

THE  
THOROUGHbred  
BREEDERS'  
ASSOCIATION

2022

# ANNUAL REPORT AND ACCOUNTS



Championing the future of the British thoroughbred

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# HER MAJESTY QUEEN ELIZABETH II, PATRON OF THE THOROUGHBRED BREEDERS' ASSOCIATION 1954-2022

BY EMMA BERRY, EUROPEAN EDITOR, THOROUGHBRED DAILY NEWS

The nation and Commonwealth have lost a great leader, and the TBA has lost its patron, whose long-term commitment to the Association since 1954, and to the betterment of the thoroughbred, was every bit in keeping with her duty to the country.

During the many touching tributes in the immediate aftermath of Her Majesty's death, it was notable how often her love of horses, and in particular horseracing, was referenced. All of us involved in this great sport have been fortunate to have had the Queen shine her light on it for so many years. Indeed, her long association with the thoroughbred will continue beyond her passing in the yearlings and foals already on the ground, and in the results of the matings which were still being meticulously planned with the Queen's racing manager John Warren through this summer.

Highclere's trainer Major Dick Hern pulled off an arguably even more important Classic double for the monarch when Dunfermline won the Oaks and the St Leger in 1977, brining extra cause for celebration in the year of the Queen's Silver Jubilee.

Classic success eluded the Queen in the ensuing years, though she did again have a horse placed in the 2011 Derby when the Dante Stakes winner Carlton House, a gift to Her Majesty from Sheikh Mohammed Al Maktoum, finished third behind Pour Moi. Later exported to Gai Waterhouse's Australian stable, Carlton House ended his career with another Group 1 placing, this time appropriately in Royal Randwick's Queen Elizabeth Stakes, just one of many races around the world to have been named in her honour.

There was of course much success to be enjoyed elsewhere in the intervening years. Phantom Gold, trained by Lord Huntingdon to win the Ribblesdale, Geoffrey Freer and St Simon Stakes, became an important broodmare in the Royal Studs and now features as the grand-dam of Group 3 Solario Stakes winner Reach For The Moon.

Blueprint, Interlude, and Call To Mind won Group/Grade 2 races in Britain, France and America, while Right Approach

was runner-up in the Group 1 Queen Anne Stakes and the homebred later became a Group 1 winner in Dubai after being sold to race for Mike de Kock.

Dartmouth's haul of four Group wins included the Group 2 Yorkshire Cup and the Group 2 Hardwicke Stakes at Royal Ascot, and he is now at Shropshire's Shade Oak Stud. Another of the Queen's runners now at stud in France is Galileo's son Recorder, who won the Group 3 Acomb Stakes 63 years after Aureole had landed the same race within months of the Queen's accession to the throne.

For those following the sport in more recent years, one horse will remain intrinsically linked to the Queen in having provided her with victory in Royal Ascot's greatest race. Estimate, trained by Sir Michael Stoute and a present from another fellow owner-breeder, HH Aga Khan IV, made Queen Elizabeth II the first monarch to own the winner of the Gold Cup, and few will forget the unbridled joy with which she cheered the great staying filly home at Ascot that day in the company of John Warren. Of course it had been Estimate's second triumph at Royal Ascot as she had been the appropriate winner of the Queen's Vase a year earlier.

As the country embarked on its recovery from the Covid lockdowns in 2021 and racing returned almost to normal, the Queen enjoyed her most successful season numerically on the racecourse, with 36 winners including five stakes victories, most notably the Group 3 wins of Light Refrain and Reach For The Moon. This achievement was recognised at the TBA Flat Breeders' Awards where the Queen was awarded the TBA Silver Salver.

Her winners in what transpired to be the final year of her life included the Andrew Balding-trained Group 2 Temple Stakes winner King's Lynn, named for the Norfolk town not far from





where he was bred at Sandringham. Fittingly, the gelding who would become her final Group winner is by Cable Bay, who is currently resident at Highclere, the family home of her former racing manager and dear friend Lord Carnarvon, who was succeeded in his role by his son-in-law John Warren.

Reportedly as engaged in the racing action as ever in her final days at Balmoral, the Queen's colours were carried to victory one final time during her reign on 6 September by the two-year-old Love Affairs, from the Lambourn stable of the newest trainer on her roster, Clive Cox.

So ended, only two days later, one of the greatest love affairs with the turf with the passing of its greatest patron of the last century. Having missed Royal Ascot for the last few seasons, Queen Elizabeth II was present on QIPCO British Champions Day in October 2021 at her beloved Ascot to receive a commemorative medal marking her induction to the QIPCO British Horseracing Hall of Fame. There could be no more fitting member of that celebrated club.

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## CHAIRMAN'S WELCOME

In 2022, we lost our long-standing Patron, HM Queen Elizabeth II, who had since 1954 been a most ardent supporter of the thoroughbred breed. It is almost certain that racing will not see another ambassador with such influence and impact on a global scale.



We were fortunate to meet with the late Queen on two occasions in recent years, firstly presenting her with the Andrew Devonshire Bronze for outstanding contribution to the thoroughbred breeding industry in a private ceremony arranged at the Jockey Club Rooms. Then in 2017, we had the pleasure of welcoming the late Queen as guest of honour to our evening reception at St James's Palace, where Her Majesty was presented with a special edition copy of our centenary book.

The TBA Silver Salver, the late Queen's final award as a thoroughbred breeder came following a particularly successful season on the racecourse for her runners in 2021. John Warren collected the award on her behalf at the Flat Breeders' Awards Evening in the summer of 2022 and reflected on her lifetime success as a thoroughbred breeder.

With most of us returning to life close to normal after the pandemic, last year was also a time for the TBA to measure its own progress within its strategic plans and how the wider sport has been affected.

Global economic events of the past few years had taken their toll on the majority of participants in the industry, in some cases accelerating trends witnessed in previous years.

Acting on this feedback, the TBA board of trustees instructed PwC to commence a third economic impact study in the second quarter of 2022 to fully assess the environment in which thoroughbred breeders were operating in order to understand the challenges and opportunities the sector faced.

Evidence based strategies have been at the heart of the TBA's work since the initial economic impact study in 2014, providing a sound basis for areas of focus in our work to support breeders and the industry as a whole.

The results of this third study, released in 2023, will lead to some re-alignment of plans to ensure we continue to work on activities that deliver the greatest positive impact to our sector.

The Great British Bonus (GBB) which was fully vindicated in this study has given us at the TBA and the industry clear evidence that well thought out intervention works. We will develop further our thoughts and plans for this highly successful scheme.

### Sales

As the main sales season for 2022 came to an end, culminating in the record-breaking Tattersalls' December Mares auction, it was apparent that there is still strong demand for breeding and potential breeding stock throughout the thoroughbred world.

With this sale alone resulting in turnover of nearly 81 million guineas – up 30 per cent on 2021 and 16 per cent higher than 2007's record return - it is easy to believe that all is fine in the breeding world. But a median of 32,000gns brings some realism to what is happening at the less exalted levels.

The broodmare band and breeding stock are the lifeblood of the industry in Britain, and unless we keep and maintain the quantity and in particular the quality of females needed to replenish the racing stock, we will rapidly loosen the supply chain to the point of no return. It is therefore the responsibility of all of us to encourage new breeders to join the industry and those already operating in this vital area to maintain their commitment.

We have to be prepared to look at innovation and change in the way the breeding industry is funded and operated, if we wish to see a bright future for all those who would want to be part of our dream.





## Industry governance

It is perhaps fortuitous that in this time of rapid change the TBA produced a template and reassessed plans to improve the long-term health of the industry, the wider sport commenced a similar project to protect and develop its future.

The establishment and success of the BHA's Commercial Committee, as part of the creation of a new industry strategy, is going to be vital. The committee's deliberations will need to continue to be focused on increasing the appeal and competitiveness of our sport, optimising the race programme whilst ensuring enough lucrative high-level opportunities remain to prevent the equine talent drain overseas.

We cannot stop, and should not attempt to stop, the export of colts and geldings who are slightly below top class, but if they are to remain here to populate the main race programmes and big handicaps, the rewards should be commensurate with their values.

The retention of talented fillies and mares however, should be prioritised to maintain the outstanding quality of the domestic broodmare population. The TBA and BHA have worked hard, and with considerable success, to enhance the race programme for older fillies, and more valuable opportunities

for these horses should keep to keep them in training for at least one more year to the benefit of the sport and field sizes.

The BHA's Commercial Committee will have many differing thoughts on how to redirect prize money and enhance the product, but without those good Saturday horses colts and fillies being consistently available to the public, we will struggle to maintain the interest which everyone is working so hard to achieve.

The investment needed in the future requires faith and optimism, which thankfully characterises many of us who love our horses and dream of success, whether on the racecourse or in the sale ring.

There is much work to be done in 2023, but in 2022 great progress was made in initiatives such as the Great British Bonus, Elite NH Mares' Scheme, NH Junior Hurdles, TBA ACCESS launch and the foundations were laid to ensure we at the TBA continue to deliver relevant services for you our members and the industry.

*Julian Richmond-Watson*

**JULIAN RICHMOND-WATSON**

## CHIEF EXECUTIVE'S MESSAGE

2022 has, welcomingly, seen a return to more normal working arrangements following two very challenging years and the TBA team's focus has been able to pivot back to the delivery of the long term strategic plan.

The Great British Bonus Scheme (GBB), managed by the TBA on behalf of the thoroughbred racing and breeding industry, has continued to make a demonstrably positive impact on the buying, racing and breeding of fillies in Great Britain. PwC were appointed in April 2022 to undertake a full independent audit of GBB as part of a broader Economic Impact Study (EIS) into the British thoroughbred industry, which was published in January 2023.

The EIS has been a major project for the TBA during 2022, co-funded by the Horserace Betting Levy Board (HBLB) and Racing Foundation. The Study revealed the progression of some established trends affecting profitability and the overall health of the sector, and the emergence of new ones post Brexit and Covid-19. It also highlighted the positive impact of industry interventions, specifically the Great British Bonus, including the narrowing of the gap in average sales prices between colts and fillies at British sales, a growth in the British foal crop in 2022 reversing a number of years of decline, and achieving 82% registrations of British born fillies in 2022. It demonstrates how the strategic use of HBLB funding can influence and change behaviour and with global demand for British born thoroughbreds growing at a time of a decreasing global foal crop, and a rising cost base, GBB is providing a vital incentive to keep people breeding, buying and racing in this country.

Continuing to work with the UK Government on easing the frictions affecting the movement of thoroughbreds across borders following the UK's exit from the EU has been another main area of focus, with an industry specific facilitation achieved with the Treasury through the removal of the requirement to lodge temporary VAT to approved operators. Brexit has also affected the supply chain of employees, evidenced by an industry survey of employers funded by the Racing Foundation confirming that recruitment, skills and retention issues are now having a significant impact on employers and employees. The TBA also continued to deliver



the industry's Diversity & Inclusion Commitment, support the E2SE programme and improve the reach and accessibility of professional development within the breeding industry through the ongoing development of TB-Ed which now has a dedicated executive.

Equine health and welfare and environmental sustainability are two vital strategic areas where the TBA are taking a leading role, and this report details our important work in these areas. To facilitate this, changes were made to the internal structure of the TBA team during the year to ensure there is sufficient dedicated internal resource, and to support me in representing the TBA at industry and government level. The ongoing funding support of the Racing Foundation through to 2025 for our education, equine welfare and environmental sustainability strategic activities is also instrumental in enabling the TBA to deliver in these important areas across the longer term.

The ongoing support of breeders through membership and the sales levy remains fundamental to the TBA's ability to represent, advocate and deliver on their behalf. We also installed a new CRM system and integrated website as a vital bedrock of our ongoing delivery of excellent service for our membership. The TBA also hosted the International Thoroughbred Breeders' Federation biannual conference in June in Newmarket which had a record attendance and showcased our breeding industry to delegates from across 23 breeding nations.

We are proud as a Board and as an executive team of our 2022 achievements, and the positive impact of the TBA's ongoing work on the sustainability of British breeding, the racing industry and the rural economy.

A handwritten signature in black ink, appearing to be 'CS', written over a light blue horizontal line.

**CLAIRE SHEPPARD, TBA CHIEF EXECUTIVE**



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## WHAT WE DO

Our charity's purpose as set out in the objects contained in the company's memorandum of association is:

To encourage by means of the provision of educational or research facilities or otherwise, the science of natural production and improvement of the thoroughbred horse in Great Britain.

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### Working purpose

The Thoroughbred Breeders' Association (TBA) is the only horseracing stakeholder to focus on the future of the British-bred thoroughbred and the interests of the British breeder.

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### Vision statement

To improve the sustainability, resilience and impact of the British breeding industry by safeguarding the legacy of world class British breeding for racing and future generations to come.

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### Strategic Objectives

- 1 Shape national and international policy for the thoroughbred breeding industry.
- 2 Protect the diversity and promote the sustainable development of the British thoroughbred.
- 3 Encourage learning and development within the British breeding industry.
- 4 Support breeders in their care of horses, participants and the environment.
- 5 Promote health and welfare and support veterinary research into the thoroughbred breed.



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### Values

#### Teamwork

We are open and accountable and work together as a team, in collaboration with our members and stakeholders.

#### Excellence

We deliver excellence in our promotion and support of breeders and the British thoroughbred industry.

#### Active

We are active as custodians of the British thoroughbred, and committed to protecting their heritage and championing their cause.

TBA impact and reach in 2022



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## DIVERSITY AND PROMOTION OF THE BREED

In 2022, the TBA reviewed all activities under the banner of 'diversity and promotion of the breed' to ensure that they remained focused on the organisation's strategic objectives in order to maximise their impact on sector behaviour.

The TBA's stallion events returned in 2022, the first editions to be hosted since pandemic restrictions commenced back in March 2020. Covid-19 remained a possible threat, and so each was delivered in accordance with government guidelines and with comprehensive risk assessments to ensure the safety of the TBA team, participants and attendees.

Due to its popularity in 2021, GBRI and the TBA decided to re-launch the **Great British Stallion Showcase** website, which aimed to complement the live events, providing an alternative option for people to view stallions available in the domestic marketplace.

The 2022 events saw a dozen horses lined up in the **Flat Stallion Parade** (up from 8 in 2020), whilst 18 sires featured in the **National Hunt Showcase** in Doncaster (up from 16 in 2020).

In its second year of operation, the online national hunt **stallion nomination auction** raised over £13,600 for national hunt activities. There was a slight drop in revenue from the second highest total achieved in 2021 (£17,995), which was anticipated post-Covid as more options for trade became available.

The promotion of **British bred success** in both domestic and international markets, continued through the TBA's successful partnership with GBRI. GBRI continued its British bred success advertisements in global publications for Group/Grade 1 winners, supported by press releases, social media content and Racing Post profile tags. British thoroughbred breeding was also promoted in its 2022 headline campaign 'Invest in the best'.

The **NH Breeders' Awards Evening** returned to its usual May slot amidst the Goffs UK Spring Store Sale. Reflecting on the event, TBA NH Committee Chairman Bryan Mayoh said: "I was delighted that, once more, the TBA NH Breeders' Awards dinner proved a fantastic success, with over 160 guests attending,



*including award nominees, breeders, trainers and leading industry figures. We heard stories from the winning breeders of how the British-bred stars of the 2021-22 season were produced, including established champions such as the great Honeysuckle and the remarkable Snow Leopardess, as well as stars of the future in the incredibly promising Constitution Hill and the super-consistent Edwardstone."*

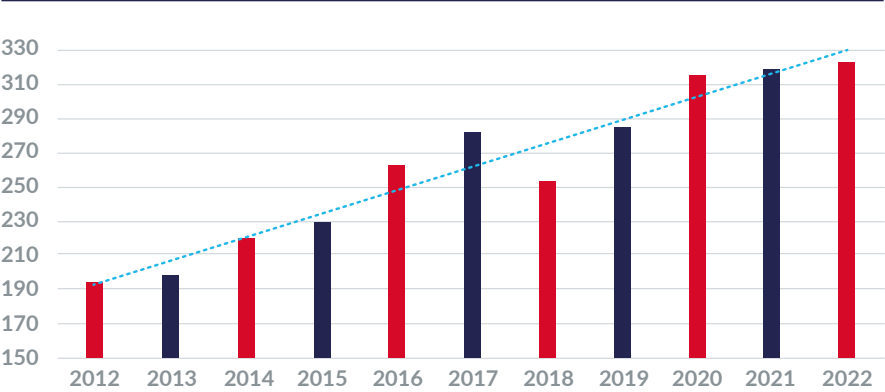
The Jockey Club and National Stud became the primary event sponsors for the 2022 renewal of the **Flat Breeders' Awards Evening**. Over 150 guests attended the ceremony in the grounds of Chippenham Park (up from 125 in 2021), where 14 awards were presented to celebrate the success of individuals, teams and British bloodstock.

In September the TBA participated in the second annual **Breeders' Day** at Sandown Park Racecourse. TBA members and TBA associate subscribers gained free admission to the raceday which aimed to showcase British thoroughbred breeding and careers within the industry. The TBA introduced new features in 2022, including the popular 'points of the horse' challenge and 'famous foal' paddock which featured 2-D statues of former stars of the racecourse as foals.



The **Elite NH Mares' Scheme** (EMS) continued to demonstrate its success in revitalising the British NH breeding sector. In total, there were 323 eligible mares for the 2022 EMS, of which 133 registered to use the scheme, representing 41% of the eligible population (the only other occasion in excess of 40% was 2019 at 46%). Of these 133 mares, 112 used the scheme and were covered, with 91 in foal as of October 1, 2022. This in foal success rate of 81% is the highest recorded over the past five-year period.

Number of eligible mares in operation\* (\*known)



EMS 2022

Eligible mares	323
Registered mares	133
Covered mares	112
In foal mares	91

Ahead of the BHA's introduction of a pilot series of **NH Junior Hurdles** in October, the TBA created a targeted three phase communications campaign, firstly to raise awareness amongst buyers at NH sales – thereby assisting breeders with increased demand for suitable stock. Phase two included a further awareness campaign, targeting trainers and owners with reminders of the race dates, whilst phase three focused on showcasing the winning horses and connections of the races. A drop-in event on a race day which included a NH Junior Hurdle was held for agents, trainers and other stakeholders at Kempton Park racecourse to garner support for the initiative and gather feedback from those who had utilised the races.



## The Great British Bonus

Over the last 12 months, GBB has continued to grow in popularity and the phenomenal impact it is having on the industry is evident in the breeding sheds and the sales ring.

From 1 January to 31 December 2022, GBB had paid out over £4.7million (2021 – £2.65m) in 342 (2021 – 206) qualifying races once again dwarfing the £2m (2021 – £1.2m) in prize money paid out to those same fillies and mares. 89 bonuses worth £1,202,500 have been awarded to NH mares (2021 – £858,000 in 71 races) whilst flat fillies have taken home 253 bonuses worth £3,504,500 (2021 – £1,800,000 in 135 races).

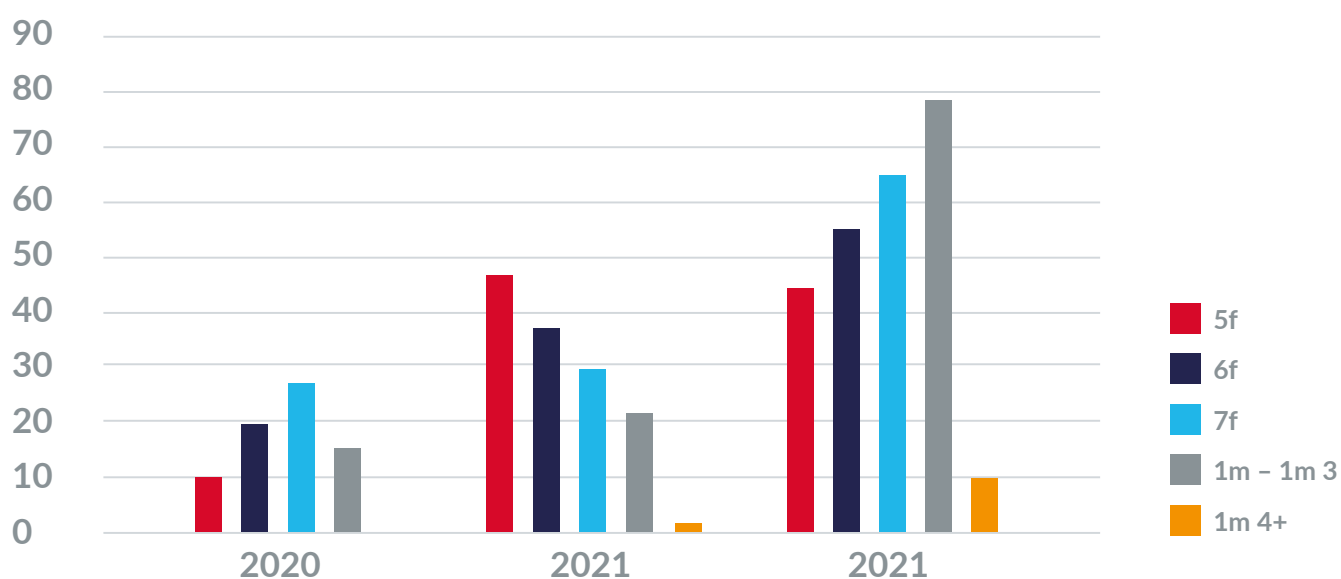
The surge in bonus wins from 2021 is in part due to the addition of 400 3-yo+ races. In previous years, the GBB Flat population was made up of fillies adopted from the Plus10 scheme who ran under their rules which meant eligible races were restricted to around twenty 3-yo only races a year. The addition of these 400 races has resulted in extra support for staying fillies as the number of bonuses won over 10f increased exponentially.

The 3% increase in the foal crop explains the increase in registration numbers (1,853 up from 1,655 in 2021) however the percentage of British filly foals represented in GBB rose by five percent – 77% to 82% - proving that GBB's popularity continues to grow.

In late April, EMILY UPJOHN's win at Sandown pushed the scheme over its £5 million milestone, on 3 August, ROYAL SCANDAL won the 500th bonus, and on 16 September a dedicated sales page was launched which lists all fillies catalogued in every major sale throughout Britain, Ireland, France, Germany, and even Dubai. 19 October was a record-breaking day by itself as six bonuses worth £90,000 were paid out in just a matter of hours including to MAMMAS GIRL whose win at Newmarket pushed GBB over the £8 million milestone. Just ten days later, MOLLY OLLY'S WISHES became the first mare to win £100,000 from the scheme.

Unsurprisingly, all this fueled demand for GBB fillies at the sales with the most stand-out result coming from Tattersalls Book 3. In 2022, the median price for a GBB filly was 20,000gns vs 13,000gns for a non-registered British-bred filly and 18,250gns for a non-GB filly. Compare this to 2020 when GBB was in its infancy: the median value of a GBB filly was 8,500gns, a non-registered GB-bred was 8,250gns, and a non-GB bred filly was 11,000gns. This means, from Book 3 2020 to Book 3 2022, GBB fillies have increased in median value by 135%, non-registered British-bred fillies by 58%, and non-GB fillies by 66%.

### GBB flat wins by distance



## GBB a game-changer for Gentle's connections

It was a triumphant year for 5yo GENTLE CONNECTIONS (Gentlewave x Well Connected) as she landed four bonuses in three short months. Purchased as a 3-yo from the Goffs UK Summer Mixed Sale (a sale set up to replace the loss of the Spring Store Sale due to Covid restrictions) for only £7,000 in July 2020, just as GBB was launching, she would prove to be a shrewd buy for Yorton Racing.

The mare placed once in 2021 and again in February 2022 before kicking off her spring/summer campaign with a win on 13 April in a Class 4 Maiden Hurdle at Southwell landing her first £20,000 bonus. The Dan Skelton-trained mare quickly landed a second £20,000 in a Class 4 Novices Hurdle at Hexham on 7 May and three weeks later (with GBB ineligible amateur jockey on board) took home a £19,000 bonus in a

Class 4 Novices Hurdle at Newton Abbot on 25 May. Her final bonus and run of the year was again at Newton Abbot, this time in a Class 3 Novices Hurdle where she landed another £20,000 bonus. Her breeders have been awarded £16,000 of her bonuses so have taken over double her purchase price from the scheme.

Breeder Liz Lucas of Swanbridge Bloodstock said "GBB has been a game changer for us. Selling fillies was traditionally always tough but GBB ensures there is good demand for and a good price to be found for these fillies. Not only that, but as breeders, we see returns when they win the bonuses which is fantastic!"

Other NH mares of mention: Molly Olly's Wishes (£100,000), Corey's Courage (£70,000), Fairfield Ferrata (£70,000).





## Three's a charm for Perdika

PERDIKA (Unfortunately x Golden Dirham) owned by part-breeder Mrs S Nicholls won hearts and minds with four wins in quick succession in late 2022. Trained by George Boughey, her first win and £20,000 bonus came on 10 October in a 6f Class 5 Novice at Wolverhampton, just ten days later at Southwell, she stepped up a trip and landed her second £20,000 GBB bonus in a 7f Class 5 Novice. Then on 10 November 2022, whilst carrying a penalty, PERDIKA won her third and final £20,000 bonus in another Class 5 7f Novice Stakes race at Chelmsford.

This secured her position as one of the leading flat fillies of the scheme. Only the third flat filly to win three bonuses and one of two (Blackberry being the first) to win the full £60,000 from the scheme. A superb achievement given that these same three races paid out a total of £11,069 in prize money.

The George Boughey-trained filly would go on to win a non-GBB eligible Handicap at Kempton and looks set to have an exciting 3-yo career ahead of her.



© Megan Rose Photography

### PERDIKA

**WON 3 BONUSES WORTH  
£60K IN 2022 – BECOMING  
ONLY THE SECOND  
FLAT FILLY TO WIN £60K  
FROM GBB**

### STAR OF LADY M

**WON 3 BONUSES  
WORTH £50K IN 2022**

### Top Flat Sire

**HAVANA GREY – £340,000**

### Top NH Sire

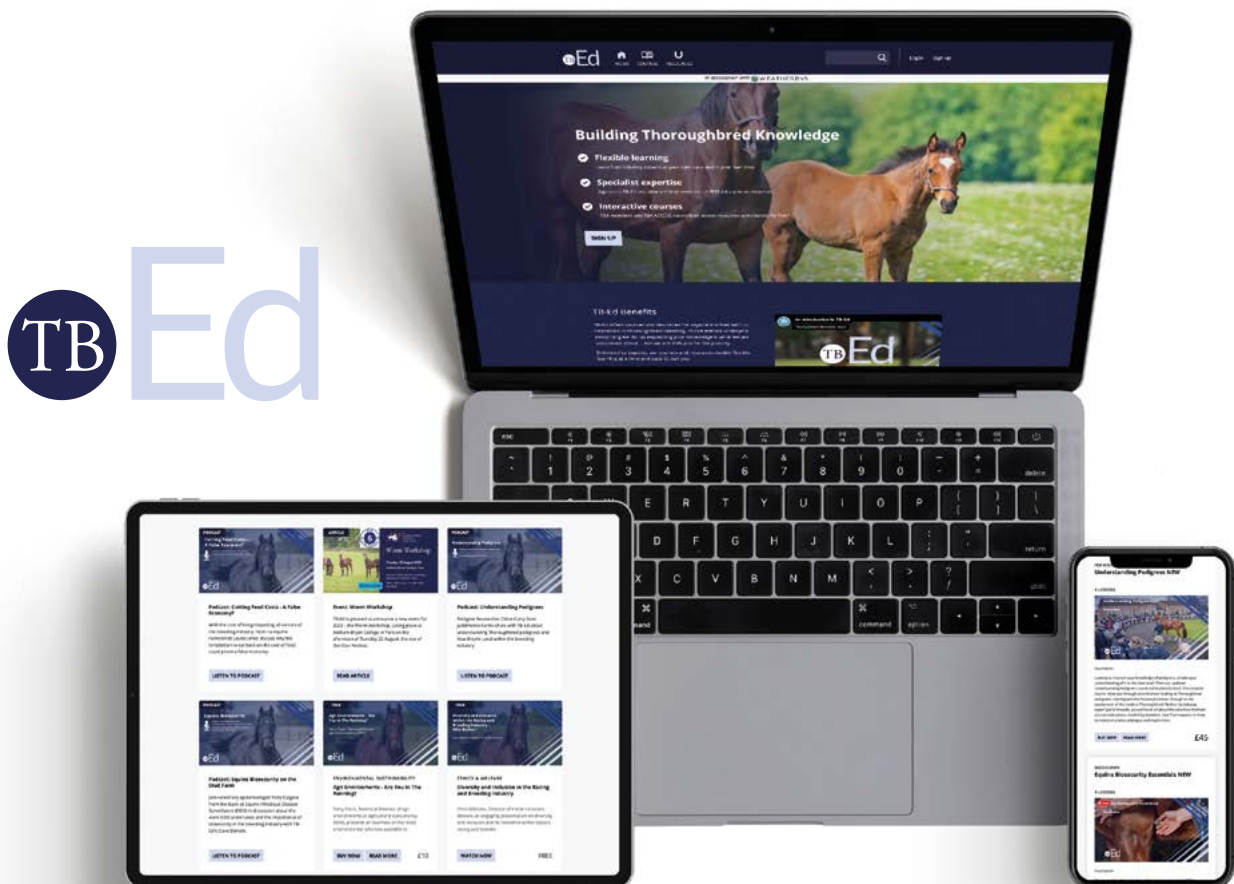
**KAYF TARA – £290,000**

## PEOPLE, LEARNING AND DEVELOPMENT

In 2022, the TBA's people, learning and development activity focussed on two areas: the continued development of TB-Ed, the TBA's online learning platform, and on the recruitment and retention of employees on stud farms.

The TBA released its online learning platform TB-Ed in May 2021 with the purpose of enabling industry participants to access high-quality, up-to-date and relevant learning, information, and guidance on demand. Approximately 600 users were registered on the platform which offers courses, short information videos and recorded webinars to TBA members and the wider equestrian population. Twelve months post release, a strategic review of the platform was commissioned and in July 2022 this resulted in recommendations to refine the TB-Ed brand and refresh the platform to optimise function and user experience and to implement a new marketing and commercial plan. A full-time

TB-Ed Operations Executive was appointed in September 2022 to boost content production and execute platform improvements. Activity in 2022 therefore primarily revolved around the brand and platform development work, with the re-developed platform due for release in early 2023. Research was also conducted to determine priorities for content development, and this revealed a demand for information on running a stud business, especially for small breeders or those new to the industry. A 'Business Essentials Programme' consisting of four courses covering Employment, Leadership, Finance and Marketing and Communications commenced development in 2022 and will be released in 2023.





In 2022, the TBA continued to support employers to recruit and retain employees. This included continuing to co-fund with the Racing Foundation the **Entry to Stud Employment (E2SE)** programme delivered by the National Stud for new entrants to the industry. In 2022, recruitment for E2SE was explicitly aimed at ensuring fully inclusive participation aimed at encouraging a more diverse workforce. The TBA participated in careers promotion events aimed at attracting a diverse range of applicants. Funds were provided to studs for end of season parties to celebrate **Racing Staff Week**. This proved to be popular, with nine studs and approximately 130 employees celebrating another busy year in the breeding calendar. Participating studs received a party pack including bunting and giant cookies inscribed with 'Thank you from the TBA'.

During Q1 2022, an industry recruitment, skills and retention survey of employers funded by the Racing Foundation was carried out by Public Perspectives with the TBA. It garnered a 50% response rate from breeders with findings confirming

that recruitment, skills and retention issues are now having a significant impact on employers and employees. The TBA set up a working group to act on the recommendations from the report and to explore how recruitment, retention, training and skills development on stud farms could be improved, and further consultation with employers is due to take place in early 2023.

2022 saw the return of the popular **TBA Stud Farming Course** held at the British Racing School. This three-day residential course covers a range of stud topics, from broodmare management and conception of the foal to care of the yearling and sales preparation, with additional topics including genetics, dentistry and stallion management. The course is delivered by veterinary and industry experts who freely share the latest knowledge and information on modern stud farming and horse management. Delegate feedback on the course was unanimously positive: *"Absolutely the best course with the most up-to-date information and extremely knowledgeable speakers. Highly enjoyable – thank you!"*



Stud staff parties celebrating Racing Staff Week: TOP LEFT: Chapel Stud, TOP RIGHT: Culworth Grounds, BOTTOM LEFT: Bearstone Stud, BOTTOM RIGHT: Windmill Farm



**67% of students**  
ENROLLED IN THE E2SE  
PROGRAMME REMAIN  
EMPLOYED IN THE  
THOROUGHBRED INDUSTRY  
(2021, 76%)

**Nine studs**  
APPLIED FOR TBA SUPPORT  
DURING RACING STAFF  
WEEK IN 2022, HOSTING  
STAFF PARTIES TO  
CELEBRATE THE END OF THE  
BREEDING SEASON  
(2021, nil)

**30 delegates**  
ATTENDED THE 2022  
ANNUAL STUD FARMING  
COURSE  
(2021, 35)



# Townsend accelerating career prospects with industry training

Luke Townsend joined the TBA funded Entry to Stud Employment programme delivered by the National Stud in August 2022, at the age of 21, having previously worked in hospitality. Luke had always followed racing and had a natural interest in pedigrees and interest in breeding thoroughbreds, but with no previous horse handling experience, he was aware that he needed practical experience to be able to pursue his dreams of working on a stud.

During his time at the National Stud, Luke learned how to handle mares and foals, assist with yearling preparation, and feed, water and groom a variety of horses, leading to the successful achievement of the Level 1 Diploma in Work Based Thoroughbred Horse Care. Throughout the course Luke demonstrated his desire to progress in the industry, showing great enthusiasm and a desire to learn. Having completed the Level 1 qualification, Luke applied for the National Stud's Level 3 Diploma Course starting in January 2023. It was agreed that he required more experience prior to joining this course, so Luke was employed at Barton Stud to continue his learning. During his time at Barton, Luke helped with the preparation of mares, foals and yearlings for the sales, carried out a variety



of stud duties and worked alongside a very experienced stud team. He attended the Tattersalls Breeding Stock sales, where he showed horses to prospective purchasers and took a mare through the ring. Luke attends the January 2023 Diploma Course and his long term goal is to travel and gain stud experience internationally in the future.

“Luke was an outstanding student on the 2022 Level 1 E2SE course, demonstrating a natural ability to handle thoroughbreds, excellent team working skills and a keen desire to make his career in the industry.

He exemplifies the primary purpose of the E2SE programme, and we wish him all the very best in his future career.”

**CAROLINE TURNBULL**

**INDUSTRY EDUCATION AND RETENTION MANAGER,  
THE THOROUGHBRED BREEDERS' ASSOCIATION**

“The E2SE is a fantastic initiative to bring new people into careers in the sector. As an employer, it makes it easier to take people on, knowing they have received the basic training in horse handling which we can then develop through practical experience on the stud farm.”

**TOM BLAIN**

**MANAGING DIRECTOR, BARTON STUD**

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## COMMUNITY AND ENVIRONMENT

Enhancing the community aspects of membership and support for people in the sector remained a key priority in 2022.

Developing and streamlining TBA administrative systems were outlined in 2021's Annual Report as critical to the future success of the association as a membership body. In 2022, the TBA successfully sourced a new specialist supplier to deliver software with increased security that could integrate website, database and communication functions.

The new website launched in the fourth quarter of 2022 delivered a smoother user experience, with a refreshed modern style along with easier navigation and a simplified e-commerce, joining and renewal process. The site also featured a 'Getting Started' section within the top navigation menu to assist new entrants into the sector and an expanded 'Equine Health' section to provide more information on the TBA's health and welfare initiatives. The majority of members' online services were added to the top navigation menu under the 'Advice & Info' tab for ease of access but remained behind a paywall to ensure exclusivity for members.



*The TBA cherry tree, planted in the TBA garden as part of The Queen's Green Canopy (QGC) – a nationwide tree planting initiative created to mark Her late Majesty Queen Elizabeth II's Platinum Jubilee in 2022.*



The New England Stud sponsored **Stud Employee Award** was won by its own team member, Dave Gardner in 2022. Lisa Brown (The National Stud), Noel Challinor (Northmore Stud), Sophie D'Apolito (Chapel Stud), Roger Davies (Cheveley Park Stud) and Bev Woodley (Chasemore Farm) each received £250 and a certificate to acknowledge their outstanding efforts in their respective roles.

Regional events for the membership community returned in 2022 following a hiatus during the Covid-19 pandemic. Nearly 100 members attended across the year, visiting relevant sites such as Hillwood Stud, Emma Lavelle's and Charlie Fellowes' training yards, Godolphin retraining and Old Mill Stud.

The TBA continued to develop relationships with racecourses in efforts to improve services to breeders. The Jockey Club became the headline sponsor of the **Flat Breeders' Awards Evening**, offered breeders' badges at a number of premier fixtures and continued to offer free admission to members at the Cheltenham mares' only race day.



Ascot racecourse kindly continued its support and recognition of breeders through its annual **Royal Ascot winning breeders' lunch**, provision of mementoes for those winning breeders and granting race badges for breeders with runners at the Royal Meeting in addition to their commitment to the Racecourse Badge Scheme for Breeders (RBSB).





Over the course of the year, the TBA promoted health and wellness support available to the thoroughbred breeding community including through **Racing Welfare's Support Line** and the national **Mental Health Awareness Week**. Diversity and inclusion activity to ensure the sector was a safe and welcoming space for all participants featured social media content, member communications and training for the TBA executive team and board of trustees.

Towards the end of the year, the TBA Associate package was reviewed by an external agency. As a result of this market research, the list of benefits was re-developed for the target audience and re-branded as the new subscription service, **TBA ACCESS**. The TBA team then created the concept of a new flagship event, the **Bloodstock Conference** to attract the wider bloodstock community to engage with the TBA and thoroughbred breeding.

Following the formation of the **Environmental Sustainability Working Group** in November 2020, the TBA has aimed to take a pro-active approach in developing a strategy to support breeders optimise the rich natural assets available to them on stud farms. The findings from the BASIS award-winning environmental impact case studies on two different stud farms completed in 2021 (at a cost of £12,200), were re-purposed to produce an introductory level guidance booklet in 2022 (totalling £3,011).

This introductory-level guide named **Best Practice Environmental Management for Stud Farms** gave options for breeders to maximise biodiversity, enhance air and soil quality, implement flood mitigation techniques, support a

reduction in greenhouse gas emissions and to increase carbon sequestration across the stud farm.

An audit of thoroughbred industry activity was coordinated by the BHA's Environmental Sustainability Steering Group in early 2022, with consultants, White Griffin publishing their findings and recommendations in June 2022. The TBA interpreted these recommendations as possible actions in support of the breeding industry and presented them to their working group for consideration. Subsequent to these discussions, a costed proposal was approved by the TBA trustees, which defined the funding mechanisms and priority workstreams for 2023.

The TBA has also endeavoured to recognise environmental considerations as part of the organisation's core decision-making pillars, with the use of the ESG model of Environment, Social (encompassing the industry's people and horses) and Governance, to help assess opportunities and threats and to guide the association's values and purpose.





# Innovation and technology delivering a better membership service

## The challenge/the brief

One of the ambitions for 2022 was to 'Improve member engagement and internal efficiency through enhanced member relationship management systems'.

This ambition was formed from an awareness of an ageing client relationship management (CRM) system, that was not integrated with any other TBA system. This resulted in a number of manual and duplicate processes, which mitigated the membership department's ability to actively engage with the TBA members and offer an enhanced experience.

Following members of the executive team attending a specialised membership organisation conference, a wider understanding of the possibilities available from off-the-shelf systems allowed the refining of a brief and a list of requirements.

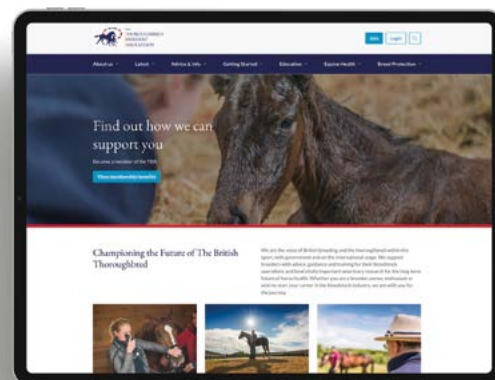
## The solution

Three software providers were approached and their products were examined in greater depth. Assessed against the TBA brief, one company was chosen who provided a solution that encompassed both CRM and integrated content management system (CMS). This meant that any input from the website simultaneously updated the CRM system, allowing real time accurate data across both platforms.

Following an extensive workshop/training/build process, the site went live in November 2022 with a soft launch as users and staff became familiar with the novel software. This would allow members to log in from the website and view and control many facets of their membership data; including personal data, preferences, subscription payments and event bookings. An enhanced secure payment portal has further improved data security. Any input from the website simultaneously updated the CRM system, allowing real time accurate data available

## How it helps the TBA/members

From a TBA perspective, the platform allows massively increased efficiency as the previously separate processes, such as subscription payments and event bookings, are now in the control of members and the fully integrated and secure



payment portals allow seamless flow, reducing opportunities for mistakes in recording and increasing efficiency and security. The new platform will also enable better analysis of where members engage with the TBA and hence allow improved planning of events and benefits.

As familiarity increases with the platform, greater analysis can be performed to allow the desired membership value proposition to be developed.

For members, the refreshed website offers an improved user interface with a modern, clean feel. The layout of menus has been rationalised to make the extensive content more accessible and easier to navigate.

Members now have much greater control over their personal data, they can amend address and contact information themselves, with instant updating of the CRM system. Their order and subscription history is now readily viewable and they can pay and change payment methods for subscriptions from within their member profile. As the system incorporates an event management system, booking, paying and access to event information is also easily accessible.

Whilst all new software projects take some time to become familiar with, the members appear to have embraced the changes and appreciate the greater control they now have. With the launch of the TBA ACCESS subscription, which is designed as a wholly digital offering, the software continues to adapt and grow the TBA's ability to engage and react to member requirements.

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## NATIONAL AND INTERNATIONAL POLICY FOR THE THOROUGHBRED BREEDING INDUSTRY

A vital aspect of the TBA's role is to represent and advocate for the breeding industry within the racing industry, with UK Government, and internationally.

The TBA is represented on 40 external committees and groups, including on the Commercial Committee and Industry Programme Group within the new British racing governance structure.

A major project in 2022 was the delivery of an Economic Impact Study, which was launched in January 2023, building on reports published in 2014 and 2018. This provides a strong evidence base that will be the foundation upon which the TBA continue to evolve its policy and strategies, and that support the broader racing industry strategy as it is being developed.

A main area of focus continued to be monitoring the impact of the UK's exit from the EU, lobbying for mitigations of the ongoing disruption and challenges to thoroughbred movement which threaten British racing and breeding's pre-eminent international position, and to position the industry for the future opportunities it may provide in the longer-term. We have met with politicians, DEFRA ministers and APHA and DEFRA policy officials, organised visits to highlight the operational challenges, kept members updated with advice and continued to collate movement statistics and other evidence demonstrating the impact of the changes on the industry.

The main tangible achievement in 2022 was an industry specific facilitation agreed with the Treasury to remove the requirement to lodge temporary VAT to approved operators.

The TBA's overall objective is to secure a settled ecosystem in which there are reduced administrative burdens on the movement of high-health and welfare thoroughbreds, underpinned by significant biosecurity and facilitated by digital technology. This will enhance trade, traceability and welfare outcomes and demonstrate international leadership for the British thoroughbred industry.

The TBA has represented the thoroughbred breeding industry at the APPG for the Horse, in workshops and in formal consultations including potential reforms to import and export



controls, equine welfare in transport legislation, equine ID, business rates and trade policy, working closely with the BHA government affairs team on a coordinated approach, to align with the agreed strategy for the sport.

Other industry areas where the TBA has been actively involved include the ongoing activity of GBR and GBRI, and the setting up and oversight of the replacement infectious disease surveillance and diagnostic service contracts.

The TBA hosted the International Thoroughbred Breeders' Federation (ITBF) 4-day conference in June 2022. The conference was attended by 23 of its 25 member countries, from six continents and included visits to all the leading Newmarket stallion studs, as well as the two equine veterinary hospitals. A half-day veterinary meeting plus an all-day General Meeting, covered areas of worldwide interest and included presentations on varying subjects from, amongst others, the JRA (Japan Racing Association), Weatherbys, SITA (Society of International Thoroughbred Auctioneers), the TBA, The TBA of Chile and TB Australia. ITBF was supported by an impressive list of leading thoroughbred industry organisations, whose generous sponsorship enabled such an extensive programme of events to be provided.

## EQUINE HEALTH AND VETERINARY RESEARCH



During 2022, an internal operational review of the TBA executive team initiated a restructuring of departments to allow for dedicated managerial resource to be allocated to equine health and welfare. A gradual handover of responsibilities took place throughout the year, to allow for the recruitment and training of a replacement Lead Administrator.

The Veterinary Committee ensured the continuation of all core activities, including:

- Providing £50,000 to the Equine Infectious Disease Surveillance Services (EIDS) (2021 – £50,000).
- Presenting the outcomes of the TBA/HBLB co-funded veterinary research project on pregnancy loss, which was coordinated by Prof. Mandi de Mestre in 2020 and scrutinising new research applications for suitability for funding.
- Monitoring and communicating changes to disease risk levels, the fluctuating availability of key vaccinations and any rule changes impacting equine veterinary care and consequent eligibility to race in Britain.

This activity was communicated to TBA members through a range of media formats including the fortnightly e-bulletin, website

news stories, Owner Breeder magazine, podcasts and during presentations at events (AGM and annual Stud Farming Course).

Since the formation of the Equine Welfare Working Group in March 2021, risk reviews have been performed annually to guide the prioritisation of workstreams, including a scheduled review of the Equine Welfare Guidelines for the Thoroughbred Breeding Sector, with the subsequent addition of two new chapters on Responsible End of Life Decision Making and The Preparation and Sale of Thoroughbred Breeding and Young Stock at Public Auction.

In partnership with Weatherbys, efforts were ongoing to support breeder usage of the digital passport and vaccination app, alongside communicating enhancements to the functionality of the software. The TBA also contributed to a thoroughbred industry response to the Government Consultation on Equine Identification and Traceability, with the anticipation of any new legislation and recommendations reinforcing the requirement for owners and keepers to make timely notifications and registrations, to enhance the transparency and accountability of all areas of the horse racing industry, as well as the broader equestrian community.

**£50k**

**TOWARDS EQUINE INFECTIOUS  
DISEASE SURVEILLANCE SERVICES  
IN 2022**

**258**

**ONLINE VISITORS TO THE SALES WELFARE  
GUIDELINES IN Q3/Q4 OF 2022  
(N/A in 2021)**



## Welfare Guidelines set the bar for industry best practice



**TBA and ITBA unite to benchmark and raise awareness of best practice relating to the preparation and sale of thoroughbreds via the public auction houses, Goffs and Tattersalls.**

This initiative marked the first collaboration between the British and Irish thoroughbred breeder representative bodies and the major sales houses in each country, to highlight the high standards of care given to thoroughbreds during the sales process and to support industry entrants with information on the appropriate levels of husbandry and advance planning required.

Careful preparation and familiarisation with practices that are likely to be encountered at the sales complex, such as being loaded onto a horsebox and being stood correctly for inspection, were thought to be key steps to support the presentation of relaxed horses. Whilst embracing recommendations around the management of horses at the sale, such as ensuring rest periods are observed, would help ensure that horses don't become fatigued or footsore, especially the foals.

Ted Voute, Chairman of the TBA Sales Consignors' Committee said: *"The British and Irish thoroughbred breeding industries remain committed to advocating and promoting the highest standards of care and well-being for our horses through guidance and training. The publication of these guidelines demonstrate how we can work together to showcase our best practices to those outside our sector and help new entrants."*

Shane O'Dwyer, ITBA Chief Executive Officer said: *"We are pleased to be partnering on this initiative with the British TBA to highlight the high standards within the thoroughbred breeding sector. Nothing can replace the practical experience or training that our industries provide but working together we can help new participants across both markets find the key information they need to navigate the sales process and deliver optimum care for their horses."*

The TBA has been pleased to see widespread alignment with the recommendations across Britain and Ireland, where the sales houses are public spaces and serve as the thoroughbred racing and breeding industry's 'shop window' and as such this is a crucial component of the sector's maintenance of the social license to operate.



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## AWARDS AND RECOGNITION FOR THE TBA'S WORK

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### Association Excellence Awards 2022



The TBA was delighted to be announced as a finalist in the Best Membership Support Since Covid-19 category at the Association Excellence Awards in 2022.

In a competitive category, the TBA entry demonstrated strong leadership and strategy activation with regards to Covid-19 support, prioritising the needs of the industry and delivering successful solutions.

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### Content Marketing Association Awards 2022



Bronze winner for the Best Use of Social Media in B2B by the Content Marketing Association Awards on 1 December, 2022.

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“Over the years, I have enjoyed my membership and been grateful for knowing the TBA was there to support and advise me as a breeder.”

**TBA MEMBER**

“I hope you have some good feedback from members. As a member myself, it was quite an eye opener to see the breadth of the work that is done by TBA. Thanks for the organising.”

**TBA MEMBER**

“The GBB Bonus is benefiting racing – the amount of money being given to British homebred fillies makes a real difference.

I recently asked a bloodstock agent at a Book 3 sale to find me a filly, but it had to have 100% GBB Bonus attached to it. He managed to do that and I sold her to an owner of ours who is absolutely thrilled and already getting excited that his horse may win one of these races. The filly cost 38,000gns and a GBB Bonus will go a long way towards ensuring that he gets his money back, or certainly pay many of his costs for the season.

‘Filly’ is no longer a dirty word, and you’ll be pleased to hear that my two mares in Ireland, which have lived there for as long as I have owned them, are on their way back to Britain and will be bred to a British stallion.”

**WILLIAM HAGGAS, TRAINER**



# Our plans

The completion of the third Economic Impact Study in late 2022 (published early 2023), has ensured that our plans for the years ahead remain evidence-based and aligned to both the key challenges and opportunities within the sector.

The following framework sets out the TBA's key ambitions for the next twelve months, how it will deliver the required activities and how its success will be measured.





## 2023 ACTIVITY

Our ambitions, how we will achieve them and how we will know that we are successful.

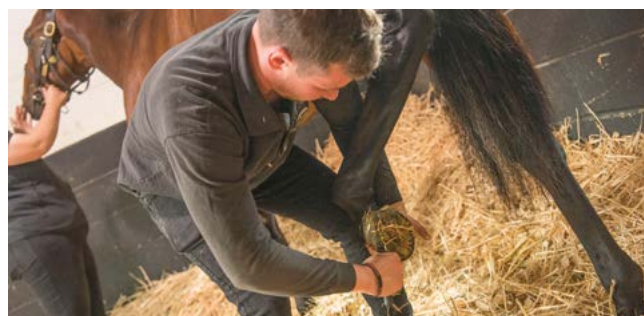
### AMBITION: Deliver learning and development opportunities via TB-Ed, improving accessibility and reach

#### HOW WE WILL ACHIEVE THIS

- Agree priorities for 2023 and beyond that deliver a schedule of engaging, accessible, relevant and high quality content structured to offer Entry, Intermediate and Advanced Level material fitting into an agreed CPD framework.
- Progress TB-Ed marketing and communications plan via cognition.
- Ensure data is collected, managed and reported on to provide insight to inform future content development and marketing activity.
- Agree a sustainable commercial plan for 2024 and beyond.
- Finalise ongoing operational management and resourcing of TB-Ed project.

#### HOW WE WILL KNOW WE ARE SUCCESSFUL

- Increased variety and range of content to include video, podcasts, newsletters and email communications as well as courses.
- Growth in numbers visiting TB-Ed and engaging with all content.
- Growth in returning customers on the platform.
- Positive user feedback received.



### AMBITION: Manage and develop the Great British Bonus Scheme

#### HOW WE WILL ACHIEVE THIS

- Following EIS publication in Q1 2023, and broader industry outcomes for strategic talks starting Q3 2022, produce a targeted business plan to utilise opportunities and threats identified.
- Continue to manage its operation, adopting high levels of integrity and transparency.
- Develop the scheme's use of data to ensure efficient analysis of trends and expand CRM capabilities.
- Continue to build relationships with other industry stakeholders to ensure greater awareness and engagement with the scheme.

#### HOW WE WILL KNOW WE ARE SUCCESSFUL

- Delivered solutions to assist the long-term viability of the scheme.
- High levels of registrations at all three stages.
- Sustainable growth in GB-bred foal crop.
- Growth in % of mares in GSB covered by stallions standing in GB.
- Increase in median value of GBB fillies at major sales.
- Gained insights from data collection and analysis of GBB scheme.
- Increased awareness amongst racecourses and sales houses; establishment of relationships with managerial teams.

## AMBITION: Leadership and representation of the British breeding industry

### HOW WE WILL ACHIEVE THIS

- Agree and lead the Breeding Industry Strategic Workstream.
- Agree where and how the TBA should (a) lead and (b) support the industry strategy and delivery of initiatives.
- Influence the distribution of industry prize money to support the diversity of the breed and long-term health of the sport including (a) improved returns for Class 1 and 2 races on the Flat and Jumps (b) developmental races and (c) stayers initiatives and (d) fillies and mares races.
- Support industry initiatives to improve total prize money levels for British racing.
- Influence and support industry promotional initiatives that promote stayers, fillies/mares and earlier racing of jump breds.
- Agree a public affairs plan to ensure effective engagement and representation with government.
- Support the delivery of the industry objectives to reduce frictions in the movement of thoroughbreds.
- Ensure robust industry insight through the British Breeding Industry Dashboard, and supporting industry data projects.
- Continue to monitor the economic health of the breeding industry.



### HOW WE KNOW WE ARE SUCCESSFUL

- Publication of the Economic Impact Study into British thoroughbred breeding.
- Completed review of current TBA strategic priorities in the light of the EIS results.
- Development and fostering relationships and greater engagement with MPs, peers and civil servants.



## AMBITION: Continued membership engagement and growth

### HOW WE WILL ACHIEVE THIS

- Review member communication/publication requirements and develop service as required.
- Track effectiveness of joining fee in retaining members who previously joined purely for GBB.
- Continue to campaign for membership growth aimed at Associates/enthusiasts/young and new entrants.
- Develop new CRM/CMS system to provide and manage all contacts details for the TBA: members/suppliers/industry/media etc.
- Increase TBA breeding community engagement through member visits, events and regional representative activity.
- Develop the TBA approach to the membership value proposition.
- Develop strategy to recruit future thoroughbred breeders, and to encourage breeding ownership models and initiatives to improve reach and affordability.
- Recognise, celebrate and promote British bred success through TBA events and communications, attracting new potential investors and encouraging continued investment in the industry for development of the breed.

### HOW WE KNOW WE ARE SUCCESSFUL

- Increase in TBA ACCESS subscribers.
- Sustain full membership numbers.
- Increased engagement with member communications.
- Increased retention of members who joined for GBB.
- Effective use of CRM system to manage stakeholder communications.
- Increased number of member engagement visits and delivery of programme of new events.
- Completed assessment and delivery of member value proposition.
- Delivery of activity to increase affordable ownership options in thoroughbred breeding sector.
- Sustained number of breeding entities in GB and delivery of HNW investor events/activity.





### HOW WE WILL ACHIEVE THIS

- Working with the National Stud ensure sustainable funding for the E2SE programme is in place.
- Work with the National Stud to develop and deliver full industry qualifications and training pathway including reviewing the Skills Passport to include Level 4 and digital version, and introduction of CPD framework.
- Work with the National Stud and Racing Staff Development Programme to develop and deliver mentoring and coaching training and qualifications for stud participants.
- Consult with employers to explore solutions to current recruitment, skills and retention challenges.
- Develop a good practice framework for the industry including possible introduction of Lycetts Team Champion concept.
- Develop a method to measure and monitor recruitment, retention and skills activity.
- Encourage new and diverse entrants to the industry through collaborative careers marketing activity, plugging in to community activity.
- Deliver the agreed diversity and inclusion plan for the breeding industry.
- Support the industry's people strategy where appropriate and relevant.

### HOW WE KNOW WE ARE SUCCESSFUL

- Evaluation of TB-Ed programme completed. E2SE funding plan for 2024 agreed by the TBA/the National Stud.
- Training and qualifications clearly available to new and existing employees at entry level or in the workplace, enabling career development and progression.
- and coaching recognised as means of upskilling and retaining employees.
- Employers recognise and utilise good practice solutions that impact on recruitment and retention.
- Careers in the breeding industry are perceived more positively by a wider audience. A more diverse pool of new recruits engaged.



## AMBITION: Support and promotion of high equine health and welfare standards in British breeding

### HOW WE WILL ACHIEVE THIS

- Review and re-prioritise equine health and welfare issues as a continuous process, ensuring alignment with the Horse Welfare Board strategy.
- Continue to improve the transparency and accountability of the breeding sector through enhancements to traceability, with annual review of the guidelines and by scoping an industry code of ethics.
- Develop and deliver a strategic and responsive equine welfare communications plan.
- Actively assist the wider industry in engagement with Government on health and welfare consultations and initiatives.
- Support breeders with maintaining high health standards through monitoring the risk threat of equine infectious disease, advising on the correct use of medications and by issuing relevant guidance to members.
- Ensure equine welfare is embedded as a fundamental principle within all TBA educational resources, guidance materials and events, to help with the maintenance of the social license to operate.
- Understand and define safety net provision for thoroughbreds who never made it into training/have not yet entered training and the requirements of the breeding industry.
- Provide continued funding and support of equine veterinary research projects of specific interest to breeders.
- Aim to safeguard the genetic diversity of the thoroughbred and to monitor instances of inherited genetic disorders.

### HOW WE KNOW WE ARE SUCCESSFUL

- Pro-active communications and awareness strategy will have ensured continued positive perception of thoroughbred breeding activities.
- Increased understanding and compliance with legislative and registration requirements.
- Comprehensive framework of equine welfare guidance and infectious disease protocols.
- Support of meritorious veterinary research projects.



## AMBITION: Optimising environmental sustainability

### HOW WE WILL ACHIEVE THIS

- Collaborate with industry stakeholders via the BHA Industry Programmes' Committee, the Charity Leaders' Group and the Racing Foundation, to contribute to an industry strategy and to define and set targets for a reduction in greenhouse gasses.
- Identify, prioritise and progress specific workstreams in support of breeders, including initiatives that will optimise carbon sequestration and soil health, enhance biodiversity and improve water management on stud farms, such as leading on the creation of a digital carbon calculator tool.
- Work to support the allocation of a centralised pool of industry resources, expertise, research collation and a procurement strategy for the benefit of the thoroughbred sector.
- Develop an environmental sustainability policy for office operations and TBA events and establish environmental sustainability as a core value of the association when forming commercial relationships and renewing agreements.
- Produce a communications, education and engagement strategy.

### HOW WE KNOW WE ARE SUCCESSFUL

- Successful launch and strong engagement with the digital Stud Farm Carbon Calculator.
- Development and alignment with an internal policy for office operations and events.
- Growth of and engagement with a comprehensive communications and education plan.









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## FINANCIAL REVIEW

The results for the year are set out in the financial statements at the end of this annual report and accounts. Total income amounted to £1,889,771 (2021 – 1,762,677) which, after total expenditure of £1,735,992 (2021 – £1,417,855) resulted in a net surplus for the year of £153,779 (2021 – net surplus of £344,822).

As at 31 December 2022 aggregate fund balances amounted to £2,152,414 (2021 – £1,998,635).

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### Reserves policy

The TBA's Reserves Policy is managed by the Policy and Strategy Committee and ratified by the Board. In forming the policy, the TBA aims to ensure that the reserves level match the TBA's needs at the time. In setting this policy the TBA assesses the reliability of future income streams, reviews committed expenditure and the likely changes in the main source of income and assesses how the charity would cope with changes in its main source of income and the likelihood of the charity's needs and the consequences of the TBA not having been able to meet them.

The minimum level of reserves for 2022/23, is set at £1,693,679 (2021/22 – £1,286,026) to include provision for twelve month's running costs/provision for closure costs including redundancy payments, sums committed to the sustainability, education and veterinary projects described above, and a ring fenced element for discretionary use by the Board in the event of a disease outbreak requiring central funding.

Actual total reserves were £2,152,414 (2021 – £1,998,635), of which £84,418 (2021 – £73,918) were restricted reserves not available for the general purposes of the charity. The unrestricted general funds were £2,067,996 (2021 – £1,924,717) of which £154,818 (2021 – £116,726) is represented by fixed assets.

The charity's available free reserves were therefore £1,913,178 (2021 – £1,807,991) which is in line with this policy. The difference between the minimum level of reserves and the actual reserves will be used to fund further initiatives to meet our objectives.

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### Principal funding

The TBA's principal funding is derived from the Voluntary Sales Levy and grant income, together with subscriptions. Grant income decreased as a percentage of funding, from 33% in 2021 to 28% in 2022.

The charity understands its duty to protect the public, including vulnerable people, from unreasonable intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year. The charity is a member of the Fundraising Regulator to reinforce responsible fundraising activities.

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# STRUCTURE, GOVERNANCE AND MANAGEMENT

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## Constitution

The company is constituted under a Memorandum of Association dated 11 November 2009 and is a registered charity number 1134293.

The principal objects of the company are to encourage by means of the provision of educational or research facilities or otherwise the science of producing and improving the thoroughbred horse in Great Britain.

On 31 December 2009 the company acquired the whole of the assets and liabilities of the unincorporated association of the same name under a Deed of Asset transfer.

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## Method of appointment or election of trustees

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

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## Policies adopted for the induction and training of trustees

Newly appointed trustees receive an Induction from the Chief Executive and are provided with Charity Commission Guidance documentation. Trustees are provided with details on updates to legislation on an ongoing basis. The association uses legal advisers to provide ad hoc advice on charitable requirements.

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## Pay policy for senior staff

The TBA considers its key management personnel comprise the Board of Directors, who are the charity's trustees and the Chief Executive Officer.

They are in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of the directors' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the Chief Executive Officer is reviewed by the directors annually. The level of salary is periodically benchmarked to ensure that the remuneration set is fair and in line with that generally paid for similar roles.

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## Organisational structure and decision making

The Board of Trustees comprises up to 12 elected and co-opted members, who meet at least six times a year to approve policy. The Board Chairman also chairs the Policy and Business Strategy Committee which recommends policy to the board on appropriate matters.

The Chief Executive reports to the Chairman and the board and sits on all the Association's sub committees which address and deliver the Association's objectives in support of the thoroughbred breed.

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## Risk management

The trustees have assessed the major risks to which the company is exposed. In particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major financial risks to the sustainability of activity of the organisation from a reduction in sales levy income and/or a major disease outbreak.

An Annual Review of the risks the charity may face is conducted by the Policy and Strategy Committee with any subsequent changes updated in the management register. In 2022, there continued to be three major perceived risks identified.

The issues around the movement of racehorses and breeding stock across borders was identified as a continuing major risk. Lobbying to the UK government proved beneficial as the industry were granted a specific Temporary Import Admissions arrangement, that allowed racehorses and breeding stock that were intended to remain in the UK for less than two years, to enter without a charge for VAT being placed on them. However, despite close working relationships with our EU partners there have been no change to EU import policies. The TBA feel this is still the most effective method to mitigate the risk.



The continuing delay in the publication of the review of the Gambling Act, along with DEFRA consultations on the welfare of animals whilst being transported, ensure that the risk involved with UK Government policies has not changed from 2021. The TBA continue to build close ties with relevant government departments to mitigate this risk.

The third major risk in 2022 is perceived to be that of climate change. With the potential for a decrease in biodiversity, an increase in extreme weather events and obvious impacts on grassland, this will remain as a major risk to the industry. This risk incorporates the change in Government stance of use of petrochemicals and other inputs to the industry that may add to costs and cause difficulty in stud operations. The Equine Health and Welfare Manager has responsibility within the TBA to manage and map a strategy for sustainability for both the organisation and the breeding industry, this is seen as the main mitigation process to build greater understanding and potential ways forward.

The charity continues to perceive that sources of funding and dependency on traditional sources of income are high risk. The reserves policy in the first instance and the continued monitoring of sales levy, as well as continuing diversification planning on income sources is considered reasonable mitigation.

A key element of the management of financial risk is the setting of a reserves policy, which is regularly reviewed by trustees as a result of the charity's reliance on a high level of voluntary donations. The TBA's reserves policy provides for cash reserves of not less than twelve month's overall expenditure for the charity. Details are provided under Reserves Policy above.

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## Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Thoroughbred Breeders' Association is a registered charity whose charitable purpose defined within the Charities Act 2011 is to encourage by means of the provision of educational or research facilities or otherwise the science of producing and improving the thoroughbred horse in Great Britain.

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## Trustees' responsibilities statement

The trustees (who are also directors of The Thoroughbred Breeders' Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position. The financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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## Disclosure of information to auditors

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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## Auditors

The auditors, Price Bailey LLP have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This report was approved by the trustees, on 6 September 2023 and signed on their behalf by:



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**Julian Richmond-Watson**  
Chairman



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## OFFICERS AND CONTACTS 2022

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### Chairman

Julian Richmond-Watson

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### Chief Executive

Claire Sheppard

---

### Trustees (per Companies House register)

**Julian Richmond-Watson**

CHAIRMAN

**Thomas Blain**

**Colin Bryce**

**Samuel Bullard**

**Simon Cox**

**James Crowhurst**

**Bryan Mayoh**

(resigned October 2022)

**Philip Newton**

DEPUTY CHAIRMAN

**Matthew Prior**

**Kate Sigsworth**

**Ted Voute**

**Anita Wigan**

**Jessica Westwood**

(appointed October 2022)

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### Executive Team

**Clare Daniels**

TB-Ed Operations Executive

**Robert Davey**

Bloodstock Executive

**Juliet Frost**

Chief Operating Officer

**Joe Grimwade**

Industry Retention Consultant

**Alix Jones**

Membership Executive

**Charlotte Lovatt**

Head of Marketing & Communications

**Olivia May**

Communications Coordinator

**Victoria Murrell**

Equine Health & Welfare Manager

**Charlotte Newton**

Great British Bonus Operations  
Executive

**Melissa Rose**

Education Executive

**Shona Rutherford**

Lead Administrator

**Caroline Turnbull**

Industry Education & Retention  
Manager

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### Principal Banker

Weatherbys Bank Limited  
Sanders Road  
Wellingborough  
Northamptonshire  
NN8 4BX

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### Independent Auditor

Price Bailey LLP  
Chartered Accountants & Statutory Auditors  
Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ



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## TBA STANDING COMMITTEES 2022 MEMBERS

Committee membership review takes place annually, next review July 2023.

The Chief Executive attends all committee meetings alongside relevant executives.

The secretariat for each committee is highlighted in red.

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### Appointments and Remuneration

**Juliet Frost**

Julian Richmond-Watson (Chair)

Colin Bryce

Matthew Prior

Anita Wigan

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### Audit

**Juliet Frost**

Colin Bryce (Chair)

Matthew Prior

(Vacant)

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### Membership, Communications and Marketing

**Olivia May**

Philip Newton (Chair)

Tom Blain

Ted Voute

Anita Wigan

*By invitation:* Neil Adcock

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### Education and Employment

**Melissa Rose**

Sam Bullard (Chair)

Jane Black

Tina Bunton

James Crowhurst

Alayna Cullen

Kate Sigsworth

David Walsh

Anita Wigan

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### Policy and Strategy

**Shona Rutherford**

Julian Richmond-Watson (Chair)

Colin Bryce

Simon Cox

Philip Newton

Kate Sigsworth

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### Veterinary and Equine Health and Welfare

**Victoria Murrell**

James Crowhurst (Chair)

Sam Bullard

Will Kinsey

Simon Mockridge

Richard Newton

Kirsten Rausing

Sidney Ricketts

John Spencer

Ted Voute

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### Flat

**Rob Davey**

Philip Newton (Chair)

Tom Blain

David Hodge

Yvonne Jacques

Claire Kubler

Ken Pitterson

Nick Pocock

Peter Stanley

Larry Stratton

Ted Voute

Anita Wigan

*By invitation:*

Rachael Gowland

Mike Waring

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### Jump

**Rob Davey**

Simon Cox (Chair)

David Futter

Tessa Greatrex

Peter Hockenhull

Tim Kent

Will Kinsey

Liz Lucas

Nick Luck

Bryan Mayoh

Philip Newton

Tom Symonds

*By invitation:*

Stuart Middleton

Matthew Prior

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### Sales Consignor

**Rob Davey**

Ted Voute (Chair)

Tom Blain

Ed Harper

Billy Jackson-Stops

Andrew Mead – *Observer*

Jamie Railton

Mike Shepherd

Kate Sigsworth

Marie Sullivan

Simon Sweeting

Paul Thorman

## EXTERNAL COMMITTEE REPRESENTATION (AS OF DECEMBER 2022)



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## THANK YOU

The TBA would like to thank all individuals and organisations who supported the association in 2022.

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### Trusts, partners and supporters

#### Thank you to:

- The Horserace Betting Levy Board (HBLB) which continued to provide funding for the Great British Bonus Scheme, Elite NH Mare's Scheme, Codes of Practice, essential veterinary research, educational support and were the primary funders of the Economic Impact Study in 2022.
- The Racing Foundation which has continued to support the TBA's environmental and education initiatives including the Stud Farm Sustainability Guide and Entry to Stud Employment (E2SE) programme.
- Weatherbys for its continued support of the TB-Ed e-learning platform and assistance with TBA activities.
- The Jockey Club for its assistance with TBA education programmes through the National Stud, breeders' badges at premium fixtures, and its headline sponsorship of the Flat Breeders' Awards.

- Event sponsors and partners who helped contribute to the delivery of important services for the thoroughbred breeding community.
- Racecourses who have delivered initiatives to support British breeders during 2022.
- The thoroughbred auction sales houses who have supported the TBA's equine welfare initiatives.

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### Sales levy

The TBA is extremely grateful to those who have supported and contributed to the sales levy in 2022. Without this funding, the vital work of the association to support the industry would not be possible. Thank you.







## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE THOROUGHBRED BREEDERS' ASSOCIATION

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### Opinion

We have audited the financial statements of The Thoroughbred Breeders' Association (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance sheet, the Statement 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 Financial Reporting Standard 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 charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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 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 charitable company's ability to continue as a going concern for a period of at least 12 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.

### Other information

The other information comprises the information included in the trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**INDEPENDENT AUDITORS' REPORT (continued)**  
**TO THE MEMBERS OF THE THOROUGHBRED BREEDERS' ASSOCIATION**

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**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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 ; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 36, 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.

In preparing the financial statements, the trustees are responsible for assessing the 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and how it operates and considered the risk of the charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection, health and safety, employment law and financial reporting.



# THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS 2022

### INDEPENDENT AUDITORS' REPORT (continued)

#### TO THE MEMBERS OF THE THOROUGHBRED BREEDERS' ASSOCIATION

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- Reviewing minutes of Trustee Board meetings, minutes of Audit Committee meetings and correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations and a review of the risk management processes and procedures in place. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members, for our audit work, for this report, or for the opinions we have formed.



**Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)**  
**For and on behalf of Price Bailey LLP**

Chartered Accountants  
Statutory Auditors  
Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ  
United Kingdom

Date: 14 September 2023

## STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
<b>INCOME FROM:</b>					
Donations and legacies	3	542,670	988,417	1,531,087	1,343,143
Charitable activities	4	-	254,651	254,651	258,804
Other trading activities	5	-	77,560	77,560	41,978
Investments	6	-	26,473	26,473	18,752
Other Income – gain on disposal of programme investment		-	-	-	100,000
<b>TOTAL INCOME</b>		<b>542,670</b>	<b>1,347,101</b>	<b>1,889,771</b>	<b>1,762,677</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	71,871	71,871	59,717
Charitable activities	8	709,265	954,856	1,664,121	1,358,138
<b>TOTAL EXPENDITURE</b>		<b>709,265</b>	<b>1,026,727</b>	<b>1,735,992</b>	<b>1,417,855</b>
<b>NET INCOME BEFORE TRANSFERS</b>		<b>(166,595)</b>	<b>320,374</b>	<b>153,779</b>	344,822
Transfers between funds	21	177,095	(177,095)	-	-
<b>NET INCOME FOR THE YEAR AFTER TRANSFERS BEING NET MOVEMENT IN FUNDS</b>		<b>10,500</b>	<b>143,279</b>	<b>153,779</b>	344,822
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		73,918	1,924,717	1,998,635	1,653,813
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>84,418</b>	<b>2,067,996</b>	<b>2,152,414</b>	1,998,635

The notes on pages 49 to 67 form part of these financial statements.

**THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS 2022**

**REGISTERED NUMBER: 07073259**

**BALANCE SHEET AS AT 31 DECEMBER 2022**

	NOTES	£	2022 £	£	2021 £
<b>FIXED ASSETS</b>					
Intangible assets	14		40,399		-
Tangible assets	15		14,419		16,726
Investments	16		100,000		100,000
			<b>154,818</b>		<b>116,726</b>
<b>CURRENT ASSETS</b>					
Stocks	17	500		500	
Debtors	18	309,497		198,648	
Investments	19	1,334,264		1,318,157	
Cash at bank and in hand		630,038		628,578	
			<b>2,274,299</b>	<b>2,145,883</b>	
<b>CREDITORS:</b>					
amount falling due within one year	20	(276,703)		(263,974)	
			<b>1,997,596</b>		<b>1,881,909</b>
<b>NET CURRENT ASSETS</b>					
<b>NET ASSETS</b>					
			<b>2,152,414</b>		<b>1,998,635</b>
<b>CHARITY FUNDS</b>					
Restricted funds	21		84,418		73,918
Unrestricted funds	21		2,067,996		1,924,717
			<b>2,152,414</b>		<b>1,998,635</b>
<b>TOTAL FUNDS</b>					
			<b>2,152,414</b>		<b>1,998,635</b>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 6 September 2023 and signed on their behalf, by:



**Julian Richmond-Watson**  
**Chairman**

The notes on pages 49 to 67 form part of these financial statements.



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash flow from operating activities	23	24,881	264,142
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		26,473	18,752
Purchase of tangible fixed assets		(2,401)	(9,301)
Purchase of intangible assets		(47,493)	-
<b>Net cash provided by investing activities</b>		(23,421)	9,451
<b>Change in cash and cash equivalents in the year</b>		1,460	273,592
Cash and cash equivalents brought forward		628,578	354,986
<b>Cash and cash equivalents carried forward</b>		<b>630,038</b>	<b>628,578</b>

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	NOTES	2022 £	2021 £
Increase/(Decrease) in cash in the year being movement in net funds in the year	24	1,460	273,592
Net funds at 1 January		628,578	354,986
<b>Net funds at 31 December</b>		<b>630,038</b>	<b>628,578</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 1. ACCOUNTING POLICIES

#### 1.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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), and the Companies Act 2006.

The Thoroughbred Breeders' Association meets the definition of a public benefit entity under FRS 102 and is incorporated in England and Wales, United Kingdom.

The financial statements are presented in Sterling and are rounded to the nearest £.

#### 1.2. COMPANY STATUS

The company is a company limited by guarantee not having share capital. There are currently 12 (2021 – 12) Trustees who are also the members of the company named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The charity is a registered charity. The registered office of the charity is Stanstead House, 8 The Avenue, Newmarket, Suffolk, CB8 9AA.

#### 1.3. GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

#### 1.4. FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company 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 financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 1.5. INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and income from voluntary levies are recognised when the company has been notified in writing of both the amount and settlement date.

Income from grants is recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from training courses and meetings and event income is recognised in the period that the meeting or event takes place.

Income from subscriptions is recognised over the period to which it relates.

#### 1.6. EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of

## 1. ACCOUNTING POLICIES (continued)

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direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Software development costs are allocated against educational activity and written off as incurred.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

### 1.7. INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### 1.8. TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - 20% Straight Line

Library assets - Not depreciated as these are regularly replaced.

### 1.9. INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are carried at cost, net of amortisation and any provision for impairment. The asset will be amortised over its estimated useful life on the following basis:

Business software- 20% Straight Line

### 1.10. INVESTMENTS

Fixed asset investments in unlisted bonds are carried at historical cost less any impairment provision.

Current asset investments include liquid assets with maturity of between three and twelve months. These are held at fair value with movements in valuation through the Statement of Financial Activities.

### 1.11. STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is calculated using average cost and includes all direct costs.

### 1.12. DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 1.13. CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 1.14. LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.



## **1. ACCOUNTING POLICIES (continued)**

### **1.15. FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and all other assets and liabilities are recorded at cost which is their fair value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. 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.

### **1.16 PENSIONS**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the charity in an independently administered fund.

## **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The critical accounting estimates or judgements applied by the Trustees which have a significant impact on the amounts disclosed in the financial statements are as follows:

### **Deferred Membership Income**

Deferred membership income is reviewed annually to ensure the best estimate for each period. Membership subscriptions run annually from the start of the month they are paid.

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### 3. INCOME FROM DONATIONS AND LEGACIES

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Donations	-	15,547	15,547
Grants	529,920	-	529,920
Voluntary levies	12,750	972,870	985,620
Total donations and legacies	542,670	988,417	1,531,087

#### 2021 - Comparative

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Donations	-	25,855	25,855
Grants	574,637	-	574,637
Voluntary levies	18,088	724,563	742,651
Total donations and legacies	592,725	750,418	1,343,143

### 4. INCOME CHARITABLE ACTIVITIES

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Subscriptions and publications income	-	224,049	224,049
Training courses	-	30,602	30,602
Total charitable activities	-	254,651	254,651

#### 2021 - Comparative

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Subscriptions and publications income	-	216,676	216,676
Training courses	-	42,128	42,128
Total charitable activities	-	258,804	258,804

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**5. OTHER TRADING ACTIVITIES**

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Meetings and events income	-	77,560	77,560

**2021 - Comparative**

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Meetings and events income	-	41,978	41,978

**6. INVESTMENT INCOME**

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Bank interest	-	26,473	26,473

**2021 - Comparative**

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Bank interest	-	18,752	18,752



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## 7. COST OF RAISING FUNDS

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Fundraising and publicity	-	23,715	23,715
Meeting and events costs	-	48,156	48,156
Total cost of raising funds	-	71,871	71,871

### 2021 - Comparative

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Fundraising and publicity	-	20,908	20,908
Meeting and events costs	-	38,809	38,809
Total cost of raising funds	-	59,717	59,717

## 8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	ACTIVITIES UNDERTAKEN DIRECTLY 2022 £	GRANT FUNDING OF ACTIVITIES 2022 £	SUPPORT COSTS 2022 £	TOTAL 2022 £
Research	15,000	78,748	261,657	355,405
Education	335,604	-	261,657	597,261
Promotion of awareness of the breed	442,652	-	268,803	711,455
Total 2022	793,256	78,748	792,117	1,664,121

Total expenditure on charitable activities attributable to restricted funds is £709,265 (2021 – £561,955).

### 2021 - Comparative

	ACTIVITIES UNDERTAKEN DIRECTLY 2021 £	GRANT FUNDING OF ACTIVITIES 2021 £	SUPPORT COSTS 2021 £	TOTAL 2021 £
Research	27,100	71,920	193,348	292,368
Education	364,506	-	193,349	557,855
Promotion of awareness of the breed	307,347	-	200,568	507,915
Total 2021	698,953	71,920	587,265	1,358,138

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**9. ANALYSIS OF GRANTS**

	<b>GRANTS TO INSTITUTIONS 2022 £</b>	<b>GRANTS TO INDIVIDUALS 2022 £</b>	<b>TOTAL 2022 £</b>
Grants, Research	60,103	18,645	78,748

**2021 - Comparative**

	<b>GRANTS TO INSTITUTIONS 2021 £</b>	<b>GRANTS TO INDIVIDUALS 2021 £</b>	<b>TOTAL 2021 £</b>
Grants, Research	51,020	20,900	71,920

Grants to institutions totalled £60,103 (2021 – £51,020) which was granted partly to the Horserace Betting Levy Board, for Infectious Disease Surveillance, £50,000 (2021 – £51,020). There was a claim from University College London Royal Veterinary College relating to consumables in earlier research £10,103 (2021 – £Nil). Grants of £200 each towards the costs of foetal post mortems were distributed to 11 individuals (2021 – 18) and two veterinary advisors were granted honorariums of £5,075 each (2021 - £5,000) for their continued dedication to the TBA and imparting knowledge for the good of the industry. Development of the TBA Equine welfare insight and guidance cost £6,295 (2021 – £7,300).

**10. DIRECT COSTS**

	<b>RESEARCH £</b>	<b>EDUCATION £</b>	<b>PROMOTION OF AWARENESS OF THE BREED £</b>	<b>TOTAL 2022 £</b>
Production and distribution of magazine	15,000	15,000	-	30,000
Stud staff training scheme	-	281,774	-	281,774
Marketing and promotion	-	-	442,651	442,651
Wages and salaries	-	31,880	-	31,880
National Insurance	-	4,399	-	4,399
Pension cost	-	2,550	-	2,550
	15,000	335,603	442,651	793,254

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**10. DIRECT COSTS (continued)**

**2021 - Comparative**

	RESEARCH £	EDUCATION £	PROMOTION OF AWARENESS OF THE BREED £	TOTAL 2021 £
Production and distribution of magazine	27,100	27,100	-	54,200
Stud staff training scheme	-	299,707	-	299,707
Marketing and promotion	-	-	307,347	307,347
Wages and salaries	-	30,952	-	30,952
National Insurance	-	4,271	-	4,271
Pension cost	-	2,476	-	2,476
	27,100	364,506	307,347	698,953

**11. SUPPORT COSTS**

	RESEARCH £	EDUCATION £	PROMOTION OF AWARENESS OF THE BREED £	TOTAL 2022 £
Property costs	10,144	10,144	10,144	30,432
Library and office expenses	7,663	7,663	7,664	22,990
Legal and professional fees	3,548	3,547	3,548	10,643
Miscellaneous expenditure	6,700	6,701	6,700	20,101
Printing and stationery	1,210	1,210	1,210	3,630
Computer costs	9,780	9,780	9,780	29,340
EFTBA subscription	-	-	7,144	7,144
Auditors remuneration	3,737	3,737	3,738	11,212
ITBF subscription	10,920	10,921	10,920	32,761
Meetings, committee and travel	7,407	7,406	7,406	22,219
Accountancy and tax advisory	500	500	500	1,500
Wages and salaries	153,702	153,702	153,703	461,107
National insurance	19,419	19,420	19,420	58,259
Pension cost	18,399	18,397	18,398	55,194
Depreciation	3,934	3,934	3,934	11,802
Irrecoverable VAT	2,060	2,061	2,061	6,182
Bad debt write off	2,534	2,534	2,533	7,601
	261,657	261,657	268,803	792,117



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**11. SUPPORT COSTS (continued)**

**2021 - Comparative**

	RESEARCH £	EDUCATION £	PROMOTION OF AWARENESS OF THE BREED £	TOTAL 2021 £
Property costs	9,444	9,444	9,444	28,332
Library and office expenses	8,146	8,147	8,146	24,439
Legal and professional fees	4,618	4,618	4,618	13,854
Miscellaneous expenditure	3,759	3,759	3,759	11,277
Printing and stationery	867	867	867	2,601
Computer costs	3,804	3,804	3,804	11,412
EFTBA subscription	-	-	7,220	7,220
Consultancy	1,100	1,100	1,100	3,300
Auditors remuneration	2,983	2,983	2,984	8,950
ITBF subscription	751	751	751	2,253
Meetings, committee and travel	2,324	2,324	2,324	6,972
Accountancy and tax advisory	108	108	108	324
Wages and salaries	154,415	154,415	154,415	463,245
National insurance	16,700	16,700	16,700	50,100
Pension cost	16,290	16,290	16,290	48,870
Depreciation	1,372	1,372	1,372	4,116
Reversal of previous TOB investment impairment	(33,333)	(33,333)	(33,334)	(100,000)
	193,348	193,349	200,568	587,265

Support costs have been allocated on a basis consistent with the use of resources which principally is derived from time spent in different activities. Governance costs have been allocated to research, education and promotion of awareness of the breed in proportion to the other total costs incurred on each activity.

During the year, the Charity incurred the following governance costs:

£11,212 (2021 – £8,950) included within the table above in respect of auditors remuneration

£1,500 (2021 – £324) included within the table above in respect of accountancy and tax advisory

£9,325 (2021 – £2,083) included within the table above in respect of meetings, committee and travel

£38,188 (2021 – £36,518) included within the table above in respect of wages and salaries, pensions and national insurance.

# THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)

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### 12. NET INCOME FOR THE YEAR

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets owned by the charity	6,182	3,904
Auditors' remuneration – audit	11,212	8,950
Auditors' remuneration – other	1,500	324
Operating lease rental	26,049	25,798

### 13. STAFF COSTS, TRUSTEES EXPENSES AND COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	461,107	493,388
Social security costs	58,258	54,372
Other pension costs	55,195	51,345
	574,560	599,105

Pension costs above are unrestricted as the income received to be spent on staff costs is unrestricted.

The average number of persons employed by the charity during the year was 12 (2021 – 10) as detailed in the table below. The gender split was 10 female and 2 male (2021 – 9 female and 1 male):

	2022 £	2021 £
Research	1	2
Education	3	2
Marketing and promotion	4	3
Management and administration	4	3
	12	10

The number of higher paid employees:

	2022 No.	2021 No.
In the band of £130,001 – £140,000	1	1

£10,403 (2021 – £10,100) was paid into a defined contribution pension scheme on behalf of the above higher paid employee.

Key management personnel of the charity comprises the Trustees and the Chief Executive Officer. The total employment benefits of key management personnel, including employers pension contribution and employers national insurance were £163,030 (2021 – £157,181).

The Charity trustees were not paid and did not receive any other benefits from the Charity during the current or previous year.

During the year, six Trustees (2021 - three Trustees) received reimbursement for travel and subsistence expenses of £9,325 (2021 – £2,083).

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#### 14. INTANGIBLE FIXED ASSETS

	SOFTWARE £	TOTAL £
<b>COST</b>		
At 1 January 2022	-	-
Additions	47,493	47,493
Disposals	-	-
At 31 December 2022	47,493	47,493
<b>DEPRECIATION</b>		
At 1 January 2022	-	-
Charge for the year	7,094	7,094
Eliminated on disposal	-	-
At 31 December 2022	7,094	7,094
<b>NET BOOK VALUE</b>		
At 31 December 2022	<b>40,399</b>	<b>40,399</b>
At 31 December 2021	-	-

#### 15. TANGIBLE FIXED ASSETS

	OFFICE EQUIPMENT £	LIBRARY ASSETS £	TOTAL £
<b>COST</b>			
At 1 January 2022	31,716	100	31,816
Additions	2,401	-	2,401
Disposals	-	-	-
At 31 December 2022	34,117	100	34,217
<b>DEPRECIATION</b>			
At 1 January 2022	15,090	-	15,090
Charge for the year	4,708	-	4,708
Eliminated on disposal	-	-	-
At 31 December 2022	19,798	-	19,798
<b>NET BOOK VALUE</b>			
At 31 December 2022	<b>14,319</b>	<b>100</b>	<b>14,419</b>
At 31 December 2021	16,626	100	16,726

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## 16. INVESTMENTS

	UNLISTED SECURITIES £
<b>COST</b>	
At 1 January 2022 and 31 December 2022	<b>100,000</b>

### INVESTMENTS AT COST COMPRISE:

	2022 £	2021 £
Unlisted investments	100,000	100,000

All the fixed asset investments are held in the UK.

## 17. STOCKS

	2022 £	2021 £
Finished goods and goods for resale	500	500

## 18. DEBTORS

	2022 £	2021 £
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Other debtors	15,909	15,909
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	87,964	100,907
Other debtors	54,306	49,235
Prepayments and accrued income	151,318	32,597
	<b>309,497</b>	<b>198,648</b>



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**19. CURRENT ASSET INVESTMENTS**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Cash deposits	1,334,264	1,318,157

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Trade creditors	47,177	58,034
Other taxation and social security	27,696	21,440
Other creditors	-	2,516
Accruals and deferred income	201,830	181,984
	<b>276,703</b>	<b>263,974</b>

Included within creditors due within one year is £867 (2021 – £2,517) payable to contribution pension schemes.

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Deferred Income brought forward	85,934	79,675
Income recognised in the year	(85,934)	(79,675)
Income deferred in the year	76,830	85,934
Deferred Income carried forward	<b>76,830</b>	<b>85,934</b>

**THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)**  
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## 21. STATEMENT OF FUNDS

### STATEMENT OF FUNDS CURRENT YEAR

	BALANCE AT 1 JAN 2022 £	INCOME £	EXPENDITURE £	TRANSFERS IN/OUT £	BALANCE AT 31 DEC 2022 £
<b>UNRESTRICTED FUNDS</b>					
General Funds	1,924,717	1,347,101	(1,026,727)	(177,095)	2,067,996
<b>RESTRICTED FUNDS</b>					
Education and Employment:					
Horseracing Betting Levy Board	-	84,496	(84,496)	-	-
Racing Foundation E2SE	56,164	(7,450)	(124,940)	79,526	3,300
Racing Foundation Level 3 & 4	-	12,500	-	-	12,500
Great British Bonus Scheme	-	221,254	(222,634)	1,380	-
Health & Safety Project	3,301	-	-	-	3,301
Environmental Sustainability	7,800	25,000	(3,011)	-	29,789
Digital & Data Strategy	-	45,120	(130,371)	85,251	-
Data Strategy (EIS)					
Racing Foundation	-	25,000	(22,500)	-	2,500
HBLB	-	100,000	(90,000)	-	10,000
Equine Welfare Strategy	-	15,000	(3,945)	1,973	13,028
Staff Training and					
Development	1,653	4,000	(14,618)	8,965	-
Evaluation	5,000	5,000	-	-	10,000
Veterinary Research Fund	-	12,750	(12,750)	-	-
	73,918	542,670	(709,265)	177,095	84,418
<b>Total of funds</b>	<b>1,998,635</b>	<b>1,889,771</b>	<b>(1,735,992)</b>	<b>-</b>	<b>2,152,414</b>

**THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)**  
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**21. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS – PRIOR YEAR**

	BALANCE AT 1 JAN 2021 £	INCOME £	EXPENDITURE £	TRANSFERS IN/OUT £	BALANCE AT 31 DEC 2021 £
<b>UNRESTRICTED FUNDS</b>					
General Funds	1,650,512	1,169,952	(855,900)	(39,847)	1,924,717
<b>RESTRICTED FUNDS</b>					
Education and Employment:					
Horseracing Betting Levy Board	-	73,688	(73,688)	-	-
Racing Foundation E2SE	-	187,164	(131,000)	-	56,164
Great British Bonus Scheme	-	247,285	(247,285)	-	-
Health & Safety project	3,301	-	-	-	3,301
Environmental Sustainability	-	20,000	(12,200)	-	7,800
Digital & Data Strategy	-	37,500	(75,000)	37,500	-
Breeding Industry Strategy	-	-	-	-	-
Staff Training and Development	-	4,000	(4,694)	2,347	1,653
Evaluation	-	5,000	-	-	5,000
Veterinary Research Fund	-	18,088	(18,088)	-	-
	3,301	592,725	(561,955)	39,847	73,918
<b>Total of funds</b>	<b>1,653,813</b>	<b>1,762,677</b>	<b>(1,417,855)</b>	<b>-</b>	<b>1,998,635</b>

The restricted funds represent funding from the Horseracing Betting Levy Board (HBLB) for education, the Racing Foundation (RF) for various strategic projects within the TBA and the foal levy for veterinary research.

The HBLB grant supports various educational items, including regional training and development of qualifications. They have also supported a significant proportion of the cost of the 2022 Economic Impact Study, which was published in early 2023.

The RF underspends that were brought forward to 2022 were all agreed with the Foundation prior to the beginning of the year.

- The continuation of the E2SE programme to encourage new staff to the industry who have previously found difficulty finding a route in.
- The Level 3 & 4 mentoring programme was delayed whilst an industry wide people strategy is being formulated, and monies are carried over to 2023.

The Digital and Data Strategy, to develop a digital learning environment to support breeders and staff, as well as providing insight into the breeding community to support the same.

The Environmental Sustainability project was initiated with guidance for members on improving biodiversity. The project to build a carbon calculator tool for breeders to assess and improve carbon sequestration has been pushed back into 2023 and funds will be carried forward for that.

The Data Strategy (EIS) was in addition to the HBLB support of this major study.

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### 21. STATEMENT OF FUNDS (continued)

Staff Training and Development, a fund for executive training in order to carry out these strategies to the highest possible standard.

The Veterinary Research Fund represents amounts received from foal levies to contribute towards furthering the long term health of the thoroughbred breed.

The Great British Bonus Scheme grant was reimbursement from HBLB for costs involved in administering the scheme. This included employing an Operations Executive, improving the website for easier registrations and tracking the scheme, as well as marketing and administering the scheme.

The Health & Safety project is the remainder of a grant to carry out a Stud Farm Injury and Accident Survey from the Racing Foundation, alongside the BHA. The project was completed under budget and we are seeking clarification from the RF as to the remainder of the grant.

### 22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

#### ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR

	RESTRICTED FUNDS 2022 £	UNRESTRICTED FUNDS 2022 £	TOTAL FUNDS 2022 £
Tangible fixed assets	-	14,419	14,419
Intangible fixed assets	-	40,399	40,399
Fixed asset investments	-	100,000	100,000
Debtors due after more than one year	-	15,909	15,909
Current assets	84,418	2,173,972	2,258,390
Creditors due within one year	-	(276,703)	(276,703)
	84,418	2,067,996	2,152,414

#### ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	RESTRICTED FUNDS 2021 £	UNRESTRICTED FUNDS 2021 £	TOTAL FUNDS 2021 £
Tangible fixed assets	-	16,726	16,726
Fixed asset investments	-	100,000	100,000
Debtors due after more than one year	-	15,909	15,909
Current assets	73,918	2,056,056	2,129,974
Creditors due within one year	-	(263,974)	(263,974)
	73,918	1,924,717	1,998,635



**THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)**  
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## 23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	153,779	344,822
<b>Adjustment for:</b>		
Depreciation charges	4,708	3,904
Amortisation charges	7,094	-
Loss on disposal of assets	-	212
Dividends, interest and rents from investments	(26,473)	(18,752)
Movement in current asset investment	(16,107)	(6,886)
(Increase)/decrease in debtors	(110,849)	12,621
(Decrease)/increase in creditors	12,729	(71,779)
<b>Net cash used in operating activities</b>	<b>24,881</b>	<b>264,142</b>

## 24. ANALYSIS OF CHANGES IN NET DEBT – CURRENT YEAR

	31 DECEMBER 2021 £	CASH FLOW £	OTHER NON CASH CHANGES £	31 DECEMBER 2022 £
Cash at bank and in hand	628,578	1,460	-	630,038
Net funds	628,578	1,460	-	630,038

## ANALYSIS OF CHANGES IN NET DEBT – PRIOR YEAR

	31 DECEMBER 2020 £	CASH FLOW £	OTHER NON CASH CHANGES £	31 DECEMBER 2021 £
Cash at bank and in hand	354,986	273,592	-	628,578
Net funds	354,986	273,592	-	628,578

## 25. RELATED PARTY TRANSACTIONS

Membership of the charity is open to any person aged 18 years or over who are breeders of the thoroughbred horse and all others who declare their support for and are in sympathy with the charity's objects. The trustees are all individual members of the charity but do not derive any enhanced benefits by virtue of their position.

As set out in note 18 above, the charity has made an interest-free unsecured loan of £15,909 (2021 – £15,909) to The Thoroughbred Grp Ltd (The Thoroughbred Group), previously Horsemen Limited (The Horsemen's Group) to assist that company to meet its forecast funding requirements and this sum is included in debtors. This loan has been provided on an interest free basis as The Thoroughbred Group provides benefits to the members of the Thoroughbred Breeders Association and it falls within the charitable objective to provide support to such an organisation. The TBA Chairman Julian Richmond-Watson is a director of The Thoroughbred Group Ltd.

## **25. RELATED PARTY TRANSACTIONS (continued)**

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During the year the charity incurred expenditure of £31,257 (2021 – £22,800) with Tattersalls Limited and as with other UK sales companies, Tattersalls Limited also collected the voluntary sales levy on behalf of the TBA. The Finance Director of Tattersalls Limited is the husband of the charity's Chief Executive Officer, Claire Sheppard, but left the company in June 2022. Matthew Prior, Head of Sales at Tattersalls Ltd, is a trustee of the TBA. The amount outstanding at the year end was £Nil (2021 – £5,700).

The TBA is a member of The British Horseracing Authority (BHA) and is represented on the stakeholder Members Committee by the Chairman. The TBA and BHA also collaborate on a number of racing related issues which affect breeders and the TBA is represented on the relevant BHA committees. During the year the charity made payments to the BHA totalling £700 (2021 – £2,934) for services provided. No amount was outstanding at the year end (2021 – £Nil).

The TBA works with The Horserace Betting Levy Board (HBLB) in support of its objectives: Education, Veterinary Research, Bloodstock Promotion and Improvement of the breed. The HBLB provides funding for all objectives and the TBA in turn allocates a portion of its veterinary research budget to co fund specific scientific research projects in support of the Thoroughbred breed and related stud farm activities. During the year the charity received education funding of £84,496 (2021 – £73,688) from the HBLB and made payments of £50,000 (2021 – £50,000) towards veterinary research with the HBLB. In addition HBLB are the principal in the Great British Bonus Scheme (GBB), with the TBA acting as agent, as described under note 28. HBLB reimbursed £222,634 (2021 – £247,285) of GBB administration costs incurred by the TBA during the year. The funds received for reimbursement are included within income of the charity. In 2022 HBLB also provided a grant to the TBA towards the costs of the Economic Impact Study totalling £100,000 (2021 – £Nil). All of that grant has been accrued in 2022 to recognise the income correctly. The grant agreement stated that funding would be released upon final invoice from the consultants. This invoice had not been received at year end. At the year end this accrual of £100,000 (2021 – £Nil) was owed from HBLB to the TBA. Julian Richmond- Watson, a trustee of the charity is a Director of the HBLB.

During the year, the charity incurred expenditure of £15,000 (2021 – £15,000) towards funding with Great British Racing Limited (GBR). Philip Newton, a trustee of the charity, is also a director of Great British Racing Limited. The amount outstanding at the year end was £3,000 (2021 – £Nil).

In 2022 the charity incurred £5,000 of expenditure (2021 – £5,000) with Retraining of Racehorses Ltd (RoR). The amount is used to support the charity with their work to support ex racehorses in their next career. Kate Sigsworth, a trustee of the charity, is a Director of RoR. No amount was outstanding at the year end (2021 – £Nil)

The TBA work with two regular veterinary advisors who supply expert knowledge on areas of relevant veterinary research, interpret risks and impact of disease outbreaks and input to Government consultations. James Crowhurst, a trustee of the TBA, is also a TBA veterinary advisor and received £5,150 as an honorarium for that role in 2022. (2021 – £5,000). No amount was outstanding at the year end (2021 – £Nil).

The TBA interact with the National Stud through hiring of their facilities, provision of training, them making use of the TBA Flat Stallion Parade and their sponsorship contribution to the ITBF conference in 2022. Total net transactions were £1,820 from the National Stud to the TBA (2021 – £150). Anita Wigan, a trustee of the TBA, became a Director of the National Stud in 2022. No amount was outstanding at the year end.

There are no other related party transactions.

# THE THOROUGHBRED BREEDERS' ASSOCIATION (A Company Limited by Guarantee)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS 2022

### 26. OPERATING LEASE COMMITMENTS

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

	2022 £	2021 £
<b>Land and Buildings</b>		
Not later than 1 year	20,500	20,500
Later than 1 year and not later than 5 years	82,000	82,000
Later than 5 years	17,083	37,583
	119,583	140,083
	2022 £	2021 £
<b>Other</b>		
Not later than 1 year	5,549	5,298
Later than 1 year and not later than 5 years	8,008	8,075
	13,557	13,373

### 27. FUNDS RECEIVED AS AGENT

The TBA acts as an agent for the Great British Bonus Scheme (GBB). GBB is an enhanced prize money scheme funded by the betting levy, generated from the public gambling on UK horse racing, and registration fees for UK sired and foaled fillies. The registration process comprises three stages; to be completed by the breeder, the owner of the filly as a yearling, and the owner of the filly as a 2/3 year old, dependant on whether she will race on the Flat or National Hunt. Once fully registered these fillies can win up to £20,000 extra prize money in qualifying races. Fillies with only one or two stages of registration completed can win a pro rated amount of the £20,000. The TBA administers the scheme, providing marketing and administration support and holding a separate bank account for the scheme. The main funding comes from the Horserace Betting Levy Board (HBLB) as part of their prize money distribution to the sport. It supports the UK racing and breeding industries as a whole, with the prize money being distributed to the owner, breeder, trainer, stable and jockey of the winning filly. The TBA do not take any management charge for running the scheme, but TBA members qualify for discounted fees at the first stage of registration. The scheme is run along rules agreed by a GBB Management Group, which three TBA trustees sit on, as well as representatives of the British Horseracing Authority (BHA), Racehorse Owners Association (ROA) and National Trainers Federation (NTF). HBLB and Weatherbys sit on the Group as observers.

	2022 £	2021 £
Opening bank balance	633,540	63,648
Receipts	4,326,400	3,427,025
Payments	(4,664,203)	(2,857,133)
Net (Expense) Receipts for the year	(337,803)	569,892
Closing bank balance	295,737	633,540

The GBB bank account had a closing balance of £295,737 at year end (2021 – £633,540). The TBA was due to be repaid £95,288 from the GBB scheme at year end (2021 – £31,417).

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## NOTES



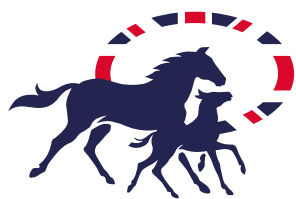
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## NOTES

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## NOTES





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ASSOCIATION

    @TheTBA\_GB

01638 661321 | [info@thetba.co.uk](mailto:info@thetba.co.uk) | [thetba.co.uk](http://thetba.co.uk)