------|----------------|----------------|
| Unlisted investments at cost | | |
| Royal Bank of Scotland - customer bid deposit account | <u>650 342</u> | <u>618 515</u> |
| Analysis of listed investments at market value | | |
| 6% Treasury Stock 1999 | 0 | 11 299 |
| 8% Treasury Stock 2002/06 | 10 542 | 11 316 |
| Index linked Treasury Stock 2013 | 0 | 13 549 |
| 6.75% Treasury Stock 2004 | 10 867 | 11 843 |
| Monks Investment Trust 25p ordinary shares | 8 012 | 6 284 |
| 3.5% war stock | 3 024 | 3 000 |
| M & G charifund income units | <u>43 777</u> | <u>38 496</u> |
| | <u>76 222</u> | <u>95 787</u> |
| | <u>726 564</u> | <u>714 302</u> |
| Listed investments at cost | <u>41 675</u> | <u>57 149</u> |

13 Creditors due within one year

| | Group | | The Society | |
|---------------------------------------------|------------------|------------------|------------------|------------------|
| | 1999 | 1998 | 1999 | 1998 |
| | £ | £ | £ | £ |
| Trade creditors | 193 329 | 249 426 | 167 407 | 195 665 |
| PAYE and NI payable | 42 521 | 36 699 | 42 521 | 36 699 |
| Current account with subsidiary undertaking | 0 | 0 | 0 | 35 435 |
| Other creditors | 81 528 | 29 239 | 54 820 | 8 579 |
| Accruals | 182 206 | 302 739 | 181 741 | 298 084 |
| Subscriptions received in advance | 718 884 | 725 206 | 718 884 | 725 206 |
| Other income received in advance | 230 296 | 148 633 | 229 930 | 147 748 |
| | <u>1 448 764</u> | <u>1 491 942</u> | <u>1 395 303</u> | <u>1 447 416</u> |

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1999

14 Share capital

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

15 Restricted funds

Group and The Society

Summary of restricted funds

| | 1999 £ | 1998 £ |
|--------------------------------------------------------|----------------|----------------|
| At 31st December 1998 | 672 619 | 568 613 |
| Amount received in the year | 142 500 | 223 003 |
| Transferred (to) from other charitable funds - note 17 | (8 061) | (7 389) |
| Transferred (to) from designated funds - note 16 | 0 | 62 463 |
| Amount disbursed in the year | (183 938) | (174 071) |
| At 31st December 1999 | <u>643 120</u> | <u>672 619</u> |

Years of the horse development fund

| | | |
|------------------------------|----------------|----------------|
| At 31st December 1998 | 456 822 | 338 430 |
| Amount received in the year | 0 | 127 760 |
| Amount disbursed in the year | 0 | (9 368) |
| At 31st December 1999 | <u>456 822</u> | <u>456 822</u> |

The Development Fund was accumulated to encourage the use of the horse, to raise standards of riding and of horsemanship and, above all, to make certain that horses and ponies used and owned by human beings are neither used nor abused.

Event organisers' loan funds

| | | |
|------------------------------|---------------|---------------|
| At 31st December 1998 | 64 640 | 62 165 |
| Amount received in the year | 2 967 | 2 475 |
| Amount disbursed in the year | 0 | 0 |
| At 31st December 1999 | <u>67 607</u> | <u>64 640</u> |

This fund is used specifically to provide loans to organisers of Horse Trials Events.

Fixed asset grants

| | | |
|-------------------------------------------------|--------------|---------------|
| At 31st December 1998 | 13 834 | 21 060 |
| Amount received in the year | 0 | 0 |
| Transferred (to) other charitable funds-note 17 | (6 561) | (7 226) |
| At 31st December 1999 | <u>7 273</u> | <u>13 834</u> |

The Bodynfoel fund

| | | |
|------------------------------|--------------|--------------|
| At 31st December 1998 | 3 450 | 2 903 |
| Amount received in the year | 602 | 739 |
| Amount disbursed in the year | 0 | (192) |
| At 31st December 1999 | <u>4 052</u> | <u>3 450</u> |

The Fenwick watch fund

| | | |
|------------------------------|------------|------------|
| At 31st December 1998 | 124 | 859 |
| Amount received in the year | 500 | 30 |
| Amount disbursed in the year | (239) | (765) |
| At 31st December 1999 | <u>385</u> | <u>124</u> |

Welfare supporters fund

| | | |
|-------------------------------------------------|----------|-----------|
| At 31st December 1998 | 0 | 12 771 |
| Amount received in the year | 0 | 917 |
| Transferred to rescue and rehabilitation scheme | 0 | (13 688) |
| At 31st December 1999 | <u>0</u> | <u>0</u> |

THE BRITISH HORSE SOCIETY

Notes continued

for the year ended 31st December 1999

15 Restricted funds (continued)

The Saddlers' training fund

At 31st December 1998

Amount received in the year

Transferred (to) other charitable funds-note 17

Amount disbursed in the year

At 31st December 1999

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

The transfers (to) other charitable funds reimburses expenditure by the British Horse Society on behalf of the Saddlers' training fund.

The Horse and Hound training fund

At 31st December 1998

Amount received in the year

Amount disbursed in the year

At 31st December 1999

The Horse and Hound Training Fund is to aid specific training activities.

The Range Rover bursary fund

At 31st December 1998

Amount received in the year

Amount disbursed in the year

At 31st December 1999

W W Thomson bursary fund

At 31st December 1998

Amount received in the year

Amount disbursed in the year

At 31st December 1999

This fund is intended to provide income, which can be used to assist with the training of potential designers and course builders, and in particular for the advancement of education and safety.

Inchcape dressage team training fund

At 31st December 1998

Amount received in the year

Amount disbursed in the year

At 31st December 1999

This fund was generously provided for the training and coaching of the future British Dressage Team.

The rescue and rehabilitation scheme

At 31st December 1998

Amount received in the year

Transferred (to) other charitable funds-note 17

Transferred from welfare supporters' fund

Transferred (to) from designated funds - note 16

Amount disbursed in the year

At 31st December 1999

1999 1998

31 196 22 668

23 432 22 005

(1 500) (1 500)

(19 914) (11 977)

33 214 31 196

5 293 6 917

0 376

0 (2 000)

5 293 5 293

0 2 116

0 0

0 (2 116)

0 0

25 860 22 979

534 3 578

(1 665) (697)

24 729 25 860

52 775 64 274

6 806 8 407

(18 247) (19 906)

41 334 52 775

16 114 9 022

107 659 56 554

0 1 337

0 13 688

0 62 463

(123 773) (126 950)

0 16 114

THE BRITISH HORSE SOCIETY

Notes continued

15 Restricted funds (continued)

The John Yeats bursary fund

At 31st December 1998
Amount received in the year
Amount disbursed in the year
At 31st December 1999

| for the year ended 31st December 1999 | |
|---------------------------------------|--------------|
| 1999 | 1998 |
| £ | £ |
| 2 511 | 2 449 |
| 0 | 162 |
| (100) | (100) |
| <u>2 411</u> | <u>2 511</u> |

16 Designated funds

Group and The Society

At 31st December 1998
Amount received in the year
Transferred (to) from restricted funds - note 15
Amount disbursed in the year
At 31st December 1999

| | |
|----------------|----------------|
| 199 798 | 259 969 |
| 13 | 19 013 |
| 0 | (62 463) |
| (13 452) | (16 721) |
| <u>186 359</u> | <u>199 798</u> |

BHS training fund

At 31st December 1998
Amount received in the year
Transferred (to) from restricted funds - note 15
Amount disbursed in the year
At 31st December 1999

| | |
|----------------|----------------|
| 160 602 | 160 231 |
| 0 | 10 371 |
| 0 | 0 |
| (10 000) | (10 000) |
| <u>150 602</u> | <u>160 602</u> |

The BHS training fund has been set aside for the purpose of training.
An annual grant of £10,000 is payable to The British Horse Trials Association,
for a period of five years, which commenced in 1998.

Road safety fund

At 31st December 1998
Amount received in the year
Amount disbursed in the year
At 31st December 1999

| | |
|---------------|---------------|
| 35 675 | 33 512 |
| 13 | 2 317 |
| (3 452) | (154) |
| <u>32 236</u> | <u>35 675</u> |

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

Bridleways fund

At 31st December 1998
Amount received in the year
Amount disbursed in the year
At 31st December 1999

| | |
|--------------|--------------|
| 3 521 | 3 058 |
| 0 | 463 |
| 0 | 0 |
| <u>3 521</u> | <u>3 521</u> |

Welfare fund

At 31st December 1998
Amount received in the year
Transferred (to) from restricted funds - note 15
Amount disbursed in the year
At 31st December 1999

| | |
|----------|-----------|
| 0 | 63 168 |
| 0 | 5 862 |
| 0 | (62 463) |
| 0 | (6 567) |
| <u>0</u> | <u>0</u> |

17 Other charitable funds

Group

At 31st December 1998

Surplus (Deficit) for the year

Transferred (to) from restricted funds - note 15

Transferred (to) from designated funds - note 16

At 31st December 1999

| 1999 | 1998 |
|---------|-------------|
| £ | £ |
| 929 850 | 2 170 318 |
| 40 740 | (1 247 857) |
| 970 590 | 922 461 |
| 8 061 | 7 389 |
| 0 | 0 |
| 978 651 | 929 850 |

The Society

At 31st December 1998

(Deficit) surplus for the year

Transferred (to) from restricted funds - note 15

Transferred (to) from designated funds - note 16

At 31st December 1999

| 1999 | 1998 |
|---------|-------------|
| £ | £ |
| 915 854 | 2 173 068 |
| 40 209 | (1 264 603) |
| 956 063 | 908 465 |
| 8 061 | 7 389 |
| 0 | 0 |
| 964 124 | 915 854 |

18 Analysis of group net assets between funds

Fund balances at 31st December 1999 are represented by :

Tangible fixed assets

Investments

Other Current assets

Current liabilities

Total net assets

Unrealised gains included above

On investment assets (see below)

Reconciliation of movements in unrealised gains on investment assets

Unrealised gains at 31st December 1998

Add net gains/(losses) on revaluations in the year

Unrealised gains at 31st December 1999

| Unrestricted funds | Restricted funds | Total funds |
|--------------------|------------------|-------------|
| £ | £ | £ |
| 1 095 299 | 7 273 | 1 102 572 |
| 90 717 | 635 847 | 726 564 |
| 1 427 758 | 0 | 1 427 758 |
| (1 448 764) | 0 | (1 448 764) |
| 1 165 010 | 643 120 | 1 808 130 |
| 15 815 | 4 010 | 19 825 |
| 10 510 | 8 729 | 19 239 |
| 5 305 | (4 719) | 586 |
| 15 815 | 4 010 | 19 825 |

19 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31st December 2000

expiring within two to five years

for land and buildings

for plant and machinery

expiring after five years

for land and buildings

for plant and machinery

| 1999 | 1998 |
|--------|--------|
| £ | £ |
| 29 640 | 0 |
| 43 700 | 0 |
| 73 340 | 0 |
| 14 600 | 65 585 |
| 0 | 0 |
| 14 600 | 65 585 |

The leases on land at Stoneleigh expire in December 2017 and are subject to 5 yearly rent reviews, with the next review due on 1st January 2004. Some of these leases were surrendered during 1999

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

20 Post balance sheet event

In January 2000, the balance of the Marie Louise Hollebone legacy was received. In accordance with The Society's accounting policy, no provision has been made in these accounts in respect of the amounts due.