

THE BRITISH HORSE SOCIETY

(Company Registration Number 00444742)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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CHAIRMAN'S INTRODUCTION

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 together with the audited financial statements for the year ended 31 December 2020. In doing so the trustees have adopted the provisions and guidance of all relevant legislation and standards.

In my introduction to last year's report I referred to the unheralded impact of the COVID 19 pandemic that precipitated the national lockdown in March 2020. The declaration of the global crisis and the subsequent period of restrictions, further lockdown and uncertainty has affected everyone's lives, health, mental health and livelihoods in some way.

As an organisation we have had to operate like many businesses, with a workforce located at home and with our headquarters closed since 23rd March 2020. The doors of Equestrian House have only opened to perform essential operations that cannot be carried out at home. We have very much been charting a course through uncharted territory.

Our technology provision for our employees and wider team has performed extremely well. With admirable foresight we equipped all our staff in late December 2019 and early January 2020 with devices enabling remote network and file access, and most significantly a video conferencing platform that has meant we have been able to function as a business and to maintain a vital service to the industry. We very much rose to the challenge of staying in touch while remaining apart.

Again, like so many businesses we have benefited from the Coronavirus Job Retention Scheme, and by carefully managing our capacity and the furloughing of employees we have benefited from the Chancellor's measures. We have prioritised the safety and wellbeing of our teams wherever they are located.

The senior management team introduced regular and routine crisis management meetings and briefings, initially daily, to ensure that all of our departments and service providers remained fully informed and knowledgeable in the ever-changing landscape we faced, and still do. The trustees have held frequent and agile board meetings to ensure that our governance has kept pace with the crisis as it unfolded; implementing measures and safeguards to help equestrians through the crisis and holding a years' worth of meetings in a matter of weeks in the process.

In order to remain as strong, resilient and agile as possible the trustees pooled all of the Society's cash resources so they were available without notice or delay should the need arise. As markets suffered the inevitable hit, we have tracked investment values, monitoring the sharp decline followed by a measured recovery. We reviewed every element of our reserves and transferred the property reserve, historically held as a designated fund to unrestricted funds. This entire exercise ensured we were adequately and appropriately positioned to respond with a high level of confidence and resilience whenever and wherever support may have been needed.

This organisational preparedness and responsiveness has been geared towards using the Society's resources on the one hand to lead, give advice and to lobby on behalf of equestrians and equines everywhere and on the other hand to give tangible financial support to those involved in equine participation to ensure they would survive and continue to care for and look after the horses and ponies they were responsible for. The specific focus therefore was on our members, riding schools, coaches as well as the wellbeing of the industry as a whole.

As equine competition, participation and education were paralysed from March 2020 equestrians had a myriad of questions about how to go about their lives with horses, their horses' health and

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CHAIRMAN'S INTRODUCTION (continued)

welfare, their own safety and wellbeing, what they were allowed to do, and not allowed to do under government guidelines. The BHS therefore developed quick and urgent response mechanisms with our Coronavirus Helpline responding to thousands of queries and our Coronavirus Hub of information, guidance and advice informing the equine world together with a regular flow of multi-channel member communications.

We helped, supported and informed our members, coaches and riding schools at every turn of events through periods of lockdown and the eventual easing of restrictions. Our team of experts interpreted government guidance and liaised with other equine bodies and authorities to give as clear a direction as possible. Varying government guidance between the Nations as the pandemic progressed gave an additional challenge and resulted in our team working for every Nation and responding to differing lockdown periods across the UK.

In addition to placing ourselves as an essential source of information and guidance the Society also recognised the plight of individuals and businesses reliant upon equine activities not only to make a living but, most importantly to care for and feed the horses and ponies in their charge. Riding schools across the country were forced to close and so many found it extremely difficult to cope with the challenges arising from the pandemic. The BHS supported them in a number of ways:

1. An immediate 12-month free period from BHS fees for Approved Riding Schools
2. A payment holiday for Accredited Professional Coaches whose livelihood was at threat and who were key to future equestrian education
3. The trustees commissioned a hardship fund in support of the horses and ponies in BHS riding schools and centres. This fund came primarily from the charity's resources both centrally and from across the regions and nations of the UK as well as from member donations via a national appeal. The aim was simple – for a claim to be straightforward – and to help where help was needed. This pioneering initiative remained in place throughout the year and by early 2021 the value of support had exceeded £1,000,000. The impact has been sustained and judging by the range of responses so well and gratefully received and put to great use. Without the coordination of resources and expertise across the entire Society this great team effort would not have been possible.

The trustees are proud that the Society has used its reserves to support members, other key stakeholders and the horses and ponies in their care. The Society's hardship fund initiative was recognised by government and at the National Equine Forum in March 2021 Lord Gardiner of Kimble, the then parliamentary Under Secretary of State in Defra, commented:

The BHS set up the hardship fund to help meet the cost associated with maintaining the health and wellbeing of horses and ponies. I thank the BHS for their collaboration with the Government to identify the implications that the changing COVID 19 restrictions have had on various equestrian activities

4. The BHS was instrumental in lobbying for the bringing back into use of indoor and covered arenas. We continue to represent the industry as we return safely and sensibly back to something resembling normal activity.

It has been a time like no other for the Society, but throughout the uncertainty the whole Society has been determined to care for, support, inform and advise. Many of the lessons learned and

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changes in ways of working due to COVID 19 were positive and the Society will ensure that those beneficial practices are captured and remain part of how we do business.

We feel that we survived 2020 in a strong position – our wonderfully loyal membership not only stayed with the Society but many new members joined us. Additionally, in September we approved a longer-term strategy and earmarked funds for investment to improve our digital presence and communications with our growing membership.

As we have plotted a course through these unheralded times I must pay tribute to the hard work, dedication and enterprise of our entire team, superbly led by James Hick, our Chief Executive, my fellow trustees, past and present, who have been so committed and supportive of the Society's efforts and our brilliant volunteers, who have kept the Society moving forward despite so many local challenges.

We are, like everyone, looking forward to brighter times, but most of all we wish everyone to be safe and well.



Tim Lord
Chairman

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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 32.

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 Policy

The management of the Society's reserves is an integral part of the trustees' overall approach to the charity's stewardship and risk management. The need for reserves will vary depending on the circumstances that the trustees identify at any point in the planning cycle. In determining a Reserves Policy, the following factors have been considered:

- The requirement for short to medium term 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 flexibility to be able to respond to growth and investment opportunities as and when the need arises
- The high level of discretion held by the trustees over the commitment of charitable expenditure and the need to sustain a level of professional staff

The trustees wish to maintain freely available reserves at a level that enables the charity to manage and withstand the necessary period of recovery from a significant loss in revenue. The trustees have identified that the exposure from such a significant loss would be in the operating range of £1.5 million to £2.0 million and require that net cash or cash equivalents 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 3 months' worth of staff resource.

In April 2020, to ensure that the Society had reserves and resource to draw upon to protect against the effect of the COVID 19 pandemic and to prioritise resource to support horses in need, the trustees authorised the transfer of the property reserve (established in 2010) from designated funds to unrestricted funds as its original purpose had become outdated. As a result, the level of unrestricted undesignated reserves at 31 December 2020 rose to £5.6m (2019: £2.5 million) which is greater than the operating range of £1.5 million to £2.0 million required to be maintained by the trustees.

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STRATEGIC REPORT

Although our plans for 2020 were severely curtailed and adapted the following pages comment on our achievements and activities in the normal way with a measure of impact, by department, and aim to identify beneficiary groups where appropriate. Inevitably there are many references to the impact of the COVID 19 pandemic and our response as an organisation, our work on behalf of the industry, and our support for our members and stakeholders.

Access

In another busy year for the Access Team, 2020 saw the further roll out of the Society's Access Field Officer programme with the appointment of four more officers, covering Yorkshire, East, South West and the West and East Midlands.

The pandemic saw us delivering all our training virtually which meant we were able to provide training to many more people efficiently and in a timely manner.

The recreational challenge faced by us all shone a spotlight on access issues with the nation appreciating just how important access to the great outdoors is for the health and wellbeing of the nation. The increasing number of people making use of the public rights of way network brought its own pressures, and the Society worked to promote responsible and safe use.

There are now only 5 years until the 2026 cut-off date for the recognition of bridleways in England and Wales. The Society has continued to lobby for the deadline to be extended by 5 years, and we continue to our work to record and safeguard as many off-road routes as possible. 2020 saw another 635 applications registered as part of our Project 2026. Research has been difficult for our volunteers with many archives and records being closed because of the pandemic. The Society is grateful to Sport England for extending our grant for this work for a further year to take account of this.

The pandemic put a halt to many of our Ride Out UK events, but the ones that were able to go ahead made a valuable contribution to the Ride Out Fund. The fund was also boosted by our Rideathon in which participants set out with the aim of riding, carriage driving, walking or cycling 70km and raising £70 each. The Ride Out Fund funded or partnership-funded 5 projects in the year.

The equestrian access capacity of BHS in Scotland has grown significantly and we now have forty access representatives and fifteen active equestrian access groups across the country. We have also formed closer, more productive partnerships with other recreational groups through the Scottish Outdoor Recreation Alliance, with a board seat on ScotWays and the role of convenor of the Scottish National Access Forum.

During 2020 BHS in Scotland responded to over 120 planning consultations on behalf of horse riders and directly tackled over 70 access cases providing an advocacy service and delivering training on the Scottish Outdoor Access Code.

Work has continued in Northern Ireland to produce a new online document "Enabling Equestrian Access in Northern Ireland" aimed at local authorities and relevant land-owning bodies for publication in 2021.

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STRATEGIC REPORT (continued)

Education

Our career pathway, which takes candidates through the stage qualifications, were vastly affected by COVID 19 regulations and lockdowns. The Society worked hard to amend assessment methodology, as well as training and assessment guidance, and as a result managed to deliver 3000 assessments, supporting candidates, coaches and centres. The BHS supported over 5000 learners through our challenge awards, many of these being delivered virtually by our Accredited Professional Coaches and Approved Riding Schools.

We supported our Accredited Professional community through payment holidays, regular COVID 19 updates and virtual CPD course, virtual safeguarding courses and virtual first aid courses to help them keep working within the Government guidance during the pandemic.

The only large-scale education event was a successful 2-day convention at Addington, the two day prior to the announcement of lockdown from the Government. We were delighted to be joined by HRH Princess Anne, as well as hundreds of coaches. We were thrilled to get both national and international press coverage of this outstanding event.

Although our international programme was significantly curtailed we maintained our links with our international centres and intend to be ready to deliver BHS standards whenever opportunity presents itself safely.

Fundraising and Associated Initiatives

2020 has proved to be a difficult year for so many, not least our Riding Schools. The BHS set up the COVID Appeal to support BHS Approved Riding Schools whilst they were under enforced closure. The Appeal secured over £100,000 in donations and support from the general public, charitable trusts and industry suppliers. This support, along with a significant contribution from BHS reserves both centrally and regionally, has provided in excess of £700,000 to support our riding schools, ensuring welfare needs were met through the provision of food, farriery and healthcare to riding school horses and ponies.

In 2020 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 Department for Transport for vital research to improve reporting of horse rider and equine incidents and accidents on UK roads to the BHS horse incident database. Research is being conducted to determine why only 845 incidents and accidents were reported to the BHS database in 2018-19, compared to 3,447 patients needing hospital care after being involved in a road incident whilst riding a horse in 2018-19. We will act upon the key findings from the report, to double the number of horse riders reporting road incidents within two years to the BHS specialist horse incident database.

Funding of £50,000 was secured from Derbyshire Environmental Trust to enable crucial maintenance and drainage work to a bridleway which provides essential off-road access and connection to an extensive network of routes; including Shipwright's Way and Alice Holt Forest. The bridleway had become extremely unsafe due to its inadequate drainage. The project will commence in spring 2021 and consist of draining, widening and resurfacing 850m of the 860m route.

Equine Grass Sickness (EGS) continues to kill horses and ponies every year. We secured £20,000 of funding to support a collaborative project between the BHS, Moredun Foundation, and the Equine

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STRATEGIC REPORT (continued)

Grass Sickness Fund. The funds will support the development of a biobank which will be a store of samples collected for research into EGS. This will include samples taken from the horse, pre- and post-mortem, including faecal, blood, serum, gut biopsy, gut content, microbiome analysis along with samples from the premises where the horse has been grazing; including soil, grass and forage, neighbouring plants and fungi. This information should provide valuable insight into the yet undetermined cause of grass sickness.

Our Legacy Campaign has continued to evolve, and we have received two considerable legacies in 2020 which will lead to longer term planning and implementation for their directed use. During the periods in the year where we have not been in lockdown a series of legacy days have been 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.

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 2020.

Membership

We started the year with 108,355 members and ended the year with 116,320 members, a net gain of 7,965 (7.35%) despite the challenges of a global pandemic. We saw a real step up in recruitment from our Together We Can advertising campaigns from May onwards as easing of the first national lockdown began.

As well as the increase in recruitment we also saw a drop in attrition due to some significant improvements to our membership journey communications. We also improved the system for paying by credit or debit card, ensuring greater security for our members and the BHS regarding card payments. Towards the end of the year we launched a new online journey for new members to reduce the time taken to join and to ensure it is optimised for those on mobile devices.

Throughout 2020 we were mindful on two counts as to how our insurance offer to members could be affected in advance of 2021.

Firstly in terms of cost, in a world where premiums for all insurance cover is generally rising, and with underwriters becoming more and more defensive in terms of exclusions and terms, we were able to negotiate a good position going forward, keeping the cost impact to a manageable level.

Secondly, with the Brexit deadline looming we were concerned about our ability to offer insurance outside of the UK. This had a particular bearing for those members resident in the Republic of Ireland. After months of research with our brokers SEIB and discussions with underwriters it became clear that there wasn't any way we could legally continue to offer insurance as part of our membership packages in the Republic of Ireland. It was a devastating message to have to give, but we will be ready to act quickly should the regulatory landscape change.

Participation

With our community of Approved Centres operating under such challenging and perilous circumstances, 2020 saw us embark on a programme of support, both in terms of guidance and information, and in terms of financial support for the wellbeing of horses and ponies in their charge.

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STRATEGIC REPORT (continued)

With such prolonged enforced closures in the face of the pandemic the very core of the equine industry has never known such a threat to its future.

In April, very quickly after the first national lockdown was announced the trustees established the BHS Approved Centre Hardship Fund to support the welfare of Riding School horses and ponies. The fund was created from charitable monies held within BHS reserves centrally, regionally and from all UK countries. This was added to by a national appeal and was sustained by further utilising the Society's reserves. In three rounds of applications in April, June and December 400 riding schools and trekking centres received in excess of £400,000 worth of grants to be used on feed, forage, farriery, bedding and emergency veterinary fees. In addition BHS Approved Centres enjoyed a free period of a year on fees. The package of support in 2020 was greater than £700,000. This support continued into 2021 with a fourth round of applications pushing the level to in excess of £1M.

In addition to the Hardship Fund the Approved Centre team remained closely engaged with centres throughout the crisis, ensuring information and guidance, ranging from COVID-secure procedures to advice on the availability of business support and government grants was provided in the ever changing landscape. Throughout it was key to ensure the correct interpretation of legislation and guidance.

Communication and engagement were the hallmark of the team's approach, with personal telephone calls, virtual coffee mornings and social media involving centres sharing experiences, coping strategies and ideas to ensure survival.

As a result the BHS Approved Centre Facebook page now has nearly 800 members with many Centres commenting on how helpful and efficient it has been for getting updates, plus the sense of community it has given them.

Despite the pandemic work has continued to ensure that the BHS Approved Centre scheme remains world renowned as a statement of quality assurance for the high standards of care and services provided to horses and riders. Centre inspections ceased at the first national lockdown and we have used the time and the learnings from lockdown to develop a new structure with an appropriate mix of inspection and business support.

In 2021 each region will have a designated Business Support Manager (BSM) as their BHS point of contact. The service will be much more customer focused and personal, therefore aiding retention and growth of the scheme.

The creation of a 'Pending Category' for Approval was introduced during 2020 to ensure that such centres would remain engaged with the idea of joining the scheme. This has proved successful so far and centres that have joined in this category will take priority for face to face inspection visits once restrictions have been lifted and inspections can be carried out safely.

Our ambitions for the Changing Lives Through Horses initiative were dealt a similar blow by the pandemic, though we continued to provide the programme for disengaged young people whenever possible. Local authorities agreed with our position that centres should continue on a COVID-secure basis – with the emphasis on increased wellbeing 572 certificates were awarded in 2020, through 27 centres, 6 of them newly added to the programme.

To build on this strong foundation the programme now has strong links to the national curriculum with plans in place to refresh course and coaching materials.

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STRATEGIC REPORT (continued)

Throughout 2020 our Regional and National Managers have been busier than ever. The pandemic and subsequent restrictions on 'face to face' events have required them to become experts at online 'virtual' events. The team supported members and the equestrian community throughout the pandemic by being available to disseminate information and answer a multitude of queries.

Widespread home working and our improved technology infrastructure enabled the team to engage the equestrian community through an extensive programme of innovative and informative events, which were very well received and supported.

With so many shows and major events cancelled the Big BHS online photo show was a resounding success with over 3500 entries from across the UK resulting in regional and national winners. During late Summer there was a small window of opportunity to hold face to face events and a number of activities were held across the UK following COVID-safe protocols. These included day camps, pleasure rides and training days.

Our British Riding Clubs programme was understandably severely curtailed. The BRC Arena Eventing was a huge success before the national lockdown with increased numbers across all classes over two days of competition. At the BRC Dressage to Music, ran with all COVID 19 protocols in place, competitors and officials delight to be out and competing was very much in evidence. But with so much down time, keeping a high level of engagement with clubs, officials, volunteers and members became paramount – and we ran 16 virtual clinics with a total of 512 attendees.

The year culminated with our first ever virtual competition – ran entirely in house by the BRC team – the BRC Christmas Cracker. With a huge collective will we ran 10 sections and received 325 entries in an innovative addition to the programme of events.

Safety

The Safety Team, alongside everyone else, had specific challenges in 2020, but we were still able to build on all the partnership working that has been developed with key stakeholders in all our departmental strands. Obviously, the Dead Slow campaign occupied most of our time and resources, but we had significant impact in many areas. This important 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.

A major piece of work has been the review of the Highway Code for vulnerable road users. The BHS were part of the Stakeholders Review Group alongside the Department of Transport, DVSA, Cycling UK and Living Streets. The proposals were put to consultation between July and Oct 2020. We will be invited to respond to the consultation in 2021.

The pandemic has not halted the Safety Team's involvement with Road Safety Partnerships, Road Safety GB, working with the Police, Fire and Rescue Services and Driving Instructors. The Safety Team have been part of many Road Safety Webinars and been asked to speak and present to road safety professionals.

Part of the partnership approach has been to work with local authorities, to place Dead Slow signs at locations where there have been a number of near misses reported to the BHS on our Horse Incident website. These signs have been well received by riders and have had an impact to the safety of equestrians.

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STRATEGIC REPORT (continued)

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 an APP are soon to be implemented.

We have still held Road and Rider Awareness events, and training for commercial driving companies, albeit virtually, on the Dead Slow campaign. These events are held to inform drivers, riders and other vulnerable road users of responsibilities and advice on how to stay safe on the roads when passing horses.

In Road Safety Week in November the BHS released our Dead Statistics for the year and had 56 pieces of local and national media coverage, together with 71,000 views to our specially filmed videos for the week with Road Safety professionals.

In October we were able to continue the 'Henry the Horse' initiative in a COVID-friendly way. This interactive project is to inform 9- and 10-year-old children how to walk or cycle safely past horses. It also gives the Dead Slow messages to parents. This initiative is being evaluated by ROSPA and has had superb reviews from parents, head-teachers and school children.

The Safety Team has been instrumental in two forums, the APPG for Towing and Highways England Towing Group in educating equestrians on how to tow safely and now has important partners in this field. There have been instructional videos and sharing of information with the Police, Highways England and equestrians. The BHS are an important part of this community.

The BHS have also been consulted by the Governmental Office of Product Safety and Standards regarding Firework safety and equestrians.

Welfare

Before COVID 19 was a concern in the UK, a successful healthcare and education clinic took us off to a flying start with 38 horses attending, of which 15 were castrated. 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. Plans are in place for 2021 and we cannot wait to get back out when it is safe to do so. It is thanks to our members and donors that we are able to carry out our welfare work and continue our aim of ending needless cases of neglect.

Following the Government announcement for lockdown, like many other organisations across the UK our headquarters closed, and all BHS staff moved to working from home. The role of the welfare team quickly shifted, and our phone line became the main COVID 19 helpline to support horse owners, equestrian businesses, and coaches through these very challenging times. Our dedicated team were on hand to provide advice, support and reassurance, with extended hours introduced over weekends to ensure anyone who needed it, could access this service. Throughout 2020 our team responded to more than 2120 coronavirus related queries.

Alongside our COVID 19 helpline, we have continued to answer queries on a range of welfare and care topics and offer support and advice where needed. This year our experienced and knowledgeable Welfare Helpline Coordinators have supported over 11,000 people.

As we moved into the first National lockdown, our Welfare Advisers voluntary work sadly had to be put on hold. However, during the lockdown urgent concerns were responded to by our three employed Field Officers as they expanded their coverage. As lockdown eased, they quickly

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STRATEGIC REPORT (continued)

prioritised other concerns that were pending an assessment. Throughout the period of March – July, a total of 238 concerns were responded to. In August, our volunteer Welfare Advisers across all Nations returned to their role to support a further 675 concerns. In total this year together, we have processed over 1385 concerns.

In addition to this we have also supported many horse owners through our Friends At The End initiative. This year has created challenges for us all and with continuous changes to circumstances, many horse owners have had to make the very difficult decision 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 45 horse owners this year.

An integral part of our work is working collaboratively with other welfare organisations to help support horse owners and improve the welfare of horses in their care. 2020 has presented challenges for us all, meaning this collaborative work has been more important than ever, as rescue centres continue to work at full capacity. Our team has been involved in a large multi-agency operation, which saw us passport and microchip 70 horses, alongside World Horse Welfare, Bransby Horses, Redwings Horse Sanctuary and the University of Cambridge Vet School. An important aspect to this job was the gelding of each of the colts and stallions to prevent further indiscriminate breeding. Through this work and the further support from World Horse Welfare the horse owner is in a much better position to rehome the horses, so they can decrease their numbers and ensure the appropriate care can be given.

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 4.7 million people. This has been enhanced further through our targeted campaigns.

Our Be Horse Aware campaign was created following increased reports of horses being made seriously ill, suffering significant injuries, and even dying, due to members of the public feeding horses or because of a direct action such as not closing a gate. We aim to raise awareness among the public, about the importance of not feeding horses if they encounter them, as well as some reminders about the Countryside Code. The promotion of this campaign had a significant impact with our Facebook post, which over the Easter Bank Holiday reached 1 million people.

Our second Colic Awareness Week was held in October, which involved daily webinars produced and presented by the veterinary team at the University of Nottingham and encouraged people to Pledge to React, ensuring a plan was in place should their horse suffer with colic. Through this campaign 3000 people joined in to watch the webinars and over 1500 people signed up to receive their free Equine Care and Emergency Plan.

On top of our proactive welfare work we also have an amazing network of staff within our team taking on numerous passport applications. Our passport team are also on hand to answer any queries relating to your horse's passport or current passport regulations within the UK. We have seen a large surge in applications this year following changes to equine passporting laws within the UK, whereby all foreign passports must be over stamped and retrospective microchipping. This year we have processed over 1,380 passports.

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STRATEGIC REPORT (continued)

On behalf of the BHS Welfare Team, we would like to say a huge thank you to our valued members, supporters and Welfare Advisers, who are an integral part of our work and what we have been able to achieve throughout 2020. This continued support offers a positive contribution to our impact on improving welfare through education and through this the welfare of thousands of horses across the UK.

Our Volunteers

Our volunteers were able to stay connected, albeit virtually via a new technology platform. This enabled committees to come together and continue to provide significant support to the Society. Committees continued to support key campaigns and our work across Welfare, Access and Safety. Of note, was the monies contributed by our volunteer committees to the hardship fund for the care of riding school horses and ponies as a result of the enforced closure of riding schools during the pandemic.

During 2020, three new volunteering roles were established:

- **BHS COVID 19 Support Volunteer Buddy:** This role was introduced in direct response to the COVID 19 pandemic. It provides essential support for horse owners who are unwell/isolating and unable to attend to the basic care of their horse.
- **BHS 2026 Project Historical Research Volunteer:** This role has been formalised in England & Wales to help identify and register historic routes before the final deadline
- **Occasional Volunteers:** Volunteers who can support local BHS events and activities in their area, from helping on a show stand, at a pleasure ride or in the refreshment/tea rooms, Occasional Volunteers can help by marshalling, baking, fence judging, selling raffle tickets – there is always plenty to do!

The BHS Annual Awards provides an opportunity to recognize the fabulous work undertaken by our volunteers. During 2020 a new, simplified, online form combined with various national lockdowns meant that we received a record-breaking number of nominations. A new Awards Panel provided a shortlist of nominations to the Board. Due to the pandemic we will be holding a combined awards ceremony for 2020/21 in 2021.

Operations and Infrastructure

In March, along with all other businesses, Equestrian House was closed for regular business and used for essential work only as the entire BHS team all started working from home. It has been a challenge throughout the year to identify areas where working from the office was essential and unavoidable but sensible planning, communication and strict adherence to COVID-secure guidelines has meant we have been able to provide a safe environment for our team when the need arose.

The wellbeing of our employees has been a priority throughout the year. As well as applying COVID-secure policies and procedures we have ensured regular engagement, both formal and informal, to support our teams through the many challenges faced with the upheaval of our normal working practices.

Our technology team were very proactive in refreshing user technology in late 2019 and early 2020 which meant we were in a very strong position when the working from home directive came in

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STRATEGIC REPORT (continued)

March. The introduction of video conferencing facilities has meant operations could continue and has contributed a significant saving in the costs of travelling to and holding meetings, both internally and externally.

A digital transformation strategy and associated funding was approved by the Trustee Board in September 2020 with a focus on an 'outside-in' approach to making engagement via technology simpler and easier for members and stakeholders. A new membership joining experience has been launched online as part of this strategy with much more to follow in 2021.

We have continued to focus on delivering technology without significant cost increase during 2020 while ensuring cyber security is robust in a year that has seen an increased level of threat globally in this area.

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 2020 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 small deficit on unrestricted funds of £3,000, before the adjustment for the release of the property reserve which leads to our unrestricted undesignated reserves being at a level of £5,611,000 at the year end. This is a conscious move to ensure resilience against the uncertainty of the COVID 19 pandemic. This level of reserves complies with our overall reserves policy.

The expenditure on designated funds, of £940,000 represents planned investment in the Society's charitable objectives and infrastructure and is presented in detail in note 16 to the accounts. During the year BHS received revenue for specific purposes of £742,000 and made associated expenditure of £309,000 and these are accounted for within Restricted Funds and is presented in detail in note 15 to the accounts.

A significant drop in education and event-based revenues was largely compensated for by the growth in membership revenue, with total revenue reducing by 3% to £12,145,000 (2019: £12,582,000). Enforced inactivity in many areas saw a reduction in charitable expenditure of 12% to £11,289,000 (2019: £12,803,000).

Despite a severe drop in values in the period from February to April, investment holdings recovered to a level where unrealised losses only amounted to £24,000.

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STRATEGIC REPORT (continued)

Our continued aim is to maximise the impact of our charitable spend while gaining value for money and efficiencies on our overheads. Total expenditure, and an analysis thereof, is presented in note 7 to the accounts, and our staff costs and numbers are outlined in detail in note 8 to the accounts. We continue to project forward and forecast performance and cashflow to ensure resources are available for future plans.

The trustees, in this difficult year felt it important that the Society used its resources proactively to assist various stake holders – primarily Approved Riding Schools and Approved Professional Coaches given pressures on them due to COVID 19, as described above. These decisions were made with an expectation that reserves would fall but maintain consistent with the Society’s reserve policy. However due primarily to the significant increase in membership (a net gain of 7,965 members - 7.35%) supported by a membership price increase and effective management of costs, reserves have been sustained and have been earmarked for several projects in 2021 and beyond.

Future Plans

During 2020 we learned to forecast and model every initiative and project using a number of scenarios, and were very often prepared to do so again, and again. We have learned to be flexible, proactive and yet responsive to changing circumstances. It appears 2021 will very much demand the same approach. While we have by no means abandoned our Strategic Plan 2019 – 2024, the immediacy and significance of the global pandemic has meant that we have had to flex and adjust within our guiding principles.

As an organisation we have learned so much throughout the crisis of 2020 and moving into 2021 we have realised the value of resilience and determination to support, advise and deliver quality services while managing the resources at our disposal. We wish to capture all the positive collaboration and collective goodwill that has driven us through recent months, and 2021 will see us launch our Ride By Your Side initiative as a tangible, beneficial way of working with all our members, stakeholders and friends.

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

30th June 2021



Tim Lord
Chairman

**THE BRITISH HORSE SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 December 2020

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
Vice-Chairman:	Sally McCarthy
Other Elected Trustees:	Sarah Simpson Fran Mason Sandra Harris (elected July 2020) Ken Law (re-elected July 2020) Lesley Donaldson (elected July 2020, resigned January 2021) Jane Domhill (term of office ended July 2020) Diane Tranter (term of office ended July 2020)
Treasurer (co-opted):	Gaby Gläsener-Cipollone (resigned June 2020)
Other Co-opted Trustees:	Professor Tim Morris (co-opted July 2020) Rt. Hon. Dame Caroline Spelman DBE PC (co-opted July 2020) Gillian Longhurst (co-opted March 2021)
SENIOR MANAGEMENT TEAM:	
Chief Executive	James Hick
Chief Operating Officer	Sarah Phillips
Director of Access	Mark Weston
Director of Business Development	Georgina Walters
Director of Education	Alex Copeland
Director of Finance	Duncan Snook
Director of Fundraising	Tracy Casstles
Director of Marketing and Communications	Sandra Ford
Director of Membership	Emma Day
Director of Participation	Laura Sanger (from January 2021)
Director of Safety	Alan Hiscox
Director of Technology	Paul Perkins
Director of Welfare	Gemma Stanford
COMPANY SECRETARY:	Duncan Snook

THE BRITISH HORSE SOCIETY
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For the year ended 31 December 2020
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 2020 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 2020; 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 group audit engagement team identified the risk of management override of controls as the area 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, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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 (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 5 August 2021

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 2020

		Unrestricted	Designated	Restricted	2020	2019
		£000	£000	£000	Total	Total
					£000	£000
Income and endowments from:						
Donations, legacies and grants	2	216	-	731	947	501
Charitable activities:						
Membership subscriptions	3	9,520	-	-	9,520	8,764
Job Retention Scheme Grants		275	-	-	275	-
Examinations and other fees		419	-	-	419	1,555
Events		274	-	5	279	909
Other trading activities:						
Trading income		149	-	-	149	163
Advertising		299	-	-	299	391
Commission received		7	-	-	7	8
Challenge Rides		-	-	6	6	21
Other income	4	237	-	-	237	252
Investment income	5	6	-	-	6	18
Total income		11,402	-	742	12,144	12,582
Expenditure on						
Raising funds	7	613	-	17	630	796
Charitable activities	7	10,057	940	292	11,289	12,803
Total expenditure		10,670	940	309	11,919	13,599
Net income/(expenditure)		732	(940)	433	225	(1,017)
Net (loss)/gain on investments		(24)	-	-	(24)	424
		708	(940)	433	201	(593)
Transfers between reserves	15,16	(711)	818	(107)	-	-
		(3)	(122)	326	201	(593)
Property reserve transfer	16	3,092	(3,092)	-	-	-
Net movement in funds		3,089	(3,214)	326	201	(593)
Fund balances brought forward		2,521	3,966	653	7,140	7,735
Fund balances carried forward		5,610	752	979	7,341	7,142

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 2020

		Unrestricted	Designated	Restricted	2020	2019
		£000	£000	£000	Total	Total
					£000	£000
Income and endowments from:						
Donations, legacies and grants	2	217	-	731	948	501
Charitable activities:						
Membership subscriptions	3	9,520	-	-	9,520	8,764
Job Retention Scheme Grants		275	-	-	275	-
Examinations and other fees		420	-	-	420	1,555
Events		274	-	5	279	908
Other trading activities:						
Trading income		59	-	-	59	60
Advertising		-	-	-	-	2
Commission received		7	-	-	7	8
Challenge Rides		-	-	6	6	21
Other income	4	253	-	-	253	273
Investment income	5	6	-	-	6	18
Total income		11,031	-	742	11,773	12,110
Expenditure on						
Raising funds	7	272	-	17	289	327
Charitable activities	7	9,996	940	292	11,228	12,746
Total expenditure		10,268	940	309	11,517	13,073
Net income/(expenditure)		763	(940)	433	256	(963)
Net (loss)/gain on investments		(24)	-	-	(24)	424
		739	(940)	433	232	(539)
Transfers between reserves	15,16	(711)	818	(107)	-	-
		28	(122)	326	232	(539)
Property reserve transfer	16	3,092	(3,092)	-	-	-
Net movement in funds		3,120	(3,214)	326	232	(539)
Fund balances brought forward		2,611	3,966	653	7,230	7,769
Fund balances carried forward		5,731	752	979	7,462	7,230

THE BRITISH HORSE SOCIETY
BALANCE SHEETS
Company Registration Number: 00444742
At 31 December 2020

	Notes	Group		Society	
		2020 £000	2019 £000	2020 £000	2019 £000
FIXED ASSETS					
Intangible fixed assets	9	374	533	374	533
Tangible fixed assets	10	3,127	3,413	3,127	3,413
Investments	11	2,876	2,900	2,881	2,905
		6,377	6,846	6,382	6,851
CURRENT ASSETS					
Stock		106	124	-	-
Debtors	12	962	1,368	1,129	1,518
Term deposits		1,500	1,636	1,500	1,636
Cash at bank and in hand		1,992	1,051	1,967	1,037
		4,560	4,179	4,596	4,191
CURRENT LIABILITIES					
Creditors due within one year	13	3,325	3,638	3,245	3,567
		1,235	541	1,351	624
NET CURRENT ASSETS					
Creditors due after more than one year	13	271	245	271	245
		7,341	7,142	7,462	7,230
REPRESENTED BY					
Restricted funds	15	979	653	979	653
Designated funds	16	752	3,966	752	3,966
Other charitable funds	17	5,725	2,611	5,731	2,611
Non-charitable trading funds	17	(115)	(88)	-	-
		7,341	7,142	7,462	7,230

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

30th June 2021


Tim Lord
Chairman


Sally McCarthy
Director

THE BRITISH HORSE SOCIETY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020		2019
	£000		£000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	848		(394)
Cash flows from investing activities:			
Interest from investments	6		18
Purchase of intangible fixed assets	(49)		33
Purchase of tangible fixed assets	-		(48)
Disposal of tangible fixed assets	-		4
Purchase of investments	(17)		(16)
Disposal of investments	17		17
Net cash (used in)/provided by investing activities	(43)		8
Change in cash and cash equivalents in the year	805		(386)
Cash and cash equivalents at the beginning of the year	2,687		3,073
Cash and cash equivalents at the end of the year	3,492		2,687
Reconciliation of net income to net cash flow from operating activities:			
Net income/(expenditure) for the year	202		(593)
Depreciation and amortisation	494		576
Investment income	(6)		(18)
Investment losses/(gains)	24		(424)
Movement in stocks	18		(14)
Movement in debtors	405		68
Movement in creditors	(289)		11
Net cash provided by/(used in) operating activities	848		(394)
Analysis of changes in cash and cash equivalents	At 1st		At 31st
	January		December
	2020	Cash flows	2020
Cash at bank	1,051	941	1,992
Short term deposits	1,636	(136)	1,500
	2,687	805	3,492

THE BRITISH HORSE SOCIETY
SOCIETY STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020 £000		2019 £000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	837		(331)
Cash flows from investing activities:			
Interest from investments	6		18
Purchase of intangible fixed assets	-		33
Purchase of tangible fixed assets	(49)		(48)
Disposal of tangible fixed assets	-		4
Purchase of investments	(17)		(16)
Disposal of investments	17		17
Net cash (used in)/provided by investing activities	(43)		8
Change in cash and cash equivalents in the year	794		(323)
Cash and cash equivalents at the beginning of the year	2,673		2,996
Cash and cash equivalents at the end of the year	3,467		2,673
Reconciliation of net income to net cash flow from operating activities:			
Net income/(expenditure) for the year	232		(539)
Depreciation and amortisation	494		576
Investment income	(6)		(18)
Investment losses/(gains)	24		(424)
Movement in debtors	389		63
Movement in creditors	(296)		11
Net cash provided by/(used in) operating activities	837		(331)
Analysis of changes in cash and cash equivalents	At 1st January 2020	Cash flows	At 31st December 2020
Cash at bank	1,037	930	1,967
Short term deposits	1,636	(136)	1,500
	2,673	794	3,467

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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:

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.

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

Since the significance of the economic impacts of the COVID 19 pandemic have become apparent, the Trustees have reviewed the Society's position and the appropriate basis on which to prepare the financial statements. The Trustees anticipate that there will be continuing significant adverse impacts on several of its income streams. However, the Trustees have assessed this impact and have considered projections to the end of December 2022 which have been prepared to stress test the financial resilience of the Society. Whilst the Trustees recognise that 2021 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 have considered that it remains appropriate to prepare the financial statements on a going concern basis.

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

1. Accounting Policies (continued)

The remaining impact of the COVID 19 pandemic cannot presently be estimated with any certainty, but 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.

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	
	2020	2019	2020	2019
	£000	£000	£000	£000
Donations received include:				
Qualifying donations from subsidiaries	-	-	1	-
Legacies received include:				
P Hurst	388	-	388	-
G West	212	-	212	-
M Brand	10	-	10	-
K Friar	-	95	-	95
K Cheney	-	24	-	24
C M Savege	-	15	-	15
Grants received include:				
British Equestrian Federation	70	49	70	49
C S Heber-Percy Charitable Trust	25	30	25	30
Department for Transport	23	-	23	-
The Kaye's and Labourne's Charity	20	-	20	-
Thistledown Trust	20	-	20	-
Horse Health Wessex	10	-	10	-
Worshipful Company of Saddlers	-	43	-	43
Warwickshire Police and Crime	-	40	-	40
Sir Peter O'Sullivan Charitable Trust	-	40	-	40
Veolia Environmental Trust	-	14	-	14
The Haber Charity	-	10	-	10
Other donations, legacies and grants (all less than £10,000)	169	141	169	141
	947	501	948	501

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

3. Membership Income

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
During the year ended 31 December membership subscriptions after provision for deferred life membership income were:	8,376	7,570	8,376	7,570
In the same period, gift aid was claimed amounting to:	1,144	1,194	1,144	1,194
	9,520	8,764	9,520	8,764

4. Other Income

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
Other (includes consultancy, service charges and miscellaneous items)	174	181	185	200
Rental income	63	71	68	73
	237	252	253	273

5. Income from Investments

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
Interest receivable	6	18	6	18
	6	18	6	18

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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:

	2020	2019
	£000	£000
The British Horse Society (Trading Company) Limited		
Turnover	379	473
Less: Cost of sales	351	469
Result for the year	28	4
Qualifying donation to parent charity	1	-
Assets	209	248
Liabilities	166	232
Net funds	43	16
The British Horse Society Qualifications Limited		
Turnover	33	38
Less: Cost of sales	92	96
Result for the year	(59)	(58)
Qualifying donation to parent charity	-	-
Assets	2	4
Liabilities	160	103
Net funds	(158)	(99)

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 2020

7. Analysis of Total Expenditure

Group	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	Total 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	Total 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 2020

7. Analysis of total expenditure (continued)

Group	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2019 £000
Expenditure on raising funds in 2019					
Fundraising, trading, cost of goods and other costs	656	132	5	3	796
Expenditure on charitable activities in 2019					
Membership services	3,048	1,314	242	31	4,635
Training, examinations and approvals	2,418	1,417	323	157	4,315
Safety, Access and Welfare	944	925	255	161	2,285
Events	1,173	315	69	11	1,568
Total charitable activities	7,583	3,971	889	360	12,803
Total expenditure	8,239	4,103	894	363	13,599
Society	Activities undertaken directly £000	Support costs £000	Designated funds £000	Restricted funds £000	2019 £000
Expenditure on raising funds in 2019					
Fundraising, trading, cost of goods and other costs	187	132	5	3	327
Expenditure on charitable activities in 2019					
Membership services	3,088	1,314	242	31	4,675
Training, examinations and approvals	2,321	1,417	323	157	4,218
Safety, Access and Welfare	944	925	255	161	2,285
Events	1,173	315	69	11	1,568
Total charitable activities	7,526	3,971	889	360	12,746
Total expenditure	7,713	4,103	894	363	13,073

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

7. Analysis of Total Expenditure (continued)

Support Cost Breakdown by Activity

	Fundraising £000	Membership services £000	Exams, training and approvals £000	Safety, Access and Welfare £000	Events £000	Total £000
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
Group and Society 2019						
Management	27	273	295	192	66	853
Finance	10	101	108	71	24	314
Technology and infrastructure	39	376	406	265	90	1,176
Facilities	13	130	140	92	31	406
Human Resources	9	96	103	67	23	298
Marketing and communications	34	338	365	238	81	1,056
	132	1,314	1,417	925	315	4,103

Included in total costs above are Governance Costs of £141,145 (2019: £226,345) which include Chairman, Trustee and CEO expenses of £7,404 (2019: £19,594) and Legal, professional and audit fees of £133,741 (2019: £206,751).

	Group		Society	
	2020 £000	2019 £000	2020 £000	2019 £000
Total expenditure includes:				
Auditors remuneration				
for audit work	28	25	25	22
for non-audit work	4	5	4	5
Operating leases				
for land and buildings	-	29	-	29
for plant and machinery	165	96	165	96

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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.

	2020	2019
	£	£
Group and Society		
The cost of travel and subsistence reimbursed to 8 (2019:13) trustees during the year amounted to:	2,857	18,152
Chairman's remuneration:		
D Sheerin	-	4,646
T Lord	7,965	3,650

Trustees were paid fees for examinations and other services as follows:

D Sheerin	-	383
S Simpson	3,036	6,874

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 was £1,142,057 (2019: £1,082,291).

Staff Costs

	2020	2019
	£000	£000
Group		
Salaries and wages	4,693	4,283
Social security costs	465	417
Pension costs	241	219
Other employee costs and benefits	127	133
	5,526	5,052

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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 £68,923 (2019: £21,524).

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

	2020	2019
£120,001 to £130,000	1	-
£101,000 to £110,000	-	1
£90,001 to £100,000	1	1
£80,001 to £90,000	2	1
£70,001 to £80,000	4	3
£60,001 to £70,000	2	3

The items used to determine the above values are the gross salary, employer's contribution for life cover, and the taxable value of benefits in kind. An amount of £50,592 (2019: £42,795) was contributed to a defined contribution pension scheme for the 10 (2019: 9) employees whose emoluments exceeded £60,000.

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

	2020	2019
Charitable activities	133	130
Raising funds	3	3
	<u>136</u>	<u>133</u>

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

9. Intangible Fixed Assets

Group and Society	Education Software £000	Membership Software £000	Other IT related Projects £000	Total £000
Cost				
At 31 December 2019	581	407	433	1,421
Disposals	-	-	-	-
Additions	26	-	23	49
At 31 December 2020	607	407	456	1,470
Amortisation				
At 31 December 2019	86	407	395	888
Charge for the year	174	-	34	208
At 31 December 2020	260	407	429	1,096
Net Book Values				
As at 31 December 2020	347	-	27	374
As at 31 December 2019	495	-	38	533

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 2020

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 2019	243	4,707	1,428	407	6,785
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2020	243	4,707	1,428	407	6,785
Depreciation					
At 31 December 2019	82	1,553	1,368	369	3,372
Charge for the year	47	181	38	20	286
Disposals	-	-	-	-	-
At 31 December 2020	129	1,734	1,406	389	3,658
Net Book Values					
As at 31 December 2020	114	2,973	22	18	3,127
As at 31 December 2019	161	3,154	60	38	3,413

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 2020

11. Fixed Asset Investments

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
Listed investments	2,876	2,900	2,876	2,900
Shares in subsidiary undertakings	-	-	5	5
	2,876	2,900	2,881	2,905

Listed investments	Brought forward	Additions	Disposals	Gains/ (Losses)	Carried forward
	£000	£000	£000	£000	£000
Group and Society					
M & G Charifund	1,411	-	-	(182)	1,229
McInroy & Wood HG Investment	1,430	17	(17)	168	1,598
M & G Charifund (Committee funds)	59	-	-	(10)	49
Total listed investments	2,900	17	(17)	(24)	2,876

	2020	2019
	£000	£000
Listed investments at cost	2,169	2,152
Shares in subsidiary undertakings		
Society	2020	2019
	£000	£000
Shares in subsidiary undertakings at cost - 31 December	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 35.

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 (2019: 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 2020

12. Debtors

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade debtors	128	128	71	92
Amounts due from subsidiaries	-	-	247	213
VAT	7	9	7	9
Other debtors	6	5	6	5
Prepayments and accrued income	821	1,226	798	1,199
	962	1,368	1,129	1,518

13. Creditors

	Group		Society	
	2020	2019	2020	2019
	£000	£000	£000	£000
Creditors due within one year:				
Trade creditors	265	673	241	669
Deferred income	2,656	2,436	2,656	2,436
Taxation and social security	111	119	111	115
Accrued expenditure	282	403	226	340
Other creditors	11	7	11	7
	3,325	3,638	3,245	3,567

Creditors due after more than 1 year:

Deferred income	271	245	271	245
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Of the above the following will fall due:

in 2 to 5 years:	44	40	44	40
In over 5 years:	227	205	227	205

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	
	2020	2019	2020	2019
	£000	£000	£000	£000
Balance at 1st January 2020	2,681	2,673	2,681	2,673
Income released from previous accounting periods	(2,410)	(2,428)	(2,410)	(2,428)
Income deferred in current year	2,656	2,436	2,656	2,436
	2,927	2,681	2,927	2,681

THE BRITISH HORSE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

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 2020	Income	Expenditure	Transfers between reserves	At 31st December 2020
	£000	£000	£000	£000	£000
2026 Sport England	14	71	(84)	-	1
Access Fighting	53	-	(5)	-	48
Bodynfoel Award	11	-	-	-	11
Challenge Rides	-	12	(1)	-	11
Changing Lives Through Horses	245	81	(109)	-	217
Faith Hope and Charity	25	-	(5)	-	20
Forever for the Horse	-	15	(4)	(11)	-
Grass Sickness Biobank	-	21	-	-	21
Hardship Fund	-	90	(15)	(75)	-
Healthcare Clinics	31	-	-	-	31
Helping Horses	33	6	(11)	-	28
Helping Horses on the Move	36	-	(10)	-	26
Hurst Legacy	-	388	-	-	388
Irene Heppell York	13	-	(13)	-	-
Livery Yard Project	11	-	(11)	-	-
Paths for Communities	58	29	(16)	-	71
Responsible Breeding	21	-	(1)	-	20
Road Safety	-	23	(14)	-	9
Saddlers Training	10	-	-	-	10
Welfare and Horse Rescue	10	-	(4)	(6)	-
Year of the Horse	15	-	(2)	(13)	-
Other funds:					
All balances of £10,000 or less or less than £10,000 income	67	6	(4)	(2)	67
	653	742	(309)	(107)	979

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.

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15. Restricted Funds (continued)

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. Faith, Hope and Charity Fund supports Faith, Hope and Charity and 'other ponies like them' Forever for the Horse Fund is to support tackling specific equine welfare, education and access issues as they arise.

Grass Sickness Biobank Fund finances a programme of research into equine grass sickness. 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 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 South Essex Insurance Brokers against which the depreciation of the vehicle is charged.

Hurst Legacy is a specific legacy for bridleway improvement in the Storrington area of West Sussex

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

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

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

Responsible Breeding is 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.

The Year of the Horse Development Fund encourages the use of the horse, to raise standards of riding and of horsemanship and, above all, to make certain that horses and ponies used and owned are not abused.

16. Designated Funds

Group and Society	At 1st January 2020 £000	Expenditure £000	Transfers between reserves £000	At 31st December 2020 £000
Access 2026	10	(2)	-	8
Bursaries	172	(35)	-	137
Capital Reserve	3,152	(60)	(3,092)	-
Development Fund	100	(79)	-	21
Education Booking Online	366	(179)	-	187
Fit for the Future	54	(10)	-	44
Forever for the Horse	38	(23)	11	26
Government Action	22	-	-	22
Hardship Fund	-	(542)	607	65
Healthcare Clinics	8	(4)	-	4
Horse Accident Website	9	(4)	-	5
Paths for Communities	30	-	-	30
Ride By Your Side	-	-	200	200
Sport England 2026	5	(2)	-	3
	3,966	(940)	(2,274)	752

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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.

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

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

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

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

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.

2026 Sport England 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. In particular, in 2020, the Capital Reserve Fund was transferred from Designated Funds to Unrestricted Funds.

17. Other Unrestricted Funds

	Group		Society	
	2020 £000	2019 £000	2020 £000	2019 £000
Charitable funds:				
At 31 December 2019	2,611	2,402	2,611	2,402
Net income and expenditure	733	402	739	402
Transfers to and from designated and restricted funds	2,381	(193)	2,381	(193)
At 31 December 2020	5,725	2,611	5,731	2,611
Non-charitable trading funds:				
At 31 December 2019	(88)	(36)	-	-
Result for the year	(27)	(52)	-	-
At 31 December 2020	(115)	(88)	-	-

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18. Analysis of Group Net Assets between Funds

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Fund balances at 31 December 2020 are represented by:			
Intangible fixed assets	374	-	374
Tangible fixed assets	3,127	-	3,127
Fixed asset investments	2,876	-	2,876
Term deposits and current asset investments	1,500	-	1,500
Cash at bank and in hand	1,013	979	1,992
Other current assets	1,068	-	1,068
Creditors	(3,596)	-	(3,596)
Total net assets	<u>6,362</u>	<u>979</u>	<u>7,341</u>

19. Financial Commitments

	2020 £000	2019 £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:

Plant and machinery	<u>143</u>	<u>155</u>
	<u>143</u>	<u>155</u>

Payments within two to five years:

Plant and machinery	<u>177</u>	<u>209</u>
	<u>177</u>	<u>209</u>

Payments after more than five years:

There are no payments due after more than five years.

Capital Commitments

There were no capital commitments at 31 December 2020

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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:

	2020	2019
	£000	£000
The British Horse Society (Trading Company) Limited:		
Intercompany trade and recharges	37	41
Amounts due from subsidiary	91	116
The British Horse Society Qualifications Limited:		
Gift aid income	1	-
Intercompany trade and recharges	33	35
Amounts due from subsidiary	156	97

None of the amounts due are subject to charge and are unsecured.

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 the Society made payments to these companies as follows:

	2020	2019
	£000	£000
Berkshire Riding Centre Limited		
Equestrian Education and Facility Services	1	6
Aberdeen Riding Club Limited		
Equestrian Education and Facility Services	1	1

There were no balances due at the year end.