

Registered number: 0932347  
Charity number: 213366

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Cover

CHARITY COMMISSION  
FIRST CONTACT

23 MAR 2021

ACCOUNTS  
RECEIVED

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**CONTENTS**

	<b>Page</b>
Trustees	1
Legal and Administrative Information	2
Council Members' Report	3
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Chairman of Council**

Mrs J Lowe

**Immediate Past Chairman of Council**

Mrs J Lowe

**Trustees**

**Retire for the 2021 Election**

Mrs P Bowles - co-opted 25/04/20, Elected 10/07/20

Mrs I Compton

Ms T Hateley - co-opted 01/05/20, Elected 10/07/20

Mr S McCormick

**Retire for the 2022 Election**

Mr D Cooper - co-opted 25/04/20, Elected 10/07/20

Mrs R McCormick

Mrs N Meredith

Mrs C Sussex

**Retire for the 2023 Election**

Mr S Constable - co-opted 12/07/19, Elected 10/07/20

Mrs F Grant Chivers

Mrs J Lowe

Mrs D Whittome

**Patrons**

HRH Princess Michael of Kent

HH Sheikh Hamdan Bin Rashid Al Maktoum

HH Sheikh Hamdan Bin Zayed Bin Sultan Al Nahyan

HRH The Princess Alia al Hussein of Jordan

**Honorary President**

Mr P Stimpson

**Immediate Honorary Past President**

Mr A Knott

**Honorary Governors**

HRH The Princess Alia al Hussein of Jordan

HRH The Princess Muna al Hussein of Jordan

Mr D Angold

Mrs DM Campbell

The Hon FB Guinness

Mrs A Hedley

Mrs J Maxwell

Mr AR McLeod

Mrs N Meredith

Mrs J Ratcliff

Mrs JR Roberts

Mrs JFD Trimmingham

Mr P Upton

Mrs D Whittome

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY AND ADVISERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Company registered number**  
0932347

**Charity registered number**  
213366

**Registered office**  
Agriculture House  
Charnham Lane  
Hungerford  
Berkshire  
RG17 OEY

**Principal operating office**  
Agriculture House  
Charnham Lane  
Hungerford  
Berkshire  
RG17 OEY

**Honorary Treasurer**  
Mr AR McLeod

**Accountants**  
Fawcetts LLP  
Chartered Accountants  
Windover House  
St Ann Street  
Salisbury  
SP1 2DR

**Bankers**  
CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Mailing  
Kent  
ME19 4JQ

**Solicitors**  
Gardner Leader LLP  
Market Place  
Newbury  
Berkshire  
RG14 5BA

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees (who are also directors of The Arab Horse Society for the purposes of company law) present their annual report together with the financial statements of The Arab Horse Society for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of 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 (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**STRUCTURE AND GOVERNANCE**

**Constitution and organisation structure**

The Arab Horse Society (the Society) is registered as a charitable company limited by guarantee (company number 0932347) and, having no share capital, was set up by a Memorandum of Association. It is also a registered charity (number 213366).

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.

**Recruitment, appointment, induction and training of Trustees**

The Trustees, who are Council Members, are democratically elected by the members. One third retiring each year but eligible for re-election. New Trustees at the first Council meeting after the AGM sign a declaration accepting their responsibility as defined by The Charity Commission and according to the Society Memorandum and Articles. Detailed minutes are kept of all the deliberations of the Council, its committees and its subcommittees. These minutes enable newly elected Trustees and committee members to appraise themselves of the Society's position.

**Risk management**

The Council has in place a number of measures to mitigate the major strategic business and operational risks

**Risk**

Poor weather significantly impacts cancellation of events outside of the Society's control.

**Mitigation**

Discounts are offered for advance purchase of tickets.

Insurances are in place to cover any financial liability should the show or other events be cancelled.

The reserves policy reflects the need to continue to operate after a poor year.

Employment law failure

A procedure is in place to deal with disciplinary actions relating to members of staff to include professional advice if required.

A staff handbook has been issued.

Contracts are reviewed on an annual basis with staff assessments.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**General H&S**

The charity seeks professional advice as and when required, there is a H&S handbook and risk assessments are carried out on all activities.

**Business continuity failure**

A business continuity plan is updated on an annual basis to address any contingency.

**OBJECTIVES AND ACTIVITIES**

**Principal Activities**

The principal activities of the Society are to promote the breeding and importation of Pure Bred Arabian horses and to continue the introduction of Arab blood into light horse breeding, to promote and facilitate the acquisition and distribution of knowledge and to address the matter of welfare and cruelty to horses and ponies.

There have been no changes in the objectives since the last annual report.

**Public Benefit**

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year. The objects of the Society and its main activities and achievements are very largely coincident as follows:

The Society works towards the preservation of the ancient race of Arab horse by meticulous record keeping and scrupulous examination of the pedigrees of imported animals, enabling the informed selection of these bloodlines for introduction to light horse breeding and purebred breeding programmes. Registration fees of Part Bred Arabians are set at a highly competitive rate to encourage the continued recording and breeding of horses of Arabian descent.

The Society has ensured the continuance of classes for Pure Bred Arabian horses at the prestigious Horse of the Year Show by financial support and arranging for sponsorship of the classes.

The Society seeks to prevent cruelty in horses and ponies by the work of its welfare officer and their network who are in touch with problem situations all over the country. During the year donations totalling £500 have been made to assist welfare cases of Pure, Part bred or Anglo Arabian horses. A twice yearly magazine is published with educational articles and those on issues of welfare.

The website continues to provide Members and the general public with informative and useful information on a range of subjects from welfare, guidance on horse ownership, events, shows and seminars. The online shop gives access to information and the ability to purchase a range of items including paying for show entries and obtaining show cards making this a cost efficient and quicker service.

The Society works towards assisting young people by providing opportunities for membership and competition. Junior members receive greatly subsidised fees. Educational opportunities are organised with publications and with courses for tuition and training.

**The Future**

The Trustees have a five year plan setting out the vision and activities to take the work of the Society forward into the future. This plan will be reviewed and amended on an annual basis.

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

- Our vision for the Arab Horse Society is for it to continue to remain a highly respected and valued Breed Society achieving its charitable objectives.
- Continuing to maintain records and data within the Society Stud Book and Registration Division to preserve the accuracy and integrity of the Pure Bred Arabian horse and its derivatives records.
- To educate the public through literature on matters of welfare and care of all equines.
- To promote the many attributes of the Arabian horse through the organisation and operation of a National Show and demonstrations.
- To promote and encourage an active membership base to support the work of the Society.

**ACHIEVEMENTS AND PERFORMANCE**

**Public Relations and Marketing Committee**

The committee, as a team of volunteers, are responsible for promoting AHS activities to members and the greater equestrian community and to highlight the use of Arabian blood into light horse and performance horse breeding.

The editorial team produce two high quality magazines each year and work alongside the other 2 committees of the Society, to help grow membership

We meet and greet members and non-members to the AHS marquee at the Arab Horse Championship Show in July, offering help and advice where needed.

Working with British Dressage for the Associated Dressage Championships, we showcase for our breed, competing amongst a vast variety of horses training and competing within British Dressage, with title opportunities for all breeds.

Organising the Performance Awards, which rewards horses competing in all disciplines in an open field.,

Organising the promotional sales of Arab Horse items including literature helps to raise the profile of the Society and the availability of educational publications helps meet some of our Society aims and objectives

The committee continues to provide editorial and photos detailing the activities of members and their horses, to the media and to liaise with other equestrian bodies on behalf of the Arab Horse Society.

<b>Membership</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Single Member	529	668	677	680	717
Double Members *2 Persons	152	182	193	206	206
Life Members	440	451	458	460	479
Silver Members — previously Associate	18	18	30	29	25
Bronze Members — previously Junior	163	247	230	244	216
Overseas — Single	17	14	18	19	17
Overseas — Double	4	3	5	3	3
Overseas — Life	40	43	47	47	51
Overseas — Silver	1	1	1	1	1
Overseas — Bronze	8	6	9	7	8
<b>Total Membership</b>	<b>1372</b>	<b>1633</b>	<b>1668</b>	<b>1696</b>	<b>1723</b>
<b>Total Members</b>	<b>1528</b>	<b>1818</b>	<b>1866</b>	<b>1905</b>	<b>1932</b>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Shows and Events Committee**

The Shows and Events Committee promote the Pure bred, Part bred and Anglo Arab through competitions and other events throughout the year.

Sadly The National Show was cancelled this year due to COVID 19, but as a committee we are already working and making preparations for next years show.

We will also be running The British Arabian Championships. Various Seminars and courses will run throughout the year to keep our judges, future officials, disciplinary committees and stewards up to date with their high level of expertise and knowledge

<b>National Championship Show</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Pure Bred Arabs	-	491	534	503	482
Anglo Arabs	-	28	19	19	25
Part Bred Arabs	-	100	115	134	162
Open & Special Classes	-	233	247	197	240
Dressage	-	94	125	108	137
Show Jumping	-	20	41	64	74
Total Entries	-	966	1081	1025	1120
Exhibitors	-	247	256	256	305
Horses	-	396	429	426	498

**Stud Book and Registration**

The Registration Department records all the horse breeding activities within the Arab Horse Society and to date we have managed to comply with the time factors as required by DEFRA, subject to correct forms being submitted and even allowing for the move from the Animal Health Trust after its closure to Weatherbys Scientific Laboratory for our DNA results. The Arab Horse Society had been involved with the Animal Health Trust from the very early days of blood typing in the 1980's so it was a sad to learn that the laboratory and the valuable work they did could not be saved.

We are in the process of complying with modern demands for technology and are developing an on-line program for the registration of our horses; this has regrettably been delayed due to the pandemic. Work is about to recommence, subject to any pandemic restrictions, and this will be in place by the Summer of 2021 allowing on line registrations 24/7.

The year's statistics summarise our activities for the year and there is concern as breeding numbers have dropped, although several more Anglo Arabs have been registered and there are more mares entered for breeding than last year. There has been a significant drop in imports and exports due to the current situation affecting many aspects of life. There has also been a lack of transfers of ownership most likely due to the show being cancelled. These factors have resulted in an overall drop in income. It is hoped for a better 2021.

Meetings have taken place via Zoom and we have been active in discussions with DEFRA as a member of the 826 Equine Stud Books Association over zootechnics and requirements for the import and export of horses to the EU after we leave the EU, including the welfare of horses in transit. Application has been lodged for the AHS to be recognised as a breeding body in Europe as a third country in accordance with Articles 34(1) and 64(4) of Regulation (EU) 2016/1012. Further information is available on [www.gov.uk](http://www.gov.uk).



**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The activities for the year are summarised below.

<b>Registrations</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Pure Bred Arabs	225	240	309	389	378
Anglo Arabs	15	6	15	12	20
Part Bred Arabs	132	228	271	289	277
Total Registrations	372	474	595	690	675
Transfers of Ownership	618	715	575	941	882
Imports Registered	50	62	86	79	81
Exports Registered	85	149	160	185	142
Stallions Licensed/Entered	36	29	30	35	39

**Exports 2020**

Austria	1
Bahrain	3
Belgium	5
Denmark	1
Egypt	2
France	31
Germany	1
Italy	2
Iran	1
Jordan	2
Kuwait	6
Netherlands	5
Poland	2
Qatar	1
Saudi Arabia	6
Spain	5
Sweden	3
UAE	8

Total 85

**Imports 2020**

Bahrain	2
Belgium	1
Denmark	2
France	16
Germany	5
Hungary	1
Italy	2
Netherlands	2
Poland	7
Russia	1
Saudi Arabia	1
Spain	2
Sweden	2
UAE	3
USA	3

Total 50

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**FINANCIAL REVIEW**

**Financial review for the year**

The charity's income was £150,349 for the year ending December 2020 compared with £318,171 in the year ended December 2019.

Total expenditure was £206,073 for the year ended December 2020 compared to £324,123 for the year ended December 2019.

The unrestricted funds carried forward at 31st December were £1,476,489 which included £426,259 of designated funds. Restricted reserves stood at £73,075 on 31st December 2020. The full statement of the financial activities is contained within the report on the pages headed Statement of Financial Activities Incorporating Income and Expenditure Account.

2020 has been a very difficult year and like every organisation the Society has suffered for the effects of the Pandemic. Council Members as the Trustees are conscious of the need to operate our Society within our resources while still achieving our aims and objectives and this year has been no exception. Difficult decisions have had to be made and we have had to live with the consequences of Shows and events being cancelled. These events are reflected in substantial drop in income we received this year.

Our costs within the operation of our office are constantly monitored to maintain a high level of service in a cost effective manner. As in previous years we constantly look at comparable quotations for all services and items needed for the operation and negotiation on Insurance Premiums and other overhead costs to achieve the most effective costings.

Some of our medium term investments have reached the maturity dates and these will need to be reviewed to find the best investments available. This is very difficult at the moment with interest levels payable for many years at a record low.

Our share investments which have been well managed showing an unrealised increase in value of some but a loss of in value on others. However we must always remember that values can go down as well as up. Overall in the past few years these have produced exceptionally high returns. We will continue to monitor how these shares are managed.

Membership numbers have dropped substantially with many memberships normally being taken during the showing season. With no shows and events this has been reflected in the lower income level.

The Society Magazine, which is an important part of the Membership in fulfilling our need to inform and educate on matters of Equine care and welfare has again been produced to a high specification. This year substantial discounts were offered on advertising rates to encourage the support of the Society in these difficult times and has been well supported by the Members.

From the Welfare Fund financial support has been given for the care and welfare of Arabian Horses to Redwings.

The Finances of our Society will continue to need careful management for the future but hopefully 2021 will be a far better year for everyone.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**RESERVES POLICY**

The Council has established a policy of maintaining a level of unrestricted free reserves which ensures that there are adequate funds to meet all current and known future liabilities. In practice the Council considers that holding unrestricted free reserves equivalent to between 6 to 12 months' core costs, excluding those funds represented by fixed assets should provide sufficient resources to respond to unexpected adverse changes in the Society's funding or activities. This is equivalent to between £175,000 and £350,000 based on current costs. At 31 December 2020 there were free reserves of £251,618.

**INVESTMENTS POLICY**

The Memorandum and Articles of Association provide that the Society invests monies not immediately required for its own purposes in or upon such investments, securities or properties, as may be thought fit.

A portion of the Society monies are invested in CCLA Investment Fund and M&G Charifund Accumulation Units, both of which are highly reputable, specialist, charity investment fund managers. These funds have decreased in value by 1% over the year returning an unrealised loss of £2,191 (2019: increase £44,183).

**COUNCIL MEMBERS' LIABILITY**

The liability of each member is limited to the annual subscription for an ordinary member in the event of the charity being wound up.

**GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of The Arab Horse Society 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 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;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 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.

This report was approved by the Trustees, on 23 Feb 2021 and signed on their behalf by

Joanne Lowe (Chairman)

**THE ARAB HORSE SOCIETY  
(A Company Limited by Guarantee)**

**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ARAB HORSE SOCIETY (the 'company')**

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2020.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

**RESPONSIBILITIES AND BASIS OF REPORT**

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**INDEPENDENT EXAMINER'S STATEMENT**

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

.. Dated:

16 February 2021

Simon Ellingham FCA DChA  
Fawcetts LLP  
Windover House, St Ann Steet, Salisbury, SP1 2DR

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>					
Donations and legacies	2	1,115	43,385	44,500	96,829
Charitable activities	4	-	87,750	87,750	207,108
Investments	3	632	12,417	13,049	14,234
Job retention scheme grants		-	5,050	5,050	-
<b>TOTAL INCOME</b>		<b>1,747</b>	<b>148,602</b>	<b>150,349</b>	<b>318,171</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	5	500	205,573	206,073	324,123
<b>TOTAL EXPENDITURE</b>		<b>500</b>	<b>205,573</b>	<b>206,073</b>	<b>324,123</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)</b>		<b>1,247</b>	<b>(56,971)</b>	<b>(55,724)</b>	<b>(5,952)</b>
Net (losses) / gains on investments	11	-	(2,191)	(2,191)	44,183
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>1,247</b>	<b>(59,162)</b>	<b>(57,915)</b>	<b>38,231</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>1,247</b>	<b>(59,162)</b>	<b>(57,915)</b>	<b>38,231</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		71,828	1,535,651	1,607,479	1,569,248
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>73,075</b>	<b>1,476,489</b>	<b>1,549,564</b>	<b>1,607,479</b>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 0932347**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

		2020		2019	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		558,254		522,579
Investments	11		<u>240,348</u>		<u>242,539</u>
			<b>798,602</b>		<b>765,118</b>
<b>CURRENT ASSETS</b>					
Stocks	12	12,493		9,917	
Debtors	13	34,640		33,153	
Investments	14	242,527		502,089	
Cash at bank and in hand		<u>532,627</u>		<u>327,467</u>	
			<b>822,287</b>		<b>872,626</b>
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(71,325)</u>		<u>(30,265)</u>	
<b>NET CURRENT ASSETS</b>			<b>750,962</b>		<b>842,361</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,549,564</b>		<b>1,607,479</b>
<b>CREDITORS: amounts falling due after more than one year</b>	16				
<b>NET ASSETS</b>			<u><b>1,549,564</b></u>		<u><b>1,607,479</b></u>
<b>CHARITY FUNDS</b>					
Restricted funds	18		73,075		71,828
Unrestricted funds	18		<u>1,476,489</u>		<u>1,535,651</u>
<b>TOTAL FUNDS</b>			<u><b>1,549,564</b></u>		<u><b>1,607,479</b></u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 23 February 2021 and signed on their behalf, by:

Joanne Lowe (Chairman)

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	<u>(18,792)</u>	<u>(20,071)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		13,049	14,234
Purchase of tangible fixed assets		<u>(48,659)</u>	<u>(220,794)</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>(35,610)</u>	<u>(206,560)</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(54,402)</u>	<u>(226,631)</u>
Cash and cash equivalents brought forward		829,556	1,056,187
Cash and cash equivalents carried forward	21	<u><u>775,154</u></u>	<u><u>829,556</u></u>



**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**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 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Arab Horse Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to The Arab Horse Society together with the expected on-going demand for services, the Trustees have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to the annual subscription per member of the company.

**1.3 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.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Income**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy except as follows:

Membership subscriptions are renewed on a 12 month annual basis. All membership income relating to the financial year covered by this report is recorded in the Statement of Financial Activities. Any membership income relating to the subsequent financial year is stated, for accounting purposes, as deferred income.

Life membership subscriptions are recognised as income at the point of receipt per the Charities SORP 2019.

Affiliation fees are accounted for on an accruals basis. Such income relating to a later period is, therefore, carried forward to that period and treated as deferred income in the balance sheet.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable expenditure comprises activities undertaken which are directly identifiable as wholly or mainly in support of the Company's objectives.

Overheads common to all activities have been apportioned on the basis of time spent by members of staff.

**1.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £200 are capitalised.

Cups and trophies included in fixed assets are shown at cost as they are considered to be inalienable property. The asset has a very long useful life and is not material enough to depreciate.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Freehold property is not depreciated as it is considered that the annual depreciation charge and any accumulated depreciation would be immaterial due to the expected high residual value of the property, and the policy to regularly repair and maintain the property.

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:

Cups and trophies	-	Nil
Office equipment	-	12.5% reducing balance
Computer equipment	-	25% straight line
Bespoke software	-	16.6% straight line

**1.8 Cups and trophies**

Existing cups and trophies are included in the Balance Sheet at cost of £400. The current valuation of cups and trophies is £110,000 (2019: £110,000).

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES (continued)**

**1.10 Interest receivable**

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

**1.11 Pensions**

The company has arranged a workplace pension scheme covering all its permanent employees to which the company makes a contribution.

**1.12 Tax status**

The company is registered charity and is not subject to corporation tax on its charitable activities.

**1.13 Value added tax**

The company is registered for VAT. In common with many other registered charitable companies, The Arab Horse Society's expenses are inflated by VAT, which cannot be recovered in full.

**1.14 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.15 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.

**1.16 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.

**1.17 Liabilities and provisions**

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 company 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.18 Financial instruments**

The company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.19 Government grants and COVID-19**

The company has received support from the UK Government as part of a package of measures introduced to support businesses during the coronavirus pandemic. Government grants are recognised in the financial statements in the period in which they become receivable.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES (continued)**

**1.20 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Tangible fixed assets (see note 10)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

**2 INCOME FROM DONATIONS AND LEGACIES**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Membership subscriptions	720	39,459	40,179	57,135
Legacies	-	-	-	26,949
HOYS fund	395	-	395	505
Malvern donations	-	-	-	6,977
General donations	-	79	79	488
Gift Aid	-	3,847	3,847	4,775
<b>Total donations and legacies</b>	<b>1,115</b>	<b>43,385</b>	<b>44,500</b>	<b>96,829</b>
<b>Total 2019</b>	<b>505</b>	<b>96,324</b>	<b>96,829</b>	

**3 INVESTMENT INCOME**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	632	12,417	13,049	14,234
<b>Total 2019</b>	<b>628</b>	<b>13,606</b>	<b>14,234</b>	

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4 INCOME FROM CHARITABLE ACTIVITIES**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Public relations and marketing	-	8,527	8,527	9,894
Stud book and registration	-	78,608	78,608	96,252
Shows and events	-	615	615	91,195
HOYS Fund	-	-	-	9,767
	-	87,750	87,750	207,108
Total 2019	10,617	196,491	207,108	

**5 EXPENDITURE BY CHARITABLE ACTIVITY**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Public relations and marketing	-	59,985	59,985	63,457
Stud book and registration	-	109,883	109,883	116,826
Shows and events	500	25,790	26,290	122,178
HOYS fund	-	-	-	10,600
Governance costs	-	9,915	9,915	11,062
Total	500	205,573	206,073	324,123

**6 ALLOCATION OF SUPPORT COSTS TO ACTIVITIES**

Included within the figures above are the following support costs.

	2020 £	2019 £
Staff costs	87,483	87,424
Printing, postage and telephone	6,797	11,416
Depreciation	2,641	1,665
Legal and professional	8,945	9,801
Office costs	9,015	9,427
Computer support	10,828	9,219
Travel, training and conferences	628	1,078
Welfare fund	500	1,000
Other costs	2,723	2,235
Total support costs	129,560	133,265

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Allocated as follows:**

	2020	2019
	£	£
Public relations and marketing	29,151	29,985
Stud book and registration	77,736	79,959
Shows and events	16,195	16,658
Governance	6,478	6,663
<b>Total</b>	<b>129,560</b>	<b>133,265</b>

Support costs are the costs of central management. All other costs are apportioned to activities on a per capita basis.

**7 GOVERNANCE COSTS**

	Total funds 2020	Total funds 2019
	£	£
Independent Examiner's fees	3,100	3,500
Annual General Meeting	100	303
Council travel	237	596
Support costs	6,478	6,663
	<b>9,915</b>	<b>11,062</b>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Public Relations and Marketing**

	2020		2019
	£		£
<b>Income from donations and legacies</b>			
Membership subscriptions	39,679		57,135
Gift Aid	<u>3,847</u>		<u>4,774</u>
	43,526		61,909
<b>Income from charitable activities</b>			
Arab Horse Society News	8,002		8,601
Promotions	<u>525</u>		<u>1,293</u>
	8,527		9,894
<b>Expenditure</b>			
Membership costs	14,222		13,205
Arab Horse Society News (including postage)	16,455		15,994
Promotion	157		4,273
Support costs	<u>29,151</u>		<u>29,985</u>
<b>Total expenditure</b>	59,985		63,457
<b>Net surplus / (deficit)</b>	<u><u>(7,932)</u></u>		<u><u>8,346</u></u>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Stud Book & Registration**

	2020		2019
	£		£
<b>Income from charitable activities</b>			
Registration fees (incl. DNA testing)	32,755		38,870
Exports and imports	15,317		27,106
Transfer fees	14,574		15,153
Breed entries and licences	6,952		5,133
Duplicate certificates	2,316		3,533
Bloodtyping and DNA analysis	550		623
Stud books	1,585		2,022
Microchips	442		269
Other income	4,117		3,543
<b>Total income</b>	<u>78,608</u>		<u>96,252</u>
<b>Expenditure</b>			
Bloodtyping and DNA fees	10,640		13,130
Printing, postage and stationery	6,144		13,099
Weatherbys system maintenance	-		-
Stud book	364		403
Premium scheme costs	367		392
WAHO fees	1,406		1,449
Subscriptions, conference and meeting fees	727		2,920
Committee expenses	-		445
Travel expenses	-		2,153
Microchips	1,353		2,168
Other costs	11,145		708
Stud book printing	-		-
Support costs	77,736		79,959
<b>Total expenditure</b>	<u>109,882</u>		<u>116,826</u>
<b>Net surplus / (deficit)</b>	<u><u>(31,274)</u></u>		<u><u>(20,574)</u></u>



**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Shows & Events**

	2020 £	2019 £
<b>Income from donations and legacies</b>		
Donations - AHS National Show	-	6,977
<b>Income from charitable activities</b>		
AHS National Show	433	75,722
BACS	-	10,365
Other activities	182	2,394
Judges and training	-	2,714
Marathon	-	-
	<u>615</u>	<u>91,195</u>
<b>Expenditure</b>		
AHS National Show	3,774	90,637
BACS	96	7,956
Marathon	-	-
Judges and training	40	3,101
Other activities	6,184	3,827
Support costs	16,195	16,658
Total expenditure	<u>26,289</u>	<u>122,179</u>
<b>Net surplus / (deficit)</b>	<u><u>(25,674)</u></u>	<u><u>(24,007)</u></u>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**AHS National Show**

	2020	2019
	£	£
<b>Income from donations and legacies</b>		
Donations - AHS National Show	-	6,977
<b>Income from charitable activities</b>		
Entries	433	24,264
Stabling	-	28,225
Sponsorship	-	5,489
Show supporters	-	6,540
Trade stands	-	1,425
Catalogue sales and advertising	-	3,400
Other show income	-	6,379
	<u>433</u>	<u>75,722</u>
<b>Expenditure</b>		
Showground hire	-	20,789
Extra stabling	-	6,400
Stable expenses	-	3,870
Grandstand hire and PA equipment	-	5,822
Sponsors Tent	-	5,492
Stewards and DCs (lodging, food & expenses)	304	10,616
Judges (lodging, food & expenses)	-	4,905
Staff	2,500	5,000
Show Director fees and expenses	-	78
Printing and postage (schedule & catalogue)	20	2,627
Rosettes	28	5,266
Affiliation fees and subscriptions	-	169
Security	-	4,871
Medical cover	-	1,606
Trade stands	-	1,120
Weatherbys system and support	-	212
Insurance	-	1,176
Gelding prize money	-	1,850
2019 cancellation refunds	-	3,310
Other expenses	922	5,458
Total expenditure	<u>3,774</u>	<u>90,637</u>
Net surplus / (deficit)	<u>(3,341)</u>	<u>(7,938)</u>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8 NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	15,515	1,665
Independent Examiner's fees	<u>3,100</u>	<u>3,500</u>

During the year, no Council Members received any remuneration (2019 - £NIL).

During the year, no Council Members received any benefits in kind (2019 - £NIL).

During the year, no Council Members received reimbursement of expenses (2019 - six Council Members - £583).

**9 STAFF COSTS**

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	73,026	72,684
Social security costs	17,280	17,781
Other pension costs	<u>2,177</u>	<u>1,959</u>
	<u>92,483</u>	<u>92,424</u>

The average number of persons employed by the company during the year was as follows:

	2020	2019
	No.	No.
Stud book	4	4
Administration and support	<u>1</u>	<u>1</u>
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10 TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Office equipment & trophies £	Computer equipment £	Weatherbys bespoke systems £
<b>Cost</b>					
At 1 January 2020	297,746	2,532	55,204	172,700	288,033
Additions	-	9,230	-	1,929	37,500
At 31 December 2020	<u>297,746</u>	<u>11,762</u>	<u>55,204</u>	<u>174,629</u>	<u>325,533</u>
<b>Depreciation</b>					
At 1 January 2020	-	2,532	52,206	170,789	68,111
Charge for the year	-	-	643	941	11,399
At 31 December 2020	<u>-</u>	<u>2,532</u>	<u>52,849</u>	<u>171,730</u>	<u>79,509</u>
<b>Net book value</b>					
At 31 December 2020	<u>297,746</u>	<u>9,230</u>	<u>2,355</u>	<u>2,899</u>	<u>246,024</u>
At 31 December 2019	<u>297,746</u>	<u>-</u>	<u>2,998</u>	<u>1,912</u>	<u>219,923</u>

  

					Total £
<b>Cost</b>					
At 1 January 2020					816,215
Additions					<u>48,659</u>
At 31 December 2020					<u>864,874</u>
<b>Depreciation</b>					
At 1 January 2020					293,637
Charge for the year					<u>12,983</u>
At 31 December 2020					<u>306,620</u>
<b>Net book value</b>					
At 31 December 2020					<u>558,254</u>
At 31 December 2019					<u>522,579</u>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**11 FIXED ASSET INVESTMENTS**

	Listed securities £
<b>Market value</b>	
At 1 January 2020	242,539
Revaluations	(2,191)
At 31 December 2020	<u>240,348</u>

**Listed securities at market value comprise**

	2020 £	2019 £
CCLA Charity investment fund	140,771	128,221
M&G Securities	99,577	114,318
	<u>240,348</u>	<u>242,539</u>

**12 STOCKS**

	2020 £	2019 £
Promotions and general publications	710	710
Publications - news and books	2,797	2,925
Publications - stud book	2,546	2,910
Microchips	6,440	3,372
	<u>12,493</u>	<u>9,917</u>

**13 DEBTORS**

	2020 £	2019 £
Trade debtors	473	432
VAT	17,033	11,937
Prepayments and accrued income	17,134	20,784
	<u>34,640</u>	<u>33,153</u>

**14 CURRENT ASSET INVESTMENTS**

	2020 £	2019 £
Investments	242,527	502,089

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**15 CREDITORS: Amounts falling due within one year**

	2020	2019
	£	£
Bank loans and overdrafts	951	-
Trade creditors	52,820	10,059
Other creditors	5,174	4,854
Accruals	8,335	12,048
Deferred income	4,045	3,304
	<u>71,325</u>	<u>30,265</u>

**16 CREDITORS: Amounts falling due after more than one year**

	2020	2019
	£	£
Unexpired Life Membership subscriptions	<u>-</u>	<u>-</u>

**17 DEFERRED INCOME**

	2020	2019
	£	£
Balance b/f	3,304	3,405
Income released in the year	(3,304)	(3,405)
Deferred income received - memberships and other fees	2,725	1,984
Trophy deposits	1,320	1,320
Total	<u>4,045</u>	<u>3,304</u>

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**18 STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains / (Losses) £	Balance at 31 December 2020 £
<b>Designated funds</b>					
Property fund	297,746	-	-	-	297,746
The Lady Willingdon Bequest	65,052	651	-	-	65,703
The Lady Miranda Emmet Fund	4,226	42	-	-	4,268
Patricia Lindsay Bequest	19,721	197	-	-	19,918
Norman Laurens Bequest	33,603	336	-	-	33,939
Trophies - insurance claim	4,685	-	-	-	4,685
	<u>425,033</u>	<u>1,226</u>	<u>-</u>	<u>-</u>	<u>426,259</u>
<b>General funds</b>					
General funds	1,110,618	142,326	(200,523)	(2,191)	1,050,230
Total Unrestricted funds	<u>1,535,651</u>	<u>143,552</u>	<u>(200,523)</u>	<u>(2,191)</u>	<u>1,476,489</u>
<b>Restricted funds</b>					
	Balance at 1 January 2020 £	Income £	Expenditure £	Gains / (Losses) £	Balance at 31 December 2020 £
HOYS Fund	8,706	395	-	-	9,101
The Mary Russell Fund	61,557	616	-	-	62,173
Welfare Fund	1,565	736	(500)	-	1,801
	<u>71,828</u>	<u>1,747</u>	<u>(500)</u>	<u>-</u>	<u>73,075</u>
Total of funds	<u>1,607,479</u>	<u>145,299</u>	<u>(201,023)</u>	<u>(2,191)</u>	<u>1,549,564</u>

**Designated funds**

The property fund represents the cost of freehold property used by the Charity. This fund is therefore not available for redeployment.

The Lady Willingdon Bequest, the Lady Miranda Emmet Fund, the Patricia Lindsay Bequest and the Norman Laurens Bequest are to be used at the Trustees discretion for projects for the future development of the Charity.

**General funds**

General funds comprise those free reserves which the Council is permitted to use in accordance with the charitable objects of the Charity at their discretion.

**Restricted funds**

Restricted funds represent amounts received for specific purposes, which have not yet been fully spent on those purposes at the year-end. Each of the funds is described in more detail:

**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**18 STATEMENT OF FUNDS (continued)**

**The HOYS Fund**

The purpose of this Fund is to support the continuation of Arabian classes at Horse of the Year Show. In the unusual situation of not being able to use this fund for this purpose i.e. HOYS ceasing to exist, this fund will be used for the promotion of the Ridden Arabian.

**The Mary Russell Fund**

The purpose of this Fund is for the encouragement and promotion of Junior Members and the Ridden Arabian, and for purposes as near thereto as circumstances permit.

**Welfare Fund**

The Welfare Fund was established to enable the Society to fulfil its objects to prevent cruelty to horses and ponies.

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Designated funds</b>					
Property fund	297,746	-	-	-	297,746
The Lady Willingdon Bequest	185,200	1,852	(122,000)	-	65,052
The Lady Miranda Emmet Fund	4,184	42	-	-	4,226
Patricia Lindsay Bequest	19,526	195	-	-	19,721
Norman Laurens Bequest	132,280	1,323	(100,000)	-	33,603
Trophies - Insurance claim	-	4,685	0	-	4,685
	<u>638,936</u>	<u>8,097</u>	<u>222,000</u>	<u>-</u>	<u>425,033</u>
<b>General funds</b>					
General funds	858,430	298,324	(90,319)	44,183	1,110,618
Total Unrestricted funds	<u>1,497,366</u>	<u>306,421</u>	<u>(312,319)</u>	<u>44,183</u>	<u>1,535,651</u>
<b>Restricted funds</b>					
	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
HOYS Fund	9,034	10,272	(10,600)	-	8,706
The Mary Russell Fund	61,150	611	(204)	-	61,557
Welfare Fund	1,698	867	(1,000)	-	1,565
	<u>71,882</u>	<u>11,750</u>	<u>(11,804)</u>	<u>-</u>	<u>71,828</u>
Total of funds	<u>1,569,248</u>	<u>318,171</u>	<u>(324,123)</u>	<u>44,183</u>	<u>1,607,479</u>



**THE ARAB HORSE SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains / (Losses) £	Balance at 31 December 2020 £
Designated funds	425,033	1,226	-	-	426,259
General funds	1,110,618	142,326	(200,523)	(2,191)	1,050,230
	<u>1,535,651</u>	<u>143,552</u>	<u>(200,523)</u>	<u>(2,191)</u>	<u>1,476,489</u>
Restricted funds	71,828	1,747	(500)	-	73,075
	<u>1,607,479</u>	<u>145,299</u>	<u>(201,023)</u>	<u>(2,191)</u>	<u>1,549,564</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains / (Losses) £	Balance at 31 December 2019 £
Designated funds	638,936	8,097	(222,000)	-	425,033
General funds	858,430	298,324	(90,319)	44,183	1,110,618
	<u>1,497,366</u>	<u>306,421</u>	<u>(312,319)</u>	<u>44,183</u>	<u>1,535,651</u>
Restricted funds	71,882	11,750	(11,804)	-	71,828
	<u>1,569,248</u>	<u>318,171</u>	<u>(324,123)</u>	<u>44,183</u>	<u>1,607,479</u>

**19 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	558,254	558,254
Fixed asset investments	-	240,348	240,348
Current assets	73,075	749,212	822,287
Creditors due within one year	-	(71,325)	(71,325)
	<u>73,075</u>	<u>1,476,489</u>	<u>1,549,564</u>

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**19 ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	522,579	522,579
Fixed asset investments	-	242,538	242,538
Current assets	71,828	800,799	872,627
Creditors due within one year	-	(30,265)	(30,265)
	<u>71,828</u>	<u>1,535,651</u>	<u>1,607,479</u>

**20 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(57,915)	38,231
<b>Adjustment for:</b>		
Depreciation charges	12,983	1,665
Losses / (gains) on investments	2,191	(44,182)
Dividends, interest and rents from investments	(13,049)	(14,234)
(Increase) / decrease in stocks	(2,576)	(1,480)
Decrease / (increase) in debtors	(1,486)	20,069
(Decrease) / increase in creditors	41,060	(20,140)
Net cash used in operating activities	<u>(18,792)</u>	<u>(20,071)</u>

**21 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Current asset investments	242,527	502,089
Cash at bank	532,627	327,467
Total	<u>775,154</u>	<u>829,556</u>

**22 TRUSTEES' PERSONAL GUARANTEES**

The Arab Horse Society is a Company limited by guarantee and has no share capital. The liability of each member being the annual subscription for an ordinary member in the event of the charity being wound up.

**THE ARAB HORSE SOCIETY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**23 RELATED PARTY TRANSACTIONS**

In the normal course of its business the Society may enter into transactions with some of the Trustees of the Society / Board of Management members. All such transactions are on an arms length basis.

During the year five Trustees registered horses with the Society at a total cost of £1,008 (2019: Three Trustees - £575).

During the year five Trustees had annual memberships with the Society at a total cost of £250 (2019: six Trustees at a cost of £349). All other Trustees have life memberships.

**24 CONTROLLING PARTY**

The charity is controlled by its Trustees as listed on page 1.