



BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Charity in England & Wales No. 1155352

Company Registered in England & Wales No. 3443026

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REFERENCE AND ADMINISTRATIVE DETAILS
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President:

Jennie Loriston-Clarke

Charity registered number:

1155352

Vice President:

Desi Dillingham

Company registered number:

3443026

Chairman:

Linda Whetstone (deceased 15 December 2021)

Caroline Godfrey (from 20 December 2021)

Registered Office:

Meriden Business Park

Copse Drive

Meriden

West Midlands

CV5 9RG

Other Trustees:

Simon Bates

Julie Frizzell (to 12 October 2021)

Caroline Godfrey

Judy Harvey

Paul Hayler (to 12 October 2021)

Suzanne Homewood

Claire Moir

Peter Storr

Tracy Ormrod (from 12 October 2021)

Harry Payne (from 12 October 2021)

Auditors:

Mazars LLP

First Floor

Two Chamberlain Square

Birmingham

B3 3AX

Board of British Dressage Trading Limited:

Caroline Godfrey

Suzanne Homewood

Linda Whetstone (deceased 15 December 2021)

Jason Brautigam

Bankers:

Royal Bank of Scotland

91-93 Regent Street

Leamington Spa

CV32 4NT

Company Secretary:

Jason Brautigam

Solicitors:

Wright Hassall LLP

Olympus Avenue

Leamington Spa

CV34 6BF

Key Management personnel:

Chief Executive - Jason Brautigam

Chief Operating Officer- Ben Waterhouse

Chief Financial Officer – Steve Phillips (appointed 22 February 2021
Resigned 25 June 2021)

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The board of Trustees present their annual report together with the audited financial statements of British Dressage for the year ended 31 December 2021.

The charity is governed by its Board of Trustees. Members of the Board are the Directors of the company and the Trustees of the charity. The Board consists of members elected by the membership of British Dressage, or as otherwise appointed in accordance with the Articles of Association.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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 (FRS102).

Objectives and Principle Activities of the Charity:

The principal objectives and activities of the charity are to advance education and participation in the sport of dressage for the public benefit by:-

- The promotion, as the governing body of the sport of dressage in Great Britain, of participation by persons in Great Britain (both able-bodied and with any form of disability) in healthy recreation in dressage;
- The improvement of the standards of (i) riding, (ii) training and breeding of horses and (iii) horsemanship, all to foster better the enjoyment by participants in dressage, the welfare of horses utilised in dressage, and the safety of both participants and horses;
- The fostering of the provision of advice, education and guidance to dressage participants (as owners of horses, riders, coaches and competition officials) and, in particular to encourage and facilitate the development of young and disabled persons as participants in such ways and to improve their self-confidence and self-esteem (including the fostering of apprenticeship schemes for young people);
- The development of fair competition between dressage participants and the improvement of the welfare of riders and horses by the banishment of the use of damaging or performance-enhancing drugs and the provision of an effective drug testing regime;
- The fostering of social interaction between participants;
- The improvement of the development of participants and their levels of aspiration in dressage in fostering representative competition at both national and international level by team representative selection (including the provision of advice to the British Equestrian Federation on dressage matters generally and as they affect the Fédération Equestre Internationale).

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Values

British Dressage is committed to work for the benefit of all in the sport, participating in any capacity, at any level.

British Dressage adopts a collaborative, consultative, inclusive, transparent and open approach to the running of the organisation and strives to communicate effectively at all times. Acting with respect, integrity, inclusivity and promoting diversity, equality, teamwork and human and equine welfare, while delivering the highest standards of service for all members, is at the heart of everything that British Dressage does.

British Dressage endeavours to be accountable to members at all times. Major decisions affecting the membership are open to consultation, while the performance of the staff and volunteers is closely monitored and managed on an ongoing basis.

Public Benefits

In setting our objectives and planning our activities, the Trustees have given due consideration to the general guidance published by the Charities Commission relating to public benefits.

Amateur sport:

By acting as the governing body in Great Britain for the sport of dressage, by providing a fair and accessible competition structure and a safe environment for competitions, by training and listing dressage judges and officials, by composing and making available a series of constructive dressage tests, by encouraging participation at all levels by all, offering equal opportunities for riders of all ages with specific activities to encourage the participation of young and disabled persons, and by offering advice and guidance relating to all dressage matters, British Dressage promote the amateur sport of dressage.

Education:

By providing regional training, including training specifically for young or disabled persons, by administering apprenticeship schemes, by developing equestrian and dressage specific UK Coaching Certificates, by maintaining a trainers' database, by organising National and Judges Conventions open to all, and by showcasing the best talent and expertise at our Championship shows, British Dressage provide extensive education and training opportunities.

Animal Welfare:

By promoting good horsemanship, by providing competition opportunities for all types of horses, by guiding judges and stewards at competitions to prevent abuse of horses, by supporting breeding of suitable horses, by carrying out dope testing at events, and by putting the safety and wellbeing of the horse at the heart of everything we do, British Dressage contribute to animal welfare.

Health:

By promoting the sport of dressage to all, by providing a safe environment to participate in dressage, by encouraging participation in equestrian sport regardless of age or disability, British Dressage contribute to public health and fitness.

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ACHIEVEMENTS AND REVIEW OF 2021

2021 was very much a rollercoaster year for British Dressage. The year started with the first three months in complete lockdown, when all training and competition activity had to be suspended for a period of 12 weeks, while COVID continued to make its impact felt throughout the year.

Once lockdown was eased, a 12-month competition calendar was effectively squeezed into just eight months, with the winter and summer seasons run in parallel. Competitions restarted fully in April and were well above the forecast level every month for the remainder of the year. Within ten weeks of the resumption of activity membership and horse registrations had returned to pre-pandemic levels, which was a fantastic achievement under the circumstances.

Internationally, there was an unprecedented British medal haul for dressage at the Olympics, Paralympics and Europeans over the course of the summer – with a total of fourteen medals; three gold, six silver and five bronze, surpassing all expectations.

At home, after a year's absence, the LeMieux National Championships successfully moved to its new home in Somerford Park in September, while the inaugural PetPlan Equine Summer Area Festival Championships at Arena UK in October proved to be hugely popular.

British Dressage can genuinely say that the sport is accessible to all – with Associated and Quest activity continuing to attract members of all ages and horses of all shapes and sizes, many of whom were new to the sport in 2021. Quest has developed into a vital part of the competition structure and provides the perfect introduction to affiliated dressage competition.

The 2021 BD National Convention was an enjoyable training weekend under a hybrid model, combining online streaming with a live in-person audience, while online training for our judges and officials continued to go from strength to strength throughout the year.

BD Medals of Honour were awarded to Waveney Luke, Carolyn Gardiner, David Trott and Lizzie Walters in recognition of their contribution to the sport. Sir Lee Pearson was made an Honorary Patron to recognise his many achievements as an athlete, as well as being a true ambassador for para dressage and equestrianism as a whole.

The new strategic plan and brand identity (including a new clothing range) were finally launched after the delay due to the pandemic and implementation of the stated aims and objectives began in earnest. In particular substantial progress was made with the judges' education and assessment framework, with the project being very well received by officials.

Finances were managed prudently during the year, resulting in a surplus, despite the financial impact of the horse registration extensions, fuelled by the rapid recovery of membership and horse registrations. By year end BD membership was at its highest ever level, with almost 17,500 active members, while 16,000 plus horse registrations also marked a new record.

Once again, BD maintained COVID-19 specific risk assessments and prudent forecasting was undertaken to manage cash flow and maintain a firm control on costs. A Coronavirus Operational Plan was kept under review throughout the year, enabling British Dressage to keep members informed of the guidelines and protocols in place once activity was able to resume.

There is no doubt that the strong performance of British Dressage in 2021 is due to the outstanding work and commitment of staff, volunteers and officials, in so many different capacities. The Trustees record their sincere thanks to all those who worked so hard and continue to keep British Dressage as successful as it is, enabling members of all ages to enjoy dressage, whilst promoting the highest standards of human and equine welfare.

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Full details of membership figures, competition activity and notable results in 2021 will be presented in the report of the Chief Executive at the Annual General Meeting.

Looking ahead to 2022

Sadly, the close of 2021 brought the unexpected passing of our Chair, Linda Whetstone. This came as a massive shock to all within the dressage world, and her spirit, enthusiasm, passion and drive are all greatly missed. Many tributes have been paid to Linda, including in the House of Commons, marking her phenomenal contribution to British Dressage, as well as the enormous legacy she leaves behind due to her economic and political work globally.

The Linda Whetstone Memorial Trophy will be presented in her honour annually from September 2022 to recognise outstanding service to the sport of dressage. British Dressage Finance Director Caroline Godfrey has been appointed Chair on an interim basis, while we go through the formal process to elect a new Chair to replace Linda from the autumn of 2022 onwards.

British Dressage continues to monitor the COVID situation closely to ensure members can continue to compete and train safely. However, we remain hopeful that a full year of exciting competition is achievable, including the U21 European Championships on home soil, as well as the World Championships in Herning for our Senior and Para riders.

The current conflict between Russia and Ukraine is a major international concern. British Dressage has supported British Equestrian's appeal for support for horses in Ukraine and is also following the FEI's guidance relating to international riders from conflict zones. The Trustees do not see any wider impact on the Charity at present but remain vigilant to review actions should there be any further international escalation.

Another major issue for 2022 is the cost-of-living crisis, with the effect this will have on disposable income being felt by all members, particularly in terms of rising fuel costs. British Dressage is mindful of this and will look into ways to mitigate the financial impact on the sport where possible.

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The following summarises the priorities for 2022:

- Finalise and implement the new judge education framework, with the first online assessments taking place under the new system in the autumn of 2022.
- Formulate and launch bespoke packages for BD recognised and accredited coaches in spring 2022, supported by the rollout of a Continuous Professional Development programme.
- Promote the opportunities available to Under 21 riders through BD Youth programmes, from regional to national and international level.
- Review and revitalise the professional youth development pathways available to support young people wanting to embark a career in the sport.
- Develop the Para pathways for riders, officials and coaches to ensure that dressage is inclusive and accessible to all.
- Implement the outcomes of the working parties reviewing elements of the competition structure, particularly relating to the silver section, as well as fixtures and venues.
- Gather membership feedback through independently hosted research forums and conducting a detailed membership survey.
- Continue investment in IT, to improve training and education databases, enhance reporting mechanisms and further develop BD online for venues.
- Continue the digitalisation of BD activity, including live streaming, online training, e-learning platforms, interactive webinars and social media engagement.
- Review the level of the Charity's reserves and identify areas for the creation of specific designated funds for a substantial reinvestment of funds
- Appoint a new Chair by autumn 2022 and support their induction into the role.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

British Dressage (the "charity") was incorporated on 1 October 1997 as British Dressage Limited and obtained approval on 20 November 1997 to dispense with the word 'Limited'. British Dressage is a registered charity, having gained charitable status on 15 January 2014, and a company limited by guarantee. The charity has a wholly owned subsidiary, British Dressage Trading Limited, which carries out trading activities to raise funds for the charity. During the year it made an operating profit of £115,656 which it gift aided to the charity (2020 £88,369).

Trustees

The majority of the Board of Trustees are elected via a membership voting process. Candidates are required to be nominated by two other members of British Dressage. The board consists of a minimum of three trustees and a maximum of twelve, with up to nine being elected by the membership. Applicants are considered by an impartial Nominations Committee (including an external independent adviser) and then suitable applicants are put forward to the membership vote. Trustees can hold office for a period of four years and be nominated again for a further four year period, allowing them to serve a maximum of eight years. If a current Trustee is nominated and elected to the position of Chairman by the members they may serve a maximum of twelve consecutive years in all roles in total. After the twelfth year, the individual must still wait four years before they can be appointed to the Board again.

The Board of Trustees have the discretionary power to co-opt up to three extra trustees with additional expertise or competencies. The Board shall determine the skill-based criteria for each required extra trustee and once the criteria are determined and the role advertised, the Nominations Committee shall interview candidates. The Board shall appoint each extra trustee as recommended by the Nominations Committee.

Induction of Trustees

Trustees receive a full induction programme through the CEO and Chairman. The induction includes a briefing on the terms of reference for the committees they may chair, their roles and responsibilities as trustees and full details of the strategic aims of the charity. The Trustees have access to professional and legal advisers and receive briefings and training on any legislative and good practice issues in respect of the charity's affairs.

Remuneration and Expenses

In accordance with the charity's Memorandum and Articles of Association, no remuneration is paid to trustees for their role of office. Trustees are entitled to be reimbursed reasonable expenses properly incurred when acting on behalf of the charity.

The details of expenses and transactions relating to Trustees are disclosed in note 14 to the accounts. The Trustees are responsible for the remuneration of the charity's senior management team. Remuneration levels are reviewed annually using appropriate benchmarking for the individual roles.

Decision Making

In accordance with the charity's Memorandum and Articles of Association, all recommendations are received by the trustees to discuss at a minimum of five meetings held during the year. All meetings must hold a quorum of three trustees before a decision can be made and ratified.

Third Party Indemnity Provision for Trustees

Qualifying third party indemnity provision of £2m is in place for the benefit of all trustees of the charitable company at a cost of £2,466.

Principal Risks and Uncertainties

The Trustees continue to monitor the major risks to which the Charity is exposed. A risk register has been established and, where appropriate, systems and procedures have been established to mitigate the risks faced. The risk register is reviewed regularly by the Finance and Business Development Committee and at least annually by the Board, to ensure all risks are highlighted and mitigation remains suitable to protect the charity's interests

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and activities. In addition a COVID-19 specific risk register was established and reviewed regularly during 2020 and 2021.

The key risks the charity faces are deemed to be significant matters that would affect its reputation and ability to operate in accordance with its defined objectives. The Risk Register defines the principal areas of risk as:

- Operational Issues relating to the delivery of activities to members and including safeguarding matters
- Organisational Issues relating to the structure and management of the organisation
- Financial Issues relating to income and financial management
- Governance Issues relating to the governance of British Dressage
- Reputational Issues that might impact on the Charity's ability to deliver services
- External Issues such as the current global pandemic which impact on all areas of activity

Key administrative controls include formal agendas and minutes for all meetings, detailed terms of reference for all sub-committees, clear authorisation and approval processes and full oversight by the Chair of all matters.

Further details are included in the section above 'Looking ahead to 2022' noting in particular the impact of the coronavirus pandemic which has affected the charity from March 2020 onwards.

REFERENCE AND ADMINISTRATIVE DETAILS

Please refer to page 1 for details of trustees and key service organisations.

FINANCIAL REVIEW AND POLICIES

Reserves policy and Going Concern:

The Trustees aim to see that the charity holds sufficient reserves to provide a high degree of financial resilience in the event of a period of financial difficulty, with the 2020-21 Coronavirus pandemic proving the need for this. During 2021 a review group set up by the Trustees reviewed the reserves policy of the charity, including consideration of both the level of operational reserves required and investment required for the future to support the initiatives of the current strategic plan.

Reserves are required by the Charity to:

- protect the ongoing viability of the charity, particularly at a time of severe adversity, such as a force majeure event (e.g. the outbreak of serious infectious disease that affects equines or a global pandemic). These events may result in a temporary suspension of BD's normal activities with an immediate loss of membership and horse registration income; starter levies, sponsorship and other income, but with the need to continue to meet some of its ongoing and committed operational costs. These costs differ from full operational costs due to the presumed cessation of activity and BD has chosen to use the term 'defined operational costs' to reflect costs which would continue in a force majeure situation.
- to have sufficient resources and flexibility to renew all normal activity and to recover its membership and income generating position as rapidly as possible after such circumstances detailed above.
- to provide adequate funding for current and future projects, such as detailed in the Strategic Plan: From Tokyo 2021 to Paris 2024, assuming that such initiatives cannot be fully funded through annual income. This would include any capital expenditure projects, such as investment in new technology, system support and further IT development
- to ensure that liquid reserves are sufficient to cover certain specific risks as detailed in the Charity's risk register.

The Charity's policy is to maintain free reserves in the range of six to twelve months defined operating expenditure. Defined operating expenditure includes staff salaries, fixed overhead costs and other operational costs that would continue in a force majeure situation. Whilst this is a wide range the Charity will refine this further as the financial commitments relating to the Strategic Plan and the underwriting of the current IT investment become more certain through the annual budgeting process. However, the Charity believes that the period of six to twelve months would

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give the Charity sufficient flexibility in the short to medium term and would enable any longer-term decisions to be made in the best interests of its members and staff.

The financial outcome for 2021 was strong, closing with free financial reserves of £2.5million, representing about 8 months of operating costs, and cash and cash equivalents of £2.6 million. Given this strong closing financial position, the resilience in recovery of major income streams and the prudent approach to future financial planning, the Board considers that it is appropriate for the financial statements to be prepared using the going concern basis.

Investment Policy:

The charity aims to promote the sport of dressage and provide opportunities and training for its members as a priority. In 2020 the Board had begun to introduce an investment policy to ensure that the best choices for its long term reserves were made whilst still maintaining the overall objective of achieving the maximum returns possible, but with appropriate security and liquidity.

The tender process was completed in 2021 with Brewin Dolphin being appointed as the Charity's Investment Managers, and appropriate investment has begun in conjunction with expert advice and in line with the Charity's agreed investment policy.

Financial Overview:

Overall, British Dressage achieved total income of £4.17 million which after expenditure delivered a net income of £188,706 in the year, bringing its total reserves to £2.50 million.

Funds held as Custodian Trustee on behalf of others:

Neither the Charity nor any of its Trustees acted as custodian trustees or held funds or property on behalf of another charity during the year.

Post Balance Sheet Events

Invasion of Ukraine and sanctions against Russia

On 24 February 2022 Russian forces invaded Ukraine, resulting in the United Kingdom and other Western Nations announcing the imposition of severe sanctions against Russia and Russian interests worldwide.

British Dressage does not operate in either Ukraine or Russia and no donors or suppliers are located in either of these countries. The Board of Trustees' assessment of this highly tragic geopolitical situation on the Charity is that it has not been directly impacted. However, the effect of sanctions on commodity prices and greater global economic instability more generally may have an indirect impact on the Group over the medium term. The Board of Trustees will therefore continue to keep this situation under review.

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Financial Statements:

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and reporting by Charities: Statement of Recommended Practice (October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Each of the trustees and directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102)) and in accordance with the provisions applicable to companies entitled to smaller companies exemption.

Signed on behalf of the board of Trustees



Mrs C M Godfrey
Director

Date: 2 August 2022

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STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees who held office at the date of approval of this annual report, as set out above, each confirm that:

- so far as they are aware, there is no relevant audit information (information required by the Charity's auditor in connection with preparing their report) of which the Charity's auditors are unaware; and
- as the directors of the Charity the Trustees have taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information; and
- these financial statements have been drawn up in accordance with current statutory requirements and the "Statement of Recommended Practice: Accounting and Reporting by Charities", published by the Charity Commission for England and Wales in 2019.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMEBRS OF BRITISH DRESSAGE

Opinion

We have audited the financial statements of British Dressage (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's 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 group and the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMEBRS OF BRITISH DRESSAGE

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, 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 light of the knowledge and understanding of the group and parent charity 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' exemption from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMEBRS OF BRITISH DRESSAGE

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 the 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. Based on our understanding of the group and parent charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and parent charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

**BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT TO THE MEMEBRS OF BRITISH
DRESSAGE**

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the group and parent charity'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 group and parent charity'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 group and parent charity and the group and parent charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Ian Holder

Ian Holder (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

First Floor

Two Chamberlain Square

Birmingham B3 3AX

Date: 22 August 2022

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE Registered in England & Wales No. 3443026)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATION AN
INCOME AND EXPENDITURE ACCOUNT)
AS AT 31 DECEMBER 2021

	<i>Notes</i>	Unrestricted Fund 2021	Restricted Fund 2021	Total 2021	Total 2020
INCOME					
Income from:					
Other trading activities		313,664		313,664	268,322
Investments	1	3,170		3,170	8,059
Other including Government Coronavirus Job Retention Scheme Grants		30,606		30,606	155,322
Charitable activities:					
Membership Subscriptions		1,257,106		1,257,106	1,151,444
Horse Registrations		807,068		807,068	684,275
Training & Education		613,642	68,331	681,973	677,173
Affiliated Competitions		209,649		209,649	136,463
Championships (including U21 International Championships)		668,440		668,440	225,572
Other Sponsorship		51,395		51,395	9,964
Other Participant		13,403		13,403	12,102
Gift Aid		125,740		125,740	91,037
Total income		4,093,883	68,331	4,162,214	3,419,732
Expenditure on:					
Raising funds		153,285		153,285	165,970
Charitable Activities		3,777,056	44,781	3,821,837	3,168,596
Total expenditure	2	3,930,341	44,781	3,975,122	3,334,566
Net movement in funds before gains		163,542	23,550	187,092	85,166
Unrealised gain on investments		1,614		1,614	
Net movement in funds after gains		165,156	23,550	188,706	85,166
Reconciliation of funds:					
Total funds brought forward		2,296,699	12,033	2,308,732	2,223,566
Total funds carried forward		2,461,855	35,583	2,497,438	2,308,732

All of the results relate to continuing activities and include all gains and losses recognised.

The notes on pages 19 to 34 form part of these financial statements.

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE Registered in England & Wales No. 3443026)
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2021

		Group		Charity	
		2021	2020	2021	2020
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4	14,799	14,134	14,799	14,134
Intangible assets	5	162,086	316,510	162,086	316,510
Investments	6	485,902	-	486,002	100
		<u>662,787</u>	<u>330,644</u>	<u>662,887</u>	<u>330,744</u>
Current assets					
Stock	7	9,410	10,135	-	-
Debtors	8	488,273	343,483	436,420	361,656
Cash at Bank and in hand		144,119	107,827	54,912	21,386
Term deposits	9	2,449,956	2,688,882	2,449,956	2,688,882
		<u>3,091,758</u>	<u>3,150,328</u>	<u>2,941,288</u>	<u>3,071,924</u>
Current liabilities					
Creditors due within one year	10	(1,257,107)	(1,172,239)	(1,222,391)	(1,182,304)
NET CURRENT ASSETS		<u>1,834,651</u>	<u>1,978,088</u>	<u>1,718,897</u>	<u>1,889,620</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,497,438</u>	<u>2,308,732</u>	<u>2,381,784</u>	<u>2,220,364</u>
NET ASSETS		<u>2,497,438</u>	<u>2,308,732</u>	<u>2,381,784</u>	<u>2,220,364</u>
REPRESENTED BY	11				
Restricted funds		35,583	12,033	35,383	12,033
Unrestricted funds		<u>2,461,855</u>	<u>2,296,699</u>	<u>2,346,401</u>	<u>2,208,331</u>
Total funds		<u>2,497,438</u>	<u>2,308,732</u>	<u>2,381,784</u>	<u>2,220,364</u>

The individual charity generated a surplus of £73,051 during the year ended 31 December 2021 (2020: deficit £3,203).

The financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime under the Companies Act 2006 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102)). The financial statements were approved by the board and authorised for issue on 2 August 2022. and are signed on its behalf by:

Mrs C M GODFREY }

} Directors

Mrs S HOMEWOOD }

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

GROUP CASH FLOW	2021	2020
	£	£
Cash flows from operating activities:		
Net income for the reporting period (as per the statement of financial activities)	188,706	85,166
Adjustments for:		
Depreciation charges	7,133	7,494
Unrealised gain on fixed asset investments	(1,614)	-
Amortisation of intangible fixed assets	184,857	161,098
Decrease in stocks	726	60
(Increase) in debtors	(144,791)	(147,291)
(Decrease)/Increase in creditors	84,868	(50,606)
Net cash provided by operating activities	319,885	55,921
Cash flows from investing activities:		
Purchase of fixed assets	(7,798)	(4,001)
Purchase of intangible fixed assets	(30,433)	(120,808)
Purchase of fixed asset investments	(484,288)	-
Investment in short term deposits	238,926	(129,780)
Net cash used in investing activities:	(283,593)	(254,589)
Change in cash and cash equivalents in the reporting period	36,292	(198,668)
Cash and cash equivalents at the beginning of the reporting period	107,827	306,495
Cash and cash equivalents at the end of the reporting period	144,119	107,827

Analysis of changes in net debt	As at 1 Jan 2020	Cashflows	As at 31 Dec 2021
	£	£	£
Cash and cash equivalents	107,827	36,292	144,119
	107,827	36,292	144,119

BRITISH DRESSAGE

(A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES

ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF PREPARATION

These accounts 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 102 applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective for periods commencing 1 January 2020, and the Companies Act 2006).

The policies applied under the entity's previous accounting framework are not materially different to the triennial review of FRS 102 and have not impacted on the net movement in funds and total funds.

PUBLIC BENEFIT ENTITY

The charitable company meets the definition of a public benefit entity under FRS 102.

GOING CONCERN

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Financial forecasts and budgets are prepared and reviewed regularly by the Finance and Business Development Committee and by the Board, and in the light of the COVID-19 pandemic and the current geopolitical situation in Ukraine and Russia all income streams and costs are subject to ongoing review.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

GROUP FINANCIAL STATEMENTS

These financial statements consolidate the results of the charity and its wholly owned subsidiary British Dressage Trading Limited on a line-by-line basis. A separate statement of financial activities for the charitable company has not been presented as permitted by Section 408 of the Companies Act 2006.

INVESTMENTS

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the Balance Sheet at the current market value quoted by the investment analyst, excluding dividend.

Investments in subsidiaries are stated at cost, less any provision for impairment.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Office refurbishments	- 16 percent per annum
Office equipment	- 25 percent per annum
Furniture, fixtures and fittings	- 25 percent per annum

AMORTISATION

Amortisation is provided on all intangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computer software and website development costs - 33 – 50 percent per annum

BRITISH DRESSAGE

(A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES

STOCKS

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

INCOME

Income represents the amounts derived from the provision of goods and services which fall within the Charity's ordinary activities stated net of value added tax.

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

Income tax in relation to donations received under gift aid or deed of covenant is recognised at the time of the donation.

Lifetime memberships received are allocated over a 10 year period. Annual membership income is allocated to a twelve month period based on the timing of receipt of membership in the month.

EXPENDITURE AND IRRECOVERABLE VAT

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 benefit will be required in settlement and the amount of settlement can be measured reliably.

Costs of raising funds are costs incurred in attracting income and those incurred in trading activities that raise funds. Charitable activities and governance costs are costs incurred in the Charity's core operations including costs relating to governance of the Charity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred, either directly or indirectly by the allocation of support costs.

FUNDS

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.

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

GRANTS

All grants are credited to income in the period to which they relate. In the year ended 31 December 2021 grants from the UK Government's Job Retention Scheme, (instigated due to the coronavirus pandemic), were received and disclosed as other income.

LEASES

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease.

CASH

Cash, for the purposes of the statement of cash flows, comprises cash in hand and deposits repayable on demand, less overdrafts repayable on demand.

LIABILITIES

Liabilities are amounts due to creditors and any provision made as a result of an obligation to transfer economic benefits, usually in the form of a cash payment, to a third party. Liabilities are measured at the settlement amount. A liability is recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advanced payment for goods or services it must provide.

BRITISH DRESSAGE

(A COMPANY LIMITED BY GUARANTEE)

ACCOUNTING POLICIES

DEFINED CONTRIBUTION PENSION SCHEME

Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme. Both the charity and the employee make contributions to the employee's individual pension. All such contributions are held in separate funds which are independent to the charity's finances.

TAXATION

British Dressage is a registered Charity and is thus exempt from taxation of its income and gains falling within Section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charges have arisen in the year. No tax charge has arisen in the trading subsidiary, British Dressage Trading Limited, due to their policy of gifting all their taxable profits to British Dressage each year.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of the financial statements requires management to make significant judgements and estimates. The areas where these judgements and estimates have been made include:

Trade debtors and other debtors

Trade debtors and other debtors consists of amounts due from external organisations and individuals including customers. An allowance for doubtful debt will be maintained for any estimated losses resulting from the viability of these external organisations and individuals to make the required payments. Any allowance is based on the group's regular assessment of the credit worthiness and financial conditions for those external parties included within trade debtor balances.

Depreciation, amortisation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed tangible assets and intangible assets, and in particular, the useful economic lives and residual values of office refurbishment assets, office equipment, furniture, fixtures and fittings and software, and have concluded that the asset lives and residual values are appropriate.

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
1 INVESTMENT INCOME		
Bank interest receivable	1,831	8,059
Dividends receivable	1,339	
	<u>3,170</u>	<u>8,059</u>
2 EXPENDITURE		
DIRECT COSTS		
Trading activities	150,977	164,087
Member and Horse	193,707	133,640
Training and Education	560,995	751,281
Affiliated competitions	32,101	30,523
Championships (including U21 International Championships)	1,107,746	439,726
Staff costs	959,504	950,485
BEF Funding	65,580	67,820
Marketing and promotion	62,505	40,475
	<u>3,133,115</u>	<u>2,578,037</u>
SUPPORT OVERHEADS		
Salaries and wages	164,121	164,903
Staff expenses	8,563	8,282
Rent, rates, service & maintenance	69,106	68,763
Office sundries	1,266	1,263
Computer and machine maintenance and support	138,340	137,003
Telephone	14,354	6,545
Printing and stationery	13,414	6,079
Postage	6,931	13,108
Meetings	2,229	1,700
Bad debts	(942)	7,505
Legal and professional	18,297	10,304
Depreciation	191,990	168,592
Asset disposal	(125)	-
Irrecoverable VAT	115,963	88,860
Bank and other charges	67,890	49,663
	<u>811,397</u>	<u>732,570</u>
GOVERNANCE COSTS		
Directors costs	9,907	4,124
Fees payable to the company's auditor	13,830	12,930
Board meeting costs	6,873	6,905
	<u>30,610</u>	<u>23,959</u>
Total expenditure	<u>3,975,122</u>	<u>3,334,566</u>

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Direct costs and support overheads are split based on actual expenditure.
Governance costs are split based on the income ratio.

	2021 £	2020 £
Trading & publications	7.54%	7.86%
Charitable activities	92.46%	92.14%

31 December 2021	Direct costs £	Support Overheads £	Governance £	Total £
Trading & publications	150,977	-	2,308	153,285
Charitable activities	2,982,138	811,397	28,302	3,821,837
	<u>3,133,115</u>	<u>811,397</u>	<u>30,610</u>	<u>3,975,122</u>

31 December 2020	Direct costs £	Support Overheads £	Governance £	Total £
Trading & publications	164,087	-	1,883	165,970
Charitable activities	2,413,951	732,569	22,076	3,168,596
	<u>2,578,038</u>	<u>732,569</u>	<u>23,958</u>	<u>3,334,566</u>

3	RESULT FOR THE YEAR	2021 £	2020 £
	The result for the year is stated after charging:		
	Auditors remuneration:		
	Fees payable to the company's auditor for the audit of British Dressage accounts	11,250	10,500
	Fees payable to the company's auditor for services relating to taxation	2,580	3,455
	Employer's Pension Costs:	84,571	94,125
	Operating lease rentals:		
	Land and buildings:		
	Office rental	36,708	38,384
	Office service charge	18,553	17,028
	Storeroom rental	2,050	2,050
	Plant and machinery:		
	Photocopier	996	994
	Pool cars	5,219	5,218
	Depreciation of tangible fixed assets:		
	Owned assets	7,133	7,494
	Profit on disposal of fixed assets	125	-
	Amortisation of intangible fixed assets:		
	Owned assets	184,857	161,098

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4 TANGIBLE FIXED ASSETS
GROUP AND CHARITY

	Office Refurbishment	Office Equipment	Furniture and Fixtures	Total
1 January 2021	£	£	£	£
	26,837	84,869	37,602	149,308
Additions	-	7,798	-	7,798
Disposals	-	-	-	-
31 December 2021	<u>26,837</u>	<u>92,667</u>	<u>37,602</u>	<u>157,105</u>
Depreciation				
1 January 2021				
	26,837	70,740	37,597	135,174
Charge for the year	-	7,128	5	7,133
Disposals	-	-	-	-
31 December 2021	<u>26,837</u>	<u>77,868</u>	<u>37,602</u>	<u>142,307</u>
Net book amount				
31 December 2021	-	14,799	-	14,799
31 December 2020	<u>-</u>	<u>14,129</u>	<u>5</u>	<u>14,134</u>

All tangible fixed assets owned by the charity are used for direct charitable purposes. Depreciation is charged against charitable activities.

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5 INTANGIBLE FIXED ASSETS
GROUP AND CHARITY

	Software £	Total £
1 January 2021	631,710	631,710
Additions	30,433	30,433
Disposals		
31 December 2021	<u>662,143</u>	<u>662,143</u>
Amortisation		
1 January 2021	315,200	315,200
Charge for the year	184,857	184,857
Disposals	-	-
31 December 2021	<u>500,057</u>	<u>500,057</u>
Net book amount		
31 December 2021	<u>162,086</u>	<u>162,086</u>
31 December 2020	<u>316,510</u>	<u>316,510</u>

All intangible fixed assets are specifically developed for the charity and are used or intended for use for direct charitable purposes. Amortisation is charged against charitable activities

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6 FIXED ASSETS INVESTMENTS

	Group £	Charity £
Brought forward at 1 January 2021	-	100
Additions in the year	484,288	484,288
Unrealised gain during year	1,614	1,614
Valuation at 31 December 2021	<u>485,902</u>	<u>486,002</u>
Cost at 31 December 2021	<u>484,288</u>	<u>484,388</u>
Breakdown of portfolio of investments held with Brewin Dolphin		
UK Bonds	14,592	14,592
Overseas Bonds	95,945	95,945
UK Equities	87,349	87,349
Overseas Equities	187,742	187,742
Global Investments	12,981	12,981
Absolute Return	49,651	49,651
Property	15,276	15,276
Commodities	7,710	7,710
Other investments	14,640	14,640
Total	<u>485,886</u>	<u>485,886</u>
British Dressage Trading Limited (wholly owned subsidiary) (see note 18)	-	100
H & C TV Ltd	16	16
Total valuation at 31 December 2021	<u>485,902</u>	<u>486,002</u>

The charity's investment portfolio is managed by Brewin Dolphin.

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7	STOCKS	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Goods for resale	9,410	10,135	-	-
		=====	=====	=====	=====
8	DEBTORS: amounts falling due within one year	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade debtors	191,654	169,024	171,450	166,898
	Other debtors	165,807	108,222	128,700	107,624
	Amount due from subsidiary	-	-	19,883	20,896
	Prepayments and accrued income	117,905	66,237	116,387	66,238
	Taxation & social security	12,908	-	-	-
		=====	=====	=====	=====
		488,274	343,483	436,420	361,656
		=====	=====	=====	=====
9	CURRENT ASSET INVESTMENTS	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Fixed Term Deposits	2,449,956	2,688,882	2,449,956	2,688,882
		=====	=====	=====	=====
10	CREDITORS: amounts falling due within one year	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	Trade creditors	177,489	86,643	170,066	101,711
	Other creditors	27,767	5,504	27,767	501
	Taxation and social security	46,931	52,722	46,931	52,722
	Accruals	80,142	98,142	63,443	98,142
	Deferred membership, sponsorship and other income	924,778	929,228	914,184	929,228
		=====	=====	=====	=====
		1,257,107	1,172,239	1,222,391	1,182,304
		=====	=====	=====	=====
	Deferred income reconciliation				
	Brought forward at 1 January	929,228	971,869	929,228	960,869
	Deferred income released in year	(909,115)	(958,184)	(909,115)	(947,184)
	Deferred income received in year	904,665	915,543	894,071	915,543
		=====	=====	=====	=====
	Carried forward at 31 December	924,778	929,228	914,184	929,228
		=====	=====	=====	=====

BRITISH DRESSAGE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11	FUND BALANCES 2021	Unrestricted 2021 £	Restricted 2021 £	Total Fund 2021 £
	Tangible and Intangible fixed assets	176,885	-	176,885
	Investments	485,902	-	485,902
	Cash at bank and in hand	108,536	35,583	144,119
	Term deposits	2,449,956	-	2,449,956
	Other current assets	497,684	-	497,685
	Creditors	(1,257,107)	-	(1,257,107)
		<u> </u>	<u> </u>	<u> </u>
	31 December	2,461,855	35,583	2,497,438
		<u> </u>	<u> </u>	<u> </u>
	MOVEMENT of FUNDS 2021			
	1 January	2,296,699	12,033	2,308,732
	Income	4,093,883	68,331	4,162,214
	Expenditure	(3,930,341)	(44,781)	(3,975,122)
	Unrealised gain on investments	1,614	-	1,614
		<u> </u>	<u> </u>	<u> </u>
	31 December	2,461,855	35,583	2,497,438
		<u> </u>	<u> </u>	<u> </u>
	RESTRICTED FUNDS 2021			
	1 Jan 2021	Income	Expenditure	31 Dec 2021
	£	£	£	£
	Saddlers grant	2,950	-	2,950
	Donation	9,083	(29,154)	14,929
	Excel Talent Fund	-	(11,877)	3,209
	Sport England	-	(3,750)	14,495
		<u> </u>	<u> </u>	<u> </u>
	Total	12,033	(44,781)	35,583
		<u> </u>	<u> </u>	<u> </u>

A summary of the fund is further explained in the Accounting policies on page 18. The purposes of the 2021 restricted funds are as follows:-

Saddlers grant – Contribution to the Young Professionals Programme and support for Dressage Academies

Donation – Dressage Academies

Excel Talent fund, Sport England – Dressage Academies

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FUND BALANCES 2020	Unrestricted 2020 £	Restricted 2020 £	Total Fund 2020 £
Tangible and Intangible fixed assets	330,644	-	330,644
Cash at bank and in hand	95,794	12,033	107,827
Term deposits	2,688,882	-	2,688,882
Other current assets	353,618	-	353,618
Creditors	(1,172,239)	-	(1,172,239)
	<hr/>	<hr/>	<hr/>
31 December	2,296,699	12,033	2,308,732
	<hr/>	<hr/>	<hr/>

MOVEMENT of FUNDS 2020

1 January	2,193,014	30,552	2,223,566
Income	3,407,420	12,312	3,419,732
Expenditure	(3,303,735)	(30,831)	(3,334,566)
	<hr/>	<hr/>	<hr/>
31 December	2,296,699	12,033	2,308,732
	<hr/>	<hr/>	<hr/>

RESTRICTED FUNDS 2020	1 Jan 2020	Income	Expenditure	31 Dec 2020
Saddlers grant	2,000	1,000	50	2,950
Donation	19,083	-	10,000	9,083
Excel Talent fund	9,469	-	9,469	-
Sport England	-	11,312	11,312	-
	<hr/>	<hr/>	<hr/>	<hr/>
	30,552	12,312	30,831	12,033
	<hr/>	<hr/>	<hr/>	<hr/>

12 LEGAL STATUS OF THE CHARITY

British Dressage is a company limited by guarantee, not having share capital. In the event of the company being wound up, the liability of each member is limited to £1. At 31 December 2021 there were 17,446 members. (2020 15,273)

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13 FINANCIAL COMMITMENTS

At 31 December 2021 the group and the charity had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Land and buildings: Rent		
Not later than one year	36,708	36,708
Between two to five years	146,832	146,832
Later than five years	73,416	110,124
Land and buildings: Service charge		
Not later than one year	18,553	18,553
Between two to five years	74,212	74,212
Later than five years	37,106	55,599
Plant and machinery		
Not later than one year	2,909	5,219
Between two to five years	2,490	1,740
Later than five years	-	-

The group and the charity had no future capital commitments at 31 December 2021 (2020: £ nil).

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14 RELATED PARTY TRANSACTIONS

During the year ended 31 December 2021 the following fees and expenses were paid to the trustees:-

	Trustees Expenses Mileage, flights, subsistence	Judge/Training Fees/Accounts preparation	Total	Amount due to trustees as at 31 December 2021
	£	£	£	£
S Bates	-	-	-	-
J Frizzell	771	-	771	-
C M Godfrey	297	3,000	3,297	-
J Harvey	1,575	-	1,575	-
P Hayler	-	789	789	-
S Homewood	380	-	380	-
C Moir	465	5,106	5,572	160
P Storr	68	9,318	9,386	3,983
L Whetstone	130	-	130	-
H Payne	188	4,781	4,969	1,224
T Ormerod	158	-	158	-

The payment to CM Godfrey was an exceptional and one-off payment (approved by the Chair (Linda Whetstone) and Chief Executive) for the preparation of the annual accounts and liaison with the auditors at very short notice following the resignation of the Chief Finance Officer.

No trustee received any other remuneration including pension benefits from the charity during the year. The charity considers the trustees to be key management personnel as disclosed on the reference and administration page.

During the period from the date of appointment, British Dressage Trading Limited received £3,991 for commission on the sale of Dressage Test Pro from Lion Dog Apps Limited. A company in which T Ormerod has significant control. These transactions have been done on at arms length basis.

There are no donations or restricted donations from related parties.

Trustee Indemnity Insurance

Trustee Indemnity Insurance cover amounted to a limit of £2million in 2021 at a cost of £2,466 (2020: £2 million at a cost of £2,117)

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15 STAFF COSTS	2021	2020
	£	£
Wages and salaries	1,006,172	1,166,631
Recruitment costs	9,900	-
Social Security costs	90,143	102,689
Pension costs	84,571	94,125
Other costs and employee benefits	9,699	12,371
	<u>1,200,485</u>	<u>1,375,816</u>

The charity contributes to a defined contribution pension scheme. The scheme assets are held separately from those of the charity in an independently administered fund. The pension cost charge above represents contributions payable by the group and the charity to the fund. There were no outstanding contributions due to the fund at 31 December 2021 (2020: nil).

Other costs and employee benefits include health and insurance benefits and recruitment expenses.

The total remuneration paid to Key Management personnel made up of Chief Executive Office, Chief Operating Officer and Chief Financial Officer, including benefits and employer pension contributions amounted to £230,433 in 2021 (2020: £173,319)

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

	2021 Number	2020 Number
£100,001 - £110,000	1	1
£60,001 - £70,000	1	1

Pension contributions for the above amounted to 2021 £16,528 (2020: £13,981)

The average number of employees calculated on an average basis analysed by function was:

	2021 Number	2020 Number
Charitable activities	34	37
Cost of raising funds	2	2

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16 POST BALANCE SHEET EVENTS

Invasion of Ukraine and sanctions against Russia

On 24 February 2022 Russian forces invaded Ukraine, resulting in the United Kingdom and other Western Nations announcing the imposition of severe sanctions against Russia and Russian interests worldwide.

British Dressage does not operate in either Ukraine or Russia and no donors or suppliers are located in either of these countries. The Board of Trustees' assessment of this highly tragic geopolitical situation on the Charity is that it has not been directly impacted. However, the effect of sanctions on commodity prices and greater global economic instability more generally may have an indirect impact on the Group over the medium term. The Board of Trustees will therefore continue to keep this situation under review.

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17 SUBSIDIARY COMPANY

British Dressage Trading Limited, company registered in England & Wales number 08712159, is a wholly owned subsidiary of British Dressage. British Dressage Trading undertakes the trading activities of the charity and gift aids its taxable profits to the charity. The trading results of the subsidiary are included in the consolidated accounts. The audited results for the subsidiary are as follows:

	2021	2020
	£	£
TURNOVER	232,978	207,215
Direct costs	(80,602)	(78,868)
GROSS RESULT	<u>152,376</u>	<u>128,347</u>
Administrative expenses	(36,721)	(39,978)
RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>115,656</u>	<u>88,369</u>
Taxation for the year	-	-
RESULT ON ORDINARY ACTIVITIES AFTER TAXATION	<u>115,656</u>	<u>88,369</u>
PROFIT FOR THE FINANCIAL YEAR	<u><u>115,656</u></u>	<u><u>88,369</u></u>
 The aggregate of assets, liabilities and fund:		
Assets	170,355	162,788
Liabilities	(54,599)	(74,319)
Funds	<u><u>115,756</u></u>	<u><u>88,469</u></u>