

# **THE BRITISH HORSE SOCIETY**

**(Company Registration Number 00444742)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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## BUCKINGHAM PALACE

The British Horse Society has demonstrated its resilience over the last few years. Having emerged from the pandemic with a strong platform upon which to build, it has continued to support riding schools and its stakeholder groups, while growing its membership. The British Horse Society's Annual Report and Financial Statements present a return to a strong sense of normality in a year full of challenges and a whole new range of opportunities for growth and increased charitable impact.

During 2022 I was once again fortunate to experience some of the Society's work first hand. I was pleased to attend the official opening of a new Operational Hub based in Stirling, a centre for learning, equine events and member services to expand the Society's activities in Scotland.

Also, in a landmark year, I attended the Society's 75th Anniversary celebrations at the Household Cavalry Museum. With due regard for history and tradition, it is clear that alongside its overarching charitable objectives the Society also has new forward-looking ambitions: to enhance its capability to communicate, engage and respond while championing and strengthening the bond between human and horse.

I congratulate the Society's trustees, executive team, volunteers, sponsors and partners on reaching an impressive milestone, and for another successful year.

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**CHAIR'S STATEMENT**

The Board of Trustees, which also acts at the Board of Directors for the purposes of the Companies Act, presents The British Horse Society's Annual Report and Financial Statements for the year ended 31 December 2022. In doing so the trustees have adopted the provisions and guidance of all relevant legislation and standards.

It was a year of particular significance for The British Horse Society as we celebrated our 75th Anniversary at The Household Cavalry Museum in November. At the forefront of our minds was the immeasurable contribution to the world of equestrianism of Her Majesty Queen Elizabeth II, our Patron ever since we were formed in 1947. We joined the world in mourning Her Majesty's passing and will be forever grateful for Her Majesty's constant positive influence and unwavering advocacy of the Society's work. We are delighted that Her Royal Highness, The Princess Royal, as Vice-Patron continues to enjoy an active role within our programme of activities.

The year saw us return to a full unrestricted programme of activities and events, and we built upon the organisational resilience we developed through the unheralded experiences of the last two years. We have been able to demonstrate sustained investment in our charitable impact and have taken the opportunity to improve our infrastructure, and our capability to serve all our members and stakeholders and improve the lives of horses and those who enjoy them.

As a working team the Society's trustees, executive and volunteers continue to adapt well to the extra dimension of hybrid and remote working while still maintaining vibrant workplaces at our headquarters in Warwickshire and our now officially opened Operations Hub in Stirling.

As ever, our focus has been generating impact through our charitable activities:

Our Access work goes from strength to strength with strong representation across all our geographical regions. Although we were disappointed that the initial plan to completely remove the deadline for recognition of bridleways in the definitive map in England and Wales did not come to fruition, the eventual decision to extend the deadline from 2026 to 2031 was still welcome. This important work to record and save historic routes continues.

An immense tribute to the work of our Safety Team was the inclusion of The BHS in the Stakeholders Review Group which reviewed the Highway Code for vulnerable road users. This has built upon our successful Dead Slow campaign and the amended rules and guidance within the Code, especially the 10 mph maximum speed while passing, and at a distance of at least 2 metres, are significant steps to improving the safety of horses, riders and carriage drivers on the highways of the UK.

Our Participation programmes returned to a full calendar. British Riding Clubs introduced new competitions, Changing Lives through Horses continued its pioneering work, and we have actively supported the post-pandemic recovery and development of our BHS Approved Centres.

The theme of assistance and support continued into our Education programme and Approved Centres. Our ground-breaking initiative, the Career Transition Fund was introduced mid-year. It encourages and assists individuals to enter the industry to train and qualify to increase the capacity of our industry. It also aims to address the skills shortage within riding establishments, which is of such importance to ensure there are sufficient numbers to satisfy the demand for riding in the future.

Our Horse Care and Welfare Team has increased its coverage across the UK and has delivered an astonishing number of clinics and awareness events in addition to dealing with an increasing number of welfare concerns. Their work gains strength through effective collaboration and partnership working, especially in the vital areas of academic research supporting horse health.

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**CHAIR'S STATEMENT (continued)**

Our ambitions for increasing the impact of our more outward facing charitable activities drives other areas of BHS business: we intend to increase the number of members and supporters, engaging individuals and making an increasing number of benefits available. This can only be done by making the infrastructure and technology that underpins our activities even more fit for purpose and capable of meeting the challenges and opportunities over the months and years ahead.

It has also been a busy year for the trustees. I am delighted to have been re-elected as a Generalist Trustee in the trustee elections in June 2022. I also congratulate Tim Lord and Sarah Simpson on their re-election as Generalist Trustee and Specialist Trustee for Education respectively, representing valuable continuity to the Board. We also welcomed two new trustees in the year. Beverley Simms joined us as co-opted Trustee Specialising in Equality, Diversity and Inclusion to lead developments in this significant area of The BHS's work. Nicola Greenwood joined the Board after being elected for the first time to the role of Specialist Trustee for Access. Nicola replaces Fran Mason, who completed her term of office with our sincere thanks for her dedication and support for our Access work.

As ever, we keenly anticipated the results of this year's elections. We are very pleased to retain Gill Longhurst and Sandra Harris as Specialist Trustee for Volunteering and Specialist Trustee with Business and Digital Knowledge who were re-elected unopposed. Again, extremely valuable continuity in two areas where we have growing ambitions to maximise our impact and engagement.

We also welcome Gillian Clark, our newly elected Specialist Trustee for Safety, and in so doing we extend our thanks to Ken Law, who has served his maximum six-year term, for his expertise and support for our Safety work.

I took over as Chair of the Board of Trustees in September, having been Vice-Chair to Tim Lord for his three-year term as Chair. When Tim became Chair in 2019, little did he know what bleak and universal upheaval lay ahead. Many thanks to Tim for his stewardship through the choppiest of waters, and through the darkest of times. For us to have emerged so resilient and with such a great platform pays great tribute to his term as Chair.

Our membership numbers continue to grow steadily and we approached 2023 with the target of 120,000 members firmly in our sights. Although we are always seeking to diversify our revenue, membership continues to be the bedrock of our finances and the source of support of so many of our charitable initiatives.

Please join me in thanking our trustees, volunteers, members, supporters, sponsors, partners and our entire staff team as you read through the achievements in the following pages for another successful year, our 75th.

Here's to the next 75!



**Sally McCarthy**  
**Chair of Trustees**

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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**

<b>Horses First</b>	The Horse is at the heart of all we do
<b>One Team</b>	We collaborate with and value our employees, members, supporters and partners
<b>Respect</b>	We are inclusive and deliver with respect, integrity, dedication and passion
<b>Supportive</b>	We support horses and people to enjoy life together safely
<b>Excellence</b>	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 33.

**Public Benefit**

The Trustees confirm, that in their opinion they have complied with the duty in Section 17(5) of the Charities Act 2011, to have due regard to public benefit guidance issued by the Charity Commissioner. The objectives of the Society benefit every horse and rider and the public at large.

The Society contributes to the safety and growth of the equestrian industry by encouraging people of all ages and from all sections of society to participate in equestrian activities, by promoting a range of horse-related activities, by working to maximise the opportunities for people to ride in safe environments, and by supporting those people and businesses who provide equestrian facilities.

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**TRUSTEES' REPORT (continued)**

**Investment Policy**

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

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

**Website and Other Media Channels**

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

**Reserves**

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

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

**Reserves Policy**

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

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

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

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

The level of unrestricted, undesignated consolidated reserves at 31 December 2022 is £5,629,000 (2021: £5,698,000) which is within the acceptable range identified by the trustees.

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**STRATEGIC REPORT**

The Society plans to make an impact in each of its areas of work and across each of its territories. The Strategic Report outlines that impact, by department, and identifies the beneficiary or stakeholder group where possible.

**Access**

2022 saw the Society further strengthen its regional Access Team, with the appointment of our Access Officer for Scotland, enabling us to increase the visibility of equestrian access across the UK.

Our lobbying work continued apace, and we welcomed the Government's announcement of its intention to repeal the 2026 cut-off date for recognising historical bridleways on the Definitive Map. This decision has now been modified and the original 2026 deadline has been extended until 2031. The first phase of Project 2026, which was joint funded by the Society and Sport England, was concluded with 2,514 definitive map modification applications being made. This means that those routes are one step closer to being preserved for future generations. We were very pleased to receive Sport England's confirmation that they will fund phase 2 of the Project for the next four years and we will be able to continue with this important work and save more routes for walkers, cyclists and equestrians to use. This will improve the safety of all users by encouraging use of these routes and reducing usage of the road network.

The very first application supported by Project 2026 has resulted in the upgrade of a footpath to a restricted byway at Tangleby in Hampshire during 2022. The application was originally submitted as long ago as January 2018 and required an appeal and written representations with the Planning Inspectorate before the order could be confirmed. It is an example of how persistence and determination finally pay off regarding our strategy for these routes.

We also successfully lobbied for access to be included in the new Environmental Landscape Management Scheme, and for equestrians not to be excluded from active travel routes.

The Society also firmly demonstrated that it will take legal action where this is necessary to defend equestrian access. Autumn 2022 saw the Society and Cycling UK taking action against Defra and Natural England in respect of the new Coast to Coast National Trail which is to run from St Bees Head in Cumbria to Robin Hoods Bay in Yorkshire. A commitment was secured from Defra and Natural England to work collaboratively with us, they will now consult and revisit any plans in line with that consultation. We served more Section 130A notices in 2022 than ever before and will continue to do so when necessary to ensure that equestrian access routes are unobstructed.

Ride Out was able to run this year, thankfully not affected by the limitations of COVID, and we were grateful to Horse and Country TV and Spillers for their support of this important campaign which saw £38,000 being raised for our Ride Out Fund. 45 events were held with over 1,700 participants taking part in rides all over the UK. In Scotland an impressive 737 riders took part in 13 Ride Out UK days across 9 venues. Scotland has two potential new venues, so we are looking forward to offering our members and supporters even more scenic riding in Scotland in 2023. The Ride Out Fund was able to fund 7 bridleway projects in 2022 to the value of £32,000.

We continue to seek effective collaboration in 2022, and as part of the Scottish National Access Forum we co-authored guidance on the conflict and contradiction between the Roads (Scotland) Act 1984 and the Land Reform (Scotland) Act 2003, which called for resolution and legislative change. Through our membership of the Scottish Outdoor Recreation Alliance (SORA) we met with bodies including Police Scotland, Scottish Forestry and National Park Authorities to negotiate for improved equestrian access. BHS Scotland is also a member of the Scottish Partnership Against Rural Crime (SPARC) and

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**STRATEGIC REPORT (continued)**

this year we launched our Rural Crime Strategy 2022-2025. Equestrian Incidents are one of the seven SPARC priorities, and we are proud our involvement has resulted in these issues being given such prominence. The Strategy also emphasises the importance of responsible access in rural areas. We are looking forward to working with our partners to take tangible action on these priorities in the coming year.

In Northern Ireland the Society published the *Enabling Equestrian Access in Northern Ireland* guidance document. It was shared with local authorities in partnership with Outdoor Recreation Northern Ireland. The Society submitted a response to the Northern Ireland Executive Consultation on the Draft Environment Strategy for Northern Ireland.

We continued to influence Access Reform in Wales. In Llandrindod Wells Horse Park the Society opened a horse park in which local people could ride or carriage drive to in town, and to have a safe place for their horse while running errands, to demonstrate that horses could be used for Active Travel journeys. We assisted the expansion of the bridleways of South-Central Wales by working on The Great Glamorgan Way. Funded by the Enabling Natural Resources and Wellbeing Scheme, the route now successfully spans five counties.

Our second virtual UK wide Access Conference majored on assisting our volunteers and other equestrians to respond to planning issues so that further equestrian access could be obtained where possible. We were proud that two of our army of valued volunteers, Dr Phil Wadey and Sarah Bucks, were voted as the Horse and Hound volunteers of the year.

**Education**

*Career Transition Fund*

At the start of 2022 the BHS undertook a Labour Market Assessment to gain an objective understanding of the current employment situation within equestrianism. The findings very much substantiated anecdotal evidence in that in some areas half of the positions advertised went unfilled and that that riding schools were working at as little as 70% capacity. The BHS has set aside £500,000 of funds over two years to encourage people to enter the industry while still maintaining standards. The resulting fund, the Career Transition Fund (CTF) encourages individuals to apply and be supported through training utilising a centrally controlled voucher scheme. Initially the fund focused on Stages 2 and 3 and at the time of writing 625 individuals have been assisted with training and of the 384 that have so far taken their assessments we have achieved a 75% pass rate. The CTF has been developed to include students undertaking college equine courses with help towards the cost of assessments. This has led to 53 (88%) candidates passing. We are anticipating number increasing in 2023, including the recently piloted support of BHS stage 4 and BHS I Performance Coach.

*Policy Review*

BHS Education continues to offer regulated qualifications and in order to ensure compliance with requirements we have reviewed and updated our policies and procedures, as follows:

- Access to Fair Assessment and Reasonable Adjustment Policy (rolled out August 2022)
- Conflict of Interest Policy (rolled out August 2022)
- Malpractice and Maladministration Policy (rolled out August 2022)
- Internal Quality Assurance Policy (rolled out February 2023)
- Safeguarding Policies (rolled out February 2023)

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**STRATEGIC REPORT (continued)**

- Accidents at Assessments Policy (rolled out February 2023)
- Complaints and Appeals Policy (rolled out February 2023)
- Inclusive Language Guidance (rolled out December 2022)

Such reviews not only support compliance, but also help ensure a safe, fair, rewarding experience for our candidates.

*Alternative Recognition of Prior Experiential Learning (RPEL)*

We are committed to making sure our qualifications are accessible to all. To work in the industry, current best practice is for individuals to have skills, knowledge and understanding of the day-to-day care, exercise and training of horses and coaching of riders to become complete equestrians.

Throughout 2022 we have improved the accessibility and entry requirements for our coaching qualifications and coaching pathway. Where the learner is unable to fulfil the specific pre-requisite entry requirements, they can use the BHS recognition of prior experiential learning (RPEL) coaching route to gain entry into Stage 2 Coaching.

Where the achievement of a particular skill cannot be evidenced the alternative route is applicable. This enables candidates to demonstrate the knowledge and understanding in large part by describing to an assistant how to undertake specific aspects of the syllabus.

*Leadership Awards*

Following on from the success of our recreational awards, Pony Stars and Challenge Awards we have developed Horse Explorers. This initiative is aimed at young people to help them develop their leadership skills.

*Coaching for All*

The second pilot of the BHS Coaching for All course ran in 2022. This course provides coaches with the skills, knowledge and understanding to develop a range of techniques to help a diverse portfolio of clients. We aim to put this important qualification on the Qualification Framework in 2023.

*Personal Development Qualifications*

In 2022 we supported the Changing Lives through Horses (CLTH) programme by developing three qualifications that were added to the regulated framework in July 2022:

Entry Level 3 Personal Development

Level 1 Personal Development

Level 2 Personal Development

Personal Development qualifications aim to support the development of knowledge, skills and behaviours for life. The qualifications focus on aspects that are essential for all, such as building relationships, working with others and developing new skills. The development of these life skills should support the learner to become a valuable contributor to society.

Our Education provision has benefitted from the slow but sure return to more regular activities. The challenge remains maximising the high-quality learning opportunities for individuals, the standards required by the industry, and to generate the necessary volumes of qualified equestrians to support riding schools and learning establishments.

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**STRATEGIC REPORT (continued)**

**Fundraising and Associated Initiatives**

In 2022 we continued the implementation of our Fundraising Strategy – to grow the contribution from Charitable Trusts, Granting Bodies, Individual donors and legators. The note to the financial statements outlines the significant contributions and demonstrates growth on a group and society basis. Although the pandemic has altered the sentiment and capacity of many giving organisations it is evident that funding will still be made available where we can make a good case, often involving a collaborative approach.

We continue to support and joint fund the Equine Grass Sickness project being carried out by the Moredun Foundation. Indeed, research is continuing thread through the activities associated with our grant-aided projects. We commissioned research with Nottingham Trent University across a number of areas of equine safety and health matters. The Changing Lives Through Horses (CLTH) programme has also collaborated with the University of Buckingham to report on the long-term benefits of horse and human interactions.

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. To this end, we received no complaints in 2022.

**Horse Care and Welfare**

In 2022, our Horse Care and Welfare team managed 1,178 new welfare concerns involving 2,944 horses and their owners who were in need of advice, support and education. These concerns were handled by our team of four Welfare Field Officers (based North West, South East, Wales and the Midlands) along with our 155 volunteer Welfare Advisers who provide UK-wide coverage.

As we continued diving deeper into a cost-of-living crisis, many horse owners were increasingly faced with changes to circumstances and tough decisions on the future of their equine companion. We handled 95 Friends At The End cases. Friends At The End is a BHS initiative created to make sure that no horse owner has to face the loss of their equine companion alone.

Our Horse Care and Welfare Helpline is available to support horse owners, our members, followers and supporters with support and advice where needed. Last year our experienced and knowledgeable Welfare Helpline Coordinators have supported 10,312 people with a wide range of care and welfare topics.

We held 140 proactive events and activities across the UK as far as the Isle of Man, Aberdeen, Shetland Isles and Orkney. These included Horse Health Days at Approved and non-approved Centres and Livery Yards. We took the weighbridge to Ride Out UK Events, Fun Rides, Colleges and Schools. We attended Stable Mates activities, British Riding Club Championships, organised multi-agency 'link days' and held 8 of our hugely successful Healthcare Clinics. At these events and activities, we directly helped 3,145 horses and 2,954 horse owners, carers, students and yard owners.

We had 389 of the most at-risk horses attend our Healthcare and Education Clinics where we castrated 181 colts and stallions thereby removing them from the indiscriminate breeding cycle. Our clinics reach out to owners and communities who may not normally seek regular healthcare for their horses. As with all 39 clinics held since 2015, we offered a variety of different health provisions including passporting, microchipping, worming, dental checks, weight-related advice along with other treatments as needed such as delousing and minor wound treatment. Since this programme of activity began 1,813 horses and their owners have been helped in problematic equine welfare areas.

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**STRATEGIC REPORT (continued)**

We started a new initiative with the Travelling Community in South Wales, supported by the Local Authority, to hold sessions about horse care and welfare. Fully supported by the Travelling Liaison Officer, and we intend rolling this initiative out further across South Wales in 2023.

On top of our proactive welfare work we also have a dedicated number of staff taking on numerous Equine ID passport applications. As an ID-only Passport Issuing Organisation, our passport team are also on hand to answer any queries relating to horse passports or current passport regulations within the UK. This year we have processed 2,667 passports.

We have held 16 virtual training sessions for our volunteer Welfare Advisers and 'Friends' for our Friends At The End Scheme. We have welcomed 36 new volunteers to our team and now have 155 fully trained people in total. We hope to increase this number in areas of most need throughout 2023. We have also provided fellow National Equine Welfare Charities – Bransby, Mare and Foal Sanctuary and The Donkey Sanctuary, with Friends At The End Training.

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 4.5 million people. This has been enhanced further through our targeted campaigns. Our highest performing posts have centred on ragwort awareness and our #BeHorseAware campaign.

And staying on the campaigns front, we held Strangles Awareness Week in May, and in September successfully launched our new 'Think Before You Worm' campaign in collaboration with British Equine Veterinary Association. The campaign aims to tackle the growing risk of dewormer resistance that continues to threaten the equine industry. In collaboration with the University of Nottingham, Colic Awareness Week was held in October and this year we were encouraging 'conversations about colic' at The Horse of the Year Show. Throughout the week we distributed 1,345 A4 REACT Packs, engaged with 819 people. In addition, we reached over 170,000 people via social media.

Our Welfare Education Team launched a work experience module in partnership with Nottingham Trent University where students are supporting our Welfare Education Team and creating content for equine respiratory health.

**Membership**

We started the year with 117,420 members and ended the year with 118,687. This net growth of 1,267 members, just over 1%, was encouraging in the face of increased cost of living and the perennially gloomy economic outlook that plagued individual spending in 2022.

We continue to strive for a high value proposition within our membership offer, balancing the support of our charitable objectives with the range of benefits available to members.

As our membership attracts gift aid, we encourage every UK tax paying member to sign up for gift aid both when a member joins and by subsequent direct contact. In 2022 our recovery rate against fees received was the best it has ever been at a successful 16%.

**Participation**

*British Riding Clubs*

2022 was a great year for BRC in which we were able to run our first full calendar of competitions since 2019. We managed to finish the year with just over 27,500 members and 466 clubs. This was an

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**STRATEGIC REPORT (continued)**

increase on 2021 and a sign that things are starting to finally get back to normal post-pandemic. Our eight national championships were well supported, the cost of fuel was concerning for those travelling long distances, but the BHS Travel Grant was incredibly well received by the far-reaching areas. Making the switch to digital membership cards in January 2022 was a huge step forward for BRC. Not only did it have a financial impact, but it has also vastly improved our carbon footprint.

Launching the Introductory Championships in October 2022 increased participation and offered opportunities to members who may have never attended a BRC Championship. Over 600 people attended the qualifiers, with just under 200 qualifying for the championship.

Our Christmas Cracker competition now has a section for BHS Approved Centres and Livery Yards, meaning we are working more collaboratively and increasing participation. Our numbers increased again in 2022 with 380 tests being submitted.

*Changing Lives Through Horses*

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. The programme has seen a remarkable growth in 2022 with 21 new centres training to join the programme. This takes the total number of centres trained at the end of 2022 to 70 across the UK. Over 1,600 participants have now taken part in the programme – an increase of 600 over the year.

The appointment of a new Data and Resource Coordinator in January significantly strengthened the support we can offer centres and has led to us developing a better and more purposeful data collection system so that we can track our cohort far more effectively. This data helps inform funding applications and presentations to potential new commissioners. At the end of the academic year 2022 we were able to determine that 73% of participants were reported to have planned onward pathways in education, employment or training following time spent on the programme, and that 88% of participants made progress in at least one key skill area.

Notable highlights for 2022 have included:

- the commissioning of a research project with the University of Buckingham – where the university will conduct both an evaluation of previously held data and deliver new research from a participant questionnaire focusing on the impact to physical and mental health and well-being of human equine interaction within an education pedagogy.
- A CLTH student securing a place and graduating from the 12-week foundation course at the National Racing College in Doncaster, now working on a race yard.
- A partnership with Lead Up International which saw a 2-day workshop take place at Philpotts Manor School with CLTH participants enhancing the development of their emotional regulation, problem solving and resilience skills alongside their CLTH sessions.
- The launch of our BHSQ awarded Personal Development Qualifications – accredited qualifications that can be fully embedded within the CLTH programme activities and lead to qualifications up to Level 2.
- CLTH articles in British Horse and Rider magazines – promoting awareness of the programme across our BHS and BRC membership community.

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**STRATEGIC REPORT (continued)**

Finally, we continue to receive powerful testimonials from our children and young people about the impact the programme has on their lives:

*It's changed my life for the better.*

*It has made me believe I can have a future again.*

*I feel calmer when I'm around the horses. It's easier to manage things that frustrate me when I'm calmer.*

*It's given me a sense of belonging and community. It's nice to be a part of something – especially something I am passionate about.*

*I feel like I've learnt lots of new skills and have more knowledge to do with horses which is nice because since not being in education I've missed using my brain. It has also given me confidence in myself and my capabilities.*

*I get to forget about the past. It gives me a place to escape.*

We have plans to further expand the programme and its impact in 2023.

#### *Approved Centres*

As equestrian businesses continued to face difficult times with the cost-of-living increase, we were pleased to finish the year with 609 BHS Approved Centres. 23 of these were completely new Centres and we also have a further 14 Centres in the application process. The Business Support team visited 263 Centres over the year offering support in a range of topics and visiting potential new Centres. The team held over 30 online events over the year covering a variety of topics including a range of financial skills masterclasses, recruitment, GDPR and EDI workshops. 997 proprietors and Centre Staff attended these sessions in total.

A further 8 ponies have been rehomed through the RSPCA second chance project, into BHS Approved Centres. We will continue to run the scheme through the next year in order to continue to provide suitable, knowledgeable homes for these horses and to help those centres facing barriers to growth through rising horse costs.

In January we launched the new BEF Safeguarding Officer course and secured funding to run free courses for our Centres until June. So far 181 Centre Safeguarding Officers from BHS Approved Centres have completed the course.

Our Stable Mates initiative has been a great success, with 11 BHS Approved Livery yards holding days for local horse owners to come and improve their equine knowledge. Over 150 people attended the days and feedback has been very positive. We plan to run a further 15 dates this year.

In December, the BHS applied and were successful in entering into a Primary Authority Co-Ordinated Partnership agreement. This scheme is managed by the Department for Business, Energy and Industrial Strategy and partnerships are nominated by the Secretary of State. Our Primary Authority Partner is the City of London who are the lead Local Authority for Animal Activities Licencing Regulations for Riding Schools in England. The benefits of the Primary Authority Partnership are that it will strengthen our industry voice and the BHS will be provided with reliable regulatory advice which enforcing authorities should respect when carrying out the licencing inspection at our riding schools.

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**STRATEGIC REPORT (continued)**

This year's Riding School Championships ran at Onley with six BHS Riding Schools travelling to compete with 78 class entries. The youngest participant was 10 years old and the oldest was mid 70s! This event is unique as it allows those who don't own their own horse or pony to compete against others. The plan for next year is to encourage more Centres to take part.

**Regions and Nations**

Our Regional and National managers, working closely with County Committees, held 436 Education, Fundraising, Safety and Participation events across the UK, engaging over 8,000 members and supporters. This represents a 30% increase compared with 2021. The team created a full programme of virtual, in-person and hybrid events to reinvigorate engagement in the first 'normal' year following COVID restrictions. The 46 Ride Out UK pleasure rides were a highlight, raising significant funds as well as promoting Participation and Access. Camps, clinics, talks and continual professional development events continue to be well-received.

Our National Managers in Scotland, Ireland and Wales worked closely with devolved governments to represent the interests of horse riders and owners on issues such as Access, licencing of equestrian businesses and Equine ID. In Wales we worked closely with the Welsh Government to secure funding for approximately 300 road safety posters to be erected across the Country. Data from the BHS Horse-i app will be used to identify suitable locations. In April, we were delighted to welcome HRH the Princess Royal to officially open our Operations Hub in Stirling to support our members in Scotland and the North of England.

**Safety**

The Safety Team has continued 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.

The most significant achievement was the final publication of 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 amended and changed rules, together with the new Hierarchy of Road Users are a major and vital step to improving the safety of horse, riders, and carriage drivers on the UK roads. (This review has still to be adopted in Northern Ireland).

The Horse Incident Reporting System and the Horse i App are a vital part of the data that we supply to road safety partnerships and the publicity and advertising of this most important database cannot be underestimated.

The release of 'Look Out for Laura', an information film on how to pass horses safely, the result of a substantial grant from the Road Safety Trust was met with acclaim from the road safety world. It was evaluated by Nottingham Trent University, and the results presented at the Road Safety GB Conference.

The Safety Team has continued its involvement with Road Safety Partnerships, Road Safety GB, the Police, Fire and Rescue Services and Driving Instructors. We have been part of many Road Safety Webinars and been asked to speak and present to road safety professionals, in particular the 2022 Road Safety GB Conference and the ICE Hub Conference.

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**STRATEGIC REPORT (continued)**

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. This has continued in 2022.

The BHS Analyst and Researcher had an important paper published in the Journal of Road Safety Research – “Cars dent. Horses break”. This paper used all the BHS Incident Reporting data and is the subject of another presentation at a Road Safety GB Conference.

We have held Road and Rider Awareness events, and training for commercial driving companies, 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.

We have continued the ‘Henry the Horse’ initiative. 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 still being evaluated by ROSPA and has had superb reviews from parents, head-teachers and school children.

The Safety Team has been instrumental in significant forums, the APPG for Towing, Highways England Towing Group, PACTS (Parliamentary Advisory Council for Transport Safety) and the ROSPA Road Safety Committee. The BHS are an important part of this community.

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

**Our Volunteers**

Our volunteer community remains strong and continued to grow in 2022. Volunteers are essential to the delivery of all our work across Access, Welfare, Safety, Education and Participation and all our teams thank them for their invaluable contribution. During 2022 we focused on improving the resources we provide to support our volunteers. Specifically, the volunteer expenses policy was introduced to replace the former system of ‘capitation payments’ and we rolled out BHS email addresses to over 1,400 individuals.

We are very grateful for our volunteers’ support and were able to thank many of them in person. In addition to our annual awards ceremony at Newbury we trialled presenting Long Service Awards at a number of regional shows, making them accessible to those unable to travel to Newbury. This was very well received. 158 Long Service Awards were presented to our volunteers in 2022.

**Operations and Infrastructure**

The BHS digital transformation made further strides this year with a new modern-looking and mobile-friendly website launched in September. In October a new contact centre solution and Teams telephony was introduced, enabling our legacy analogue phone system to be retired.

A further designation was made to support the next stages of the technology and digital transformation, which will move all BHS IT systems into an inter-connected and enduring platform centred on the Microsoft Cloud. This will be a multi-year programme, but new capabilities will start to be delivered in the second half of 2023. The suite of solutions will improve our understanding of and our ability to interact with both our current and potential audiences.

**THE BRITISH HORSE SOCIETY**  
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**STRATEGIC REPORT (continued)**

**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 at an enterprise risk level by the Finance Committee and 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 2022 the Trustees recognised the following principal risks:

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

**Financial Report for the Year**

The trustees are pleased to present a surplus on unrestricted funds of £1,278,000, which, even after accounting for an unrealised loss on investments of £129,000, enabled the trustees to designate funds of £1,220,000 in year in support of future initiatives to encourage participation, engagement, career progression in the equine industry and to enhance the Society's infrastructure, thus increasing our capability to deliver charitable impact and member services.

Adjusting for this movement in funds our unrestricted, undesignated reserves total £5,629,000 at 31 December 2022, and this is in keeping with the Society's reserves policy.

As 2022 progressed the Group returned to a more normal pattern of activity and total income increased by 8.5% from £14,016,000 to £15,202,000 with membership revenue, education activities and events being the main contributors to that increase. There was a commensurate increase in total expenditure of 7.7% from £13,248,000 to £14,262,000. Total expenditure is analysed and presented in detail in note 7 to the financial statements. Staff costs and numbers are outlined in detail in Note 8 to the financial statements.

Expenditure on designated funds of £350,000 represents planned investment in the Society's charitable objectives and infrastructure and is presented in detail in note 16 to the financial statements.

During the year the Society received revenue for specific purposes of £476,000 and made associated expenditure of £464,000. These amounts are accounted for within Restricted Funds and are presented in detail in Note 15 to the financial statements.

In a year where investment performance experienced a significant downturn due to world events and the wider economy, the Society's managed fund exceeded appropriate benchmarks and outperformed market indices. The result is an unrealised loss on investments of £129,000. Investments are reported more fully in Note 11 to the Financial Statements.

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**STRATEGIC REPORT (continued)**

**Future Plans**

Our most recently published Strategic Plan was for the period 2019 to 2024. The social and economic upheaval that we all experienced during the global pandemic meant that we had to flex and adjust our work programmes accordingly during the period covered by the Strategic Plan – but the guiding principles and objectives of that plan still apply. If anything, the turbulence of recent years has resolved our wish for greater impact, increased support and sustained, quality advice for the benefit of all horses and people that fall within our charitable objectives.

Aligned with this, we are determined to invest in the necessary business developments and enhancements in infrastructure to enable improved engagement and effectiveness.

The Trustees' Report, Strategic Report and the Financial Report were approved by the Board on 30 June 2023.

A handwritten signature in black ink that reads "Sally McCarthy". The signature is written in a cursive, flowing style.

**Sally McCarthy**  
**Chair of Trustees**

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

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**OFFICERS AND DIRECTORS**

**VICE-PATRON:** Her Royal Highness the Princess Royal

**PRESIDENT:** Martin Clunes OBE

**TRUSTEES:**

Chair: Sally McCarthy (from September 2022)

Vice-Chair: Karen Silcock (from December 2022)

Other Elected Trustees: Nicola Greenwood (elected June 2022)  
Sandra Harris  
Kerryn Haynes  
Ken Law  
Tim Lord (re-elected June 2022)  
Gillian Longhurst  
Fran Mason (term of office expired June 2022)  
Karen Silcock  
Sarah Simpson (re-elected June 2022)

Co-opted Trustees: Professor Tim Morris  
Rt. Hon. Dame Caroline Spelman DBE PC  
Beverley Simms  
(all co-opted trustees re-appointed June 2022)

**SENIOR MANAGEMENT TEAM:**

Chief Executive James Hick  
Chief Operating Officer Sarah Phillips  
Director of Access Mark Weston  
Director of Business Development Emma Stone (from April 2022)  
Georgina Walters (to April 2022)  
Director of Education Tracy Casstles (from February 2022)  
Alex Copeland (to February 2022)  
Director of Finance Duncan Snook  
Director of Marketing and Communications Rebecca Cogswell (from November 2022)  
Sandra Ford (to August 2022)  
Director of Membership Emma Day  
Director of Participation Laura Sanger  
Director of Programme Georgina Walters (from April 2022)  
Director of Safety Alan Hiscox  
Director of Technology Nikki Greenway (from May 2022)  
Paul Perkins (to March 2022)  
Director of Horse Care and Welfare Gemma Stanford  
Alycia Pritchard (maternity cover until April 2024)

**COMPANY SECRETARY:** Duncan Snook

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

For the year ended 31 December 2022

**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  
103 Colmore Row, Birmingham B3 3AG

**Bankers**

Lloyds Bank plc  
125 Colmore Row, Birmingham B3 3SF

**Taxation Advisers**

RSM UK Tax and Accounting Limited  
103 Colmore Row, Birmingham B3 3AG

**Investment Managers**

McInroy & Wood  
53 Davies Street, London W1K 5JH

## **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 2022 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 2022; 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 laws and regulations and read minutes of trustee meetings.

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

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

### **Use of our report**

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

*Paul Oxtoby*

PAUL OXTOBY (Senior Statutory Auditor)

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

Chartered Accountants

103 Colmore Row

Birmingham

B3 3AG

Date: 7 July 2023

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 2022**

		Unrestricted	Designated	Restricted	2022	2021
		£000	£000	£000	Total	Total
					£000	£000
<b>Income and endowments from:</b>						
Donations, legacies and grants	2	249	-	460	709	680
Charitable activities:						
Membership subscriptions	3	11,909	-	-	11,909	11,020
Examinations and other fees		963	-	-	963	854
Events		899	-	6	905	643
Other trading activities:						
Job Retention Scheme Grants		-	-	-	-	16
Trading income		263	-	-	263	248
Advertising		311	-	-	311	343
Commission received		6	-	-	6	12
Challenge Rides		-	-	-	-	-
Other income	4	116	-	10	126	196
Investment income	5	10	-	-	10	4
<b>Total income</b>		<b>14,726</b>	<b>-</b>	<b>476</b>	<b>15,202</b>	<b>14,016</b>
<b>Expenditure on</b>						
Raising funds	7	725	-	-	725	775
Charitable activities	7	12,723	350	464	13,537	12,473
<b>Total expenditure</b>		<b>13,448</b>	<b>350</b>	<b>464</b>	<b>14,262</b>	<b>13,248</b>
<b>Net income/(expenditure)</b>		<b>1,278</b>	<b>( 350 )</b>	<b>12</b>	<b>940</b>	<b>768</b>
<b>Net (loss)/gain on investments</b>		<b>( 129 )</b>	<b>-</b>	<b>-</b>	<b>( 129 )</b>	<b>436</b>
		<b>1,149</b>	<b>( 350 )</b>	<b>12</b>	<b>811</b>	<b>1,204</b>
Designations and fund transfers	15,16	( 1,218 )	1,162	56	-	-
<b>Net movement in funds</b>		<b>( 69 )</b>	<b>812</b>	<b>68</b>	<b>811</b>	<b>1,204</b>
<b>Fund balances brought forward</b>		<b>5,698</b>	<b>1,780</b>	<b>1,067</b>	<b>8,545</b>	<b>7,341</b>
<b>Fund balances carried forward</b>		<b>5,629</b>	<b>2,592</b>	<b>1,135</b>	<b>9,356</b>	<b>8,545</b>

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 2022**

		Unrestricted	Designated	Restricted	2022	2021
		£000	£000	£000	Total	Total
					£000	£000
<b>Income and endowments from:</b>						
Donations, legacies and grants	2	325	-	460	785	708
Charitable activities:						
Membership subscriptions	3	11,909	-	-	11,909	11,020
Examinations and other fees		963	-	-	963	854
Events		899	-	6	905	643
Other trading activities:						
Job Retention Scheme Grants		-	-	-	-	16
Trading income		133	-	-	133	94
Advertising		-	-	-	-	-
Commission received		6	-	-	6	11
Challenge Rides		-	-	-	-	-
Other income	4	134	-	10	144	214
Investment income	5	10	-	-	10	4
<b>Total income</b>		<b>14,379</b>	<b>-</b>	<b>476</b>	<b>14,855</b>	<b>13,564</b>
<b>Expenditure on</b>						
Raising funds	7	310	-	-	310	377
Charitable activities	7	12,739	350	464	13,553	12,469
<b>Total expenditure</b>		<b>13,049</b>	<b>350</b>	<b>464</b>	<b>13,863</b>	<b>12,846</b>
<b>Net income/(expenditure)</b>		<b>1,330</b>	<b>( 350 )</b>	<b>12</b>	<b>992</b>	<b>718</b>
<b>Net (loss)/gain on investments</b>		<b>( 129 )</b>	<b>-</b>	<b>-</b>	<b>( 129 )</b>	<b>436</b>
		<b>1,201</b>	<b>( 350 )</b>	<b>12</b>	<b>863</b>	<b>1,154</b>
Designations and fund transfers	15,16	( 1,218 )	1,162	56	-	-
<b>Net movement in funds</b>		<b>( 17 )</b>	<b>812</b>	<b>68</b>	<b>863</b>	<b>1,154</b>
<b>Fund balances brought forward</b>		<b>5,769</b>	<b>1,780</b>	<b>1,067</b>	<b>8,616</b>	<b>7,462</b>
<b>Fund balances carried forward</b>		<b>5,752</b>	<b>2,592</b>	<b>1,135</b>	<b>9,479</b>	<b>8,616</b>

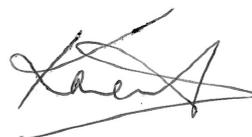
**THE BRITISH HORSE SOCIETY**  
**BALANCE SHEETS**  
**Company Registration Number: 00444742**  
**At 31 December 2022**

	Notes	Group		Society	
		2022 £000	2021 £000	2022 £000	2021 £000
<b>FIXED ASSETS</b>					
Intangible fixed assets	9	246	241	246	241
Tangible fixed assets	10	2,709	2,947	2,709	2,947
Investments	11	3,183	3,312	3,188	3,317
		<b>6,138</b>	<b>6,500</b>	<b>6,143</b>	<b>6,505</b>
<b>CURRENT ASSETS</b>					
Stock		100	94	28	-
Debtors	12	2,977	2,127	3,135	2,230
Term deposits		2,507	1,501	2,507	1,501
Cash at bank and in hand		2,151	2,869	2,149	2,864
		<b>7,735</b>	<b>6,591</b>	<b>7,819</b>	<b>6,595</b>
<b>CURRENT LIABILITIES</b>					
Creditors due within one year	13	4,243	4,266	4,209	4,204
		<b>3,492</b>	<b>2,325</b>	<b>3,610</b>	<b>2,391</b>
<b>NET CURRENT ASSETS</b>					
Creditors due after more than one year	13	274	280	274	280
		<b>9,356</b>	<b>8,545</b>	<b>9,479</b>	<b>8,616</b>
<b>REPRESENTED BY</b>					
Restricted funds	15	1,135	1,067	1,135	1,067
Designated funds	16	2,592	1,780	2,592	1,780
Other charitable funds	17	5,747	5,764	5,752	5,769
Non-charitable trading funds	17	( 118 )	( 66 )	-	-
		<b>9,356</b>	<b>8,545</b>	<b>9,479</b>	<b>8,616</b>

The financial statements were approved and authorised for issue by the Board on 30 June 2023 and signed on its behalf by:



**Sally McCarthy**  
**Chair of Trustees**



**Karen Silcock**  
**Vice-Chair of Trustees**

**THE BRITISH HORSE SOCIETY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2022**

	<b>2022</b>		<b>2021</b>
	<b>£000</b>		<b>£000</b>
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	297		1,181
<b>Cash flows from investing activities:</b>			
Interest from investments	10		4
Purchase of intangible fixed assets	( 44 )		( 230 )
Purchase of tangible fixed assets	( 50 )		( 77 )
Disposal of tangible fixed assets	75		-
Purchase of investments	( 53 )		( 1,484 )
Disposal of investments	53		1,484
<b>Net cash (used in) investing activities</b>	<b>( 9 )</b>		<b>( 303 )</b>
Change in cash and cash equivalents in the year	288		878
Cash and cash equivalents at the beginning of the year	4,370		3,492
<b>Cash and cash equivalents at the end of the year</b>	<b>4,658</b>		<b>4,370</b>
<b>Reconciliation of net income to net cash flow from operating activities:</b>			
<b>Net income for the year</b>	<b>811</b>		<b>1,204</b>
Depreciation and amortisation	276		620
Profit on disposal of tangible fixed asset	( 24 )		-
Investment income	( 10 )		( 4 )
Investment losses/(gains)	129		( 436 )
Movement in stocks	( 6 )		12
Movement in debtors	( 850 )		( 1,165 )
Movement in creditors	( 29 )		950
<b>Net cash provided by operating activities</b>	<b>297</b>		<b>1,181</b>
<b>Analysis of changes in cash and cash equivalents</b>			
	<b>At 1st</b>		<b>At 31st</b>
	<b>January</b>		<b>December</b>
	<b>2022</b>	<b>Cash flows</b>	<b>2022</b>
Cash at bank	2,869	( 718 )	2,151
Short term deposits	1,501	1,006	2,507
	<b>4,370</b>	<b>288</b>	<b>4,658</b>

**THE BRITISH HORSE SOCIETY**  
**SOCIETY STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2022**

	<b>2022</b>		<b>2021</b>
	<b>£000</b>		<b>£000</b>
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	300		1,201
<b>Cash flows from investing activities:</b>			
Interest from investments	10		4
Purchase of intangible fixed assets	( 44 )		( 230 )
Purchase of tangible fixed assets	( 50 )		( 77 )
Disposal of tangible fixed assets	75		-
Purchase of investments	( 53 )		( 1,484 )
Disposal of investments	53		1,484
<b>Net cash (used in) investing activities</b>	<b>( 9 )</b>		<b>( 303 )</b>
Change in cash and cash equivalents in the year	291		898
Cash and cash equivalents at the beginning of the year	4,365		3,467
<b>Cash and cash equivalents at the end of the year</b>	<b>4,656</b>		<b>4,365</b>
<b>Reconciliation of net income to net cash flow from operating activities:</b>			
<b>Net income for the year</b>	<b>863</b>		<b>1,154</b>
Depreciation and amortisation	276		620
Profit on disposal of tangible fixed asset	( 24 )		-
Investment income	( 10 )		( 4 )
Investment (gains)/losses	129		( 436 )
Movement in stocks	( 28 )		-
Movement in debtors	( 905 )		( 1,101 )
Movement in creditors	( 1 )		968
<b>Net cash provided by operating activities</b>	<b>300</b>		<b>1,201</b>
<b>Analysis of changes in cash and cash equivalents</b>			
	<b>At 1st</b>		<b>At 31st</b>
	<b>January</b>		<b>December</b>
	<b>2022</b>	<b>Cash flows</b>	<b>2022</b>
Cash at bank	2,864	( 715 )	2,149
Short term deposits	1,501	1,006	2,507
	<b>4,365</b>	<b>291</b>	<b>4,656</b>

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**1. Accounting Policies**

**Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The British Horse Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below:

**Basis of Consolidation**

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

**Income**

Income is stated net of VAT, where VAT is chargeable. There have been no significant changes in operations during the year. Income received for training courses, examinations and events is included in the statement of financial activities on the date on which the course, examination, or event occurs. Income received in advance, inclusive of membership income, is included within creditors. Gift aid income resulting from membership is accounted for on a receivable basis. Other income, including affiliation fees, is recognised when it is receivable.

**Subscriptions**

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

**Legacies and Donations**

Credit for income arising under these headings is taken in the year in which the amount can be assessed with reasonable probability. Donations and legacies received for the general purposes of the Society are credited to 'other charitable funds'. Donations and legacies, subject to specific wishes of the donors are recognised as restricted funds.

**Expenditure**

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

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**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**

The Trustees have reviewed the Society's position and the appropriate basis on which to prepare the financial statements. The Trustees anticipate that there may continue to be an adverse impact on the Society's income streams. However, the Trustees have assessed this impact by considering projections to the end of December 2024 which have been prepared to stress test the financial resilience of the Society. Whilst the Trustees recognise that 2023 will be a challenging year and it is possible that it will be necessary to draw on some of the Society's reserves, which have been established to provide financial resilience, they consider that it remains appropriate to prepare the financial statements on a going concern basis. The stress testing of the Society's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to continue to manage the affairs of the Society.

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**1. Accounting Policies (continued)**

**Financial Instruments**

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

**Critical Accounting Estimates and Areas of Judgement**

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

**2. Donations, Legacies and Grants**

	Group		Society	
	2022 £000	2021 £000	2022 £000	2021 £000
<b>Donations received include:</b>				
Qualifying donations from subsidiaries	-	-	76	28
<b>Legacies received include:</b>				
M Buxton	10	-	10	-
K Friar	-	25	-	25
P Hodgson	46	-	46	-
P Hurst	13	79	13	79
M Kirton	39	-	39	-
E MacFadyen	-	19	-	19
C Nesom	-	33	-	33
G Pearson	20	-	20	-
A Scallon	112	-	112	-
B Sharman	-	10	-	10
<b>Grants received include:</b>				
Anne Duchess of Westminster Fund	10	-	10	-
Binsted PC	-	10	-	10
British Equestrian Federation	53	75	53	75
C S Heber-Percy Charitable Trust	60	30	60	30
Department for Transport	-	23	-	23
Hampshire County Council	20	-	20	-
National Lottery Community Fund	10	-	10	-
The Centaur Trust	-	13	-	13
The Charities Trust	10	-	10	-
The Derbyshire Environmental Trust	-	50	-	50
The Kaye's and Labourne's Charity	20	-	20	-
The Road Safety Trust	41	13	41	13
The Sir Peter O'Sullivan Trust	17	-	17	-
The Thompson Family Trust	-	10	-	10
Worshipful Company of Saddlers	29	20	29	20
<b>Other donations, legacies and grants</b> (all less than £10,000)	199	270	199	270
	<b>709</b>	<b>680</b>	<b>785</b>	<b>708</b>

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**3. Membership Income**

	<b>Group</b>		<b>Society</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
During the year ended 31 December membership subscriptions after provision for deferred life membership income were:	10,194	9,549	10,194	9,549
In the same period, gift aid was claimed amounting to:	1,715	1,471	1,715	1,471
	<b><u>11,909</u></b>	<b><u>11,020</u></b>	<b><u>11,909</u></b>	<b><u>11,020</u></b>

**4. Other Income**

	<b>Group</b>		<b>Society</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Other (includes consultancy, service charges and miscellaneous items)	92	150	105	163
Rental income	34	46	39	51
	<b><u>126</u></b>	<b><u>196</u></b>	<b><u>144</u></b>	<b><u>214</u></b>

**5. Income from Investments**

	<b>Group</b>		<b>Society</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Interest receivable	<u>10</u>	<u>4</u>	<u>10</u>	<u>4</u>

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**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:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>The British Horse Society (Trading Company) Limited</b>		
Turnover	433	486
Less: Cost of sales	427	410
<b>Result for the year</b>	<b>6</b>	<b>76</b>
Qualifying donation to parent charity	76	28
Assets	356	257
Liabilities	335	166
<b>Net funds</b>	<b>21</b>	<b>91</b>
<b>The British Horse Society Qualifications Limited</b>		
Turnover	119	93
Less: Cost of sales	101	92
<b>Result for the year</b>	<b>18</b>	<b>1</b>
Assets	3	4
Liabilities	142	161
<b>Net funds</b>	<b>( 139 )</b>	<b>( 157 )</b>

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 2022**

**7. Analysis of Total Expenditure**

<b>Group</b>	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Expenditure on raising funds in 2022</b>					
Fundraising, trading, cost of goods and other costs	<b>581</b>	<b>144</b>	-	-	<b>725</b>
<b>Expenditure on charitable activities in 2022</b>					
Membership services	3,882	1,358	70	6	5,316
Training, examinations and approvals	2,010	1,198	151	208	3,567
Safety, Access and Welfare	1,548	1,477	111	249	3,385
Events	972	278	18	1	1,269
<b>Total charitable activities</b>	<b>8,412</b>	<b>4,311</b>	<b>350</b>	<b>464</b>	<b>13,537</b>
<b>Total expenditure</b>	<b>8,993</b>	<b>4,455</b>	<b>350</b>	<b>464</b>	<b>14,262</b>

<b>Society</b>	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Expenditure on raising funds in 2022</b>					
Fundraising, trading, cost of goods and other costs	<b>166</b>	<b>144</b>	-	-	<b>310</b>
<b>Expenditure on charitable activities in 2022</b>					
Membership services	3,882	1,358	70	6	5,316
Training, examinations and approvals	2,026	1,198	151	208	3,583
Safety, Access and Welfare	1,548	1,477	111	249	3,385
Events	972	278	18	1	1,269
<b>Total charitable activities</b>	<b>8,428</b>	<b>4,311</b>	<b>350</b>	<b>464</b>	<b>13,553</b>
<b>Total expenditure</b>	<b>8,594</b>	<b>4,455</b>	<b>350</b>	<b>464</b>	<b>13,863</b>

**THE BRITISH HORSE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**7. Analysis of total expenditure (continued)**

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

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

**THE BRITISH HORSE SOCIETY**  
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**7. Analysis of Total Expenditure (continued)**  
**Support Cost Breakdown by Activity**

<b>Group and Society</b>	<b>Fundraising £000</b>	<b>Membership services £000</b>	<b>Exams, training and approvals £000</b>	<b>Safety, Access and Welfare £000</b>	<b>Events £000</b>	<b>Total £000</b>
<b>2022</b>						
Management	21	195	172	212	40	640
Finance	11	100	88	109	20	328
Technology and infrastructure	41	384	339	418	78	1,260
Facilities	20	193	171	210	40	634
Human Resources	14	135	119	147	28	443
Marketing and communications	37	351	309	381	72	1,150
	<b>144</b>	<b>1,358</b>	<b>1,198</b>	<b>1,477</b>	<b>278</b>	<b>4,455</b>
<b>Group and Society 2021</b>						
Management	21	205	189	204	42	661
Finance	10	93	86	92	19	300
Technology and infrastructure	42	410	378	407	83	1,320
Facilities	18	173	159	172	35	557
Human Resources	12	116	107	115	24	374
Marketing and communications	34	329	304	327	67	1,061
	<b>137</b>	<b>1,326</b>	<b>1,223</b>	<b>1,317</b>	<b>270</b>	<b>4,273</b>

Included in total costs above are Governance Costs of £73,176 (2021: £59,088) which include Chairman, Trustee and CEO expenses of £7,360 (2021: £3,789) and Legal, professional and audit fees of £65,816 (2021: £55,299).

	<b>Group</b>		<b>Society</b>	
	<b>2022 £000</b>	<b>2021 £000</b>	<b>2022 £000</b>	<b>2021 £000</b>
<b>Total expenditure includes:</b>				
Auditors remuneration				
for audit work	32	26	29	24
for non-audit work	8	7	8	7
Operating leases				
for land and buildings	19	14	19	14
for plant and machinery	205	210	205	210

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**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.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group and Society</b>		
The cost of travel and subsistence reimbursed to 7 (2021:3) trustees during the year amounted to:	4,675	1,216
Chairman's remuneration:		
T Lord	5,310	7,965
Trustees were paid fees for examinations and other services as follows:		
N Greenwood	2,200	-
S Simpson	4,222	894

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

The total remuneration including employer's national insurance and pension contributions payable to key management personnel, which is defined as the Chief Executive and the Senior Management Team, was £1,191,283 (2021: £1,176,209).

**Staff Costs**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Group</b>		
Salaries and wages	5,631	5,021
Social security costs	612	532
Pension costs	277	256
Other employee costs and benefits	141	123
	<b>6,661</b>	<b>5,932</b>

**THE BRITISH HORSE SOCIETY**  
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**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 £56,442 (2021: £24,217).

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

	<b>2022</b>	<b>2021</b>
£130,001 to £140,000	1	1
£90,001 to £100,000	1	1
£80,001 to £90,000	2	4
£70,001 to £80,000	-	2
£60,001 to £70,000	6	2

The items used to determine the above values are the gross salary, employer's contribution for life cover, and the taxable value of benefits in kind. An amount of £68,101 (2021: £57,678) was contributed to a defined contribution pension scheme for the 10 (2021: 10) employees whose emoluments exceeded £60,000.

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

	<b>2022</b>	<b>2021</b>
Charitable activities	157	143
Raising funds	3	3
	<u>160</u>	<u>146</u>

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**9. Intangible Fixed Assets**

<b>Group and Society</b>	<b>Education Software £000</b>	<b>Membership Software £000</b>	<b>Other IT related Projects £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 31 December 2021	607	407	684	1,698
Additions	-	-	50	50
Disposals	-	-	(9)	(9)
<b>At 31 December 2022</b>	<b>607</b>	<b>407</b>	<b>725</b>	<b>1,739</b>
<b>Amortisation</b>				
At 31 December 2021	607	407	443	1,457
Disposals	-	-	(6)	(6)
Charge for the year	-	-	42	42
<b>At 31 December 2022</b>	<b>607</b>	<b>407</b>	<b>479</b>	<b>1,493</b>
<b>Net Book Values</b>				
<b>As at 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>246</b>	<b>246</b>
<b>As at 31 December 2021</b>	<b>-</b>	<b>-</b>	<b>241</b>	<b>241</b>

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**  
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**10. Tangible Fixed Assets**

<b>Group and Society</b>	<b>Motor Vehicles £000</b>	<b>Freehold Property £000</b>	<b>Computer Equipment £000</b>	<b>Fixtures &amp; Fittings £000</b>	<b>Total £000</b>
<b>Cost</b>					
At 31 December 2021	243	4,707	1,505	407	6,862
Additions	40	-	-	4	44
Disposals	(195)	-	(11)	(16)	(222)
<b>At 31 December 2022</b>	<b>88</b>	<b>4,707</b>	<b>1,494</b>	<b>395</b>	<b>6,684</b>
<b>Depreciation</b>					
At 31 December 2021	176	1,915	1,426	398	3,915
Disposals	(151)	-	(10)	(12)	(173)
Charge for the year	16	179	35	4	234
<b>At 31 December 2022</b>	<b>41</b>	<b>2,094</b>	<b>1,451</b>	<b>390</b>	<b>3,976</b>
<b>Net Book Values</b>					
<b>As at 31 December 2022</b>	<b>47</b>	<b>2,613</b>	<b>43</b>	<b>5</b>	<b>2,708</b>
<b>As at 31 December 2021</b>	<b>67</b>	<b>2,792</b>	<b>79</b>	<b>9</b>	<b>2,947</b>

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.

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**11. Fixed Asset Investments**

	Group		Society	
	2022 £000	2021 £000	2022 £000	2021 £000
Listed investments	3,183	3,312	3,183	3,312
Shares in subsidiary undertakings	-	-	5	5
	<b>3,183</b>	<b>3,312</b>	<b>3,188</b>	<b>3,317</b>

	Brought forward £000	Additions £000	Disposals £000	Losses £000	Carried forward £000
<b>Listed investments</b>					
<b>Group and Society</b>					
McInroy & Wood HG Investment	3,312	53	( 53 )	( 129 )	3,183
Total listed investments	<b>3,312</b>	<b>53</b>	<b>( 53 )</b>	<b>( 129 )</b>	<b>3,183</b>

	2022 £000	2021 £000
Listed investments at cost	2,645	2,592
<b>Shares in subsidiary undertakings</b>		
<b>Society</b>	<b>2022 £000</b>	<b>2021 £000</b>
Shares in subsidiary undertakings as 31 December at cost	5	5

The Society owns the entire ordinary share capital of The British Horse Society (Trading Company) Limited and The British Horse Society Qualifications Limited which are both incorporated in England and Wales, are both trading subsidiaries and are disclosed in more detail in Note 6 on page 36.

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 (2021: £nil):

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

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**12. Debtors**

	Group		Society	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	251	122	62	43
Amounts due from subsidiaries	-	-	443	264
VAT	3	16	3	16
Other debtors	4	4	4	4
Prepayments and accrued income	2,719	1,985	2,623	1,903
	<b>2,977</b>	<b>2,127</b>	<b>3,135</b>	<b>2,230</b>

**13. Creditors**

	2022	2021	2022	2021
	£000	£000	£000	£000
<b>Creditors due within one year:</b>				
Trade creditors	1,240	1,070	1,221	1,051
Deferred income	2,716	2,753	2,716	2,753
Taxation and social security	158	147	158	147
Accrued expenditure	87	256	72	213
Other creditors	42	40	42	40
	<b>4,243</b>	<b>4,266</b>	<b>4,209</b>	<b>4,204</b>
<b>Creditors due after more than 1 year:</b>				
Deferred income	274	280	274	280
<b>Of the above the following will fall due:</b>				
in 2 to 5 years:	45	50	45	50
In over 5 years:	229	230	229	230

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	
	2022	2021	2022	2021
	£000	£000	£000	£000
Balance at 1st January 2022	3,033	2,927	3,033	2,927
Released from previous accounting	(2,759)	(2,647)	(2,759)	(2,647)
Income deferred in current year	2,716	2,753	2,716	2,753
Balance at 31st December 2022	<b>2,990</b>	<b>3,033</b>	<b>2,990</b>	<b>3,033</b>

**THE BRITISH HORSE SOCIETY**  
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**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**

<b>Group and Society</b>	<b>At 1st January 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers between reserves</b>	<b>At 31st December 2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
2026 Sport England	-	44	( 70 )	48	22
Access Fighting	44	7	( 20 )	-	31
Bighton Byway	-	10	-	-	10
Binsted Bridleway	-	20	-	-	20
Bodynfoel Award	11	-	-	-	11
Challenge Rides	11	1	-	-	12
Changing Lives Through Horses	248	185	( 186 )	-	247
Faith Hope and Charity	15	-	-	-	15
Grass Sickness Biobank	1	5	( 20 )	14	-
Healthcare Clinics	24	8	( 17 )	( 6 )	9
Helping Horses	36	6	( 8 )	-	34
Helping Horses on the Move	16	-	( 10 )	-	6
Hurst Legacy	466	13	( 44 )	-	435
Look Out for Laura	-	31	( 26 )	-	5
Paths for Communities	77	29	( 13 )	-	93
Responsible Breeding	20	-	-	-	20
Road Safety	20	11	( 12 )	-	19
Saddlers Training	7	29	( 26 )	-	10
Second Chance	20	54	( 2 )	-	72
Other funds:					
All balances of £10,000 or less					
or less than £10,000 income	51	23	( 10 )	-	64
	<b>1,067</b>	<b>476</b>	<b>( 464 )</b>	<b>56</b>	<b>1,135</b>

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.

Bighton Byway Fund is a grant aided project for improvements to Bighton Byway.

Binsted Bridleway Fund is a grant aided project for improvements to Binsted Bridleway.

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' Grass Sickness Biobank Fund finances a programme of research into equine grass sickness. Healthcare Clinics Fund supports clinics as part of the BHS welfare programme. Helping Horses is designed to change the behaviour, through education, of people who do not look after their horses properly. Helping Horses on the Move Fund is a bespoke horse welfare vehicle funded by a grant from SEIB against which the depreciation of the vehicle is charged. Hurst Legacy is a specific legacy for bridleway improvement in the Storrington area. Look Out For Laura Fund is a partnership to produce a film supporting vulnerable road users. Paths for Communities Fund is for bringing equestrian routes into use. Responsible Breeding is designed to tackle overbreeding through education. Road Safety fund facilitates research of safety for the ridden or driven horse. Saddlers Training Fund provides the annual grant for specific training activities held by the British Horse Society and other riding disciplines. Second Chance Fund was established to rehome horses who have suffered an unhappy past giving them a second chance to rest, recover and rediscover a better life.

**16. Designated Funds**

<b>Group and Society</b>	<b>At 1st January 2022</b>	<b>Expenditure</b>	<b>Transfers between reserves</b>	<b>Designations</b>	<b>At 31st December 2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Access 2026	7	( 5 )	-	-	2
Access Field Officer Wales	36	( 31 )	-	-	5
Access Fighting Fund	-	-	-	50	50
BRC Transformation	-	-	-	40	40
Bursaries	112	( 6 )	-	-	106
Career Transition	300	( 67 )	-	200	433
Changing Lives Through Horses	-	-	-	100	100
Customer Insight	-	-	-	250	250
Digital Transformation	653	( 207 )	-	430	876
Driving Force	200	-	-	-	200
EDI Strategy	-	-	-	50	50
Fit for the Future	9	-	( 9 )	-	-
Forever for the Horse	87	( 3 )	( 14 )	-	70
Government Action	22	-	-	-	22
Hardship Fund	22	-	-	-	22
Healthcare Clinics	2	( 7 )	5	-	-
Horse Accident	5	-	-	-	5
International Development	83	-	-	-	83
Paths for Communities	25	-	-	-	25
Ride By Your Side	217	( 24 )	10	50	253
Sport England 2026	-	-	( 50 )	50	-
	<b>1,780</b>	<b>( 350 )</b>	<b>( 58 )</b>	<b>1,220</b>	<b>2,592</b>

**16. Designated Funds (continued)**

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

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

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

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

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

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.

Customer Insight

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

Driving Force Fund supports the provision of two bespoke, multi-function agile vehicles for welfare, educational and promotional purposes.

EDI Strategy Fund supports advice and content to progress and embed the Society's EDI strategy.

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

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

Government Action Fund provides for lobbying at national level.

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

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

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

International Development supports the development of centres and assessment resources overseas.

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

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

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

**Transfers between reserves**

The unrestricted, designated and restricted funds are reviewed regularly by senior management and trustees. This exercise identifies where there is a relationship either within or between funds, for example where designated funds are made available to support activities already existing within restricted funds. Designated funds are subject to reclassification and review as to ongoing suitability and purpose.

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**17. Other Unrestricted Funds**

	<b>Group</b>		<b>Society</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Charitable funds:</b>				
At 31 December 2021	5,764	5,725	5,769	5,731
Net income and expenditure	1,201	1,875	1,201	1,874
Transfers to and from designated and restricted funds	(1,218)	(1,836)	(1,218)	(1,836)
<b>At 31 December 2022</b>	<b>5,747</b>	<b>5,764</b>	<b>5,752</b>	<b>5,769</b>
<b>Non-charitable trading funds:</b>				
At 31 December 2021	(66)	(115)	-	-
Result for the year	(52)	49	-	-
<b>At 31 December 2022</b>	<b>(118)</b>	<b>(66)</b>	<b>-</b>	<b>-</b>

**18. Analysis of Group Net Assets between Funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fund balances at 31 December 2022 are represented by:</b>			
Intangible fixed assets	246	-	246
Tangible fixed assets	2,709	-	2,709
Fixed asset investments	3,183	-	3,183
Term deposits and current asset investments	2,507	-	2,507
Cash at bank and in hand	1,016	1,135	2,151
Other current assets	3,077	-	3,077
Creditors	(4,517)	-	(4,517)
<b>Total net assets</b>	<b>8,221</b>	<b>1,135</b>	<b>9,356</b>

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**19. Financial Commitments**

**Operating Lease Commitments**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>

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

**Group and Society**

**Payments within one year:**

Land and buildings	19	19
Plant and machinery	217	204
	<u>236</u>	<u>223</u>

**Payments within two to five years:**

Land and buildings	78	78
Plant and machinery	261	125
	<u>339</u>	<u>203</u>

**Payments after more than five years:**

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

In 2021 the Society secured two chassis for future purchase and fit out in support of the Driving Force initiative. It is estimated that each vehicle will cost £80,000. The chassis were secured during difficulties in vehicle procurement and supply and a deposit of £20,000 per vehicle was recorded in the year ended 31 December 2021. This situation remained the same at 31 December 2022. The procurement and fit out of the two vehicles will be completed during 2023 and they will be commissioned for use and added to the fixed asset register.

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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:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>The British Horse Society (Trading Company) Limited:</b>		
Qualifying donation	76	28
Intercompany trade and recharges	43	41
Amounts due from subsidiary	304	107
<b>The British Horse Society Qualifications Limited:</b>		
Intercompany trade and recharges	( 50 )	( 25 )
Amounts due from subsidiary	139	157

**Other related parties**

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Berkshire Riding Centre Limited</b>		
Equestrian Education and Facility Services	8	5
<b>Aberdeen Riding Club Limited</b>		
Equestrian Education and Facility Services	1	1