

DOGS TRUST

ANNUAL REPORT AND ACCOUNTS

2013



DogsTrust

A Dog is for Life

**Registered Charity Numbers: 227523 (England & Wales)
SC037843 (Scotland)**

BDO LLP registered number is OC305127

Dogs Trust

PATRON Her Majesty the Queen

COUNCIL MEMBERS (TRUSTEES) as at date of signing and who served throughout the year.

| | |
|--|---|
| Mrs BH Woodall* | (Vice President) |
| Miss R McIlrath BA, MVB, MRCVS# | (Vice President) |
| Mr PG Daubeny#* | (Chairman) |
| Mr JD Gaye* | (Vice |
| Chairman) | |
| Mr SP Langton FCA* | (Honorary Treasurer and Chairman of the FGPC) |
| Mrs CM Baldwin OBE# | (Secretary and Chief Executive Officer) |
| Prof D Argyle BVMS, PhD, DECVIM-CA, MRCVS# | (Chairman of the CWGC) |
| Mr JC Beveridge QC | |
| Mr K Butt MA, VetMB, MRCVS# | |
| Mrs V Carbone | |
| Mr EA Chandler BVetMed, FRCVS# | |
| Ms E Gill | |
| Ms R Mahapatra LLB | |
| Mr T Pearey MA ACMA* | |
| Mr M Radford LLB OBE | |
| Mr I Rose LLB* | |
| Mr G Robertson | co-opted 12 th December 2013 |
| Mr R Colvill | co-opted 12 th December 2013 |

* Member of the Finance and General Purposes Committee ("FGPC")

Member of the Canine Welfare Grants Committee ("CWGC")

Eligibility for membership of the Council is open to any duly nominated member of the Charity. Prospective Council members must be paid-up members of the Charity nominated and seconded by other Charity members and sponsored by a member of the Council.

Mr JC Beveridge QC, Ms R Mahapatra LLB and Mr M Radford LLB OBE are to retire by rotation, and are eligible to stand for re-election at the Annual General Meeting to be held on 11th June 2014.

Registered Office & Principal Address 17 Wakley Street, London EC1V 7RQ.
www.dogstrust.org.uk

ADVISERS

BANKERS

Barclays Bank plc,
Level 28, 1 Churchill Place, London E14 5HP

INVESTMENT MANAGERS

Sarasin & Partners LLP,
Juxon House, 100 St Paul's Churchyard,
London EC4M 8BU

AUDITORS

BDO LLP,
55 Baker Street, London W1U 7EU

SOLICITORS

Druces LLP,
Salisbury House, London Wall,
London EC2M 5PS

The Trustees submit their report and the accounts for the year ended 31st December 2013. The Trustees confirm that they comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Trust Deed and the Charities SORP 2005.

CONSTITUTION

The Charity is an unincorporated charitable association governed by a constitution embodying its rules and principles. The Council (whose members are the Charity's Trustees) act as agent of the Charity in the management of its affairs and have powers to delegate management to officers of the Charity. Eligibility for membership of the Council is open to any duly nominated member of the Charity. Prospective Council members must be paid-up members of the Charity nominated and seconded by other Charity members and sponsored by a member of the Council. New Trustees receive an induction course covering all the operations and activities of Dogs Trust and may attend seminars and training courses on relevant subjects. The Council meets four times a year.

The Finance and General Purposes Committee, which meets twice a year, and the Canine Welfare Grants Committee, have terms of reference which are provided by the Council.

ORGANISATION and MANAGEMENT

The Trustees administer the affairs of the Charity, set policies and approve any major expenditure. Day to day management of Dogs Trust is delegated by the Trustees to the Chief Executive Officer, Mrs Clarissa Baldwin.

The organisation of the Charity covers six principal spheres of responsibility:

- **Operations** – the management and operation of the Rehoming Centres.
- **Veterinary** – the veterinary care of dogs at the rehoming centres and Outreach Projects.
- **International** – the capacity building of overseas charities through conferences and training and funding of selected projects and campaigns.
- **Communications** - the promotion of public awareness about the work of the Charity and all dog-related matters.
- **Marketing and Campaigns** - fundraising activities and legacy promotion, the initiation of canine welfare campaigns and the promotion of responsible dog ownership through education.
- **Administration & Finance** - management of the Charity including head office functions of accounting, IT, legal affairs and human resources.

VOLUNTEERS OF DOGS TRUST

The Charity continued to benefit from all the help provided by its many volunteers at the Rehoming Centres and from the funds raised by its supporter groups around the country. In 2013 volunteers worked for over 12,000 days at our rehoming centres, an increase of over 7% on 2012.

OBJECTIVES

Dogs Trust is working towards the day when all dogs can enjoy a happy life, free from the threat of unnecessary destruction.

To achieve this we aim to rescue, care for and rehome lost, unwanted and abandoned dogs and work to reduce and, ultimately, see the end of homeless dogs in the U.K. Also we aim to educate people in the UK and, within financial limits worldwide, in responsible dog ownership and care.

We rely on the prevention and cure approach. Our rescue and rehoming work aims to deal with the immediate needs of abandoned dogs; preventative measures such as neutering, microchipping, education and lobbying are used as longer term solutions. Whilst our immediate priority is the UK, we take the prevention/cure approach to as many countries as funds allow.

We have built up and work to maintain a staff of the highest quality in every area of our operation, which, together with the fruits of our scientific research, enables us to take a leading part in canine matters.

PUBLIC BENEFIT

Our Canine Charter for Human Health promotes the great benefits of dog ownership, which helps us to find homes for dogs whilst helping to keep the nation's humans happy and healthy, and reducing costs to the NHS. Our free Canine Care Card scheme gives peace of mind to dog owners – particularly the elderly – in providing a safe haven for dogs whose owners pre-decease them.

Our Freedom Project helps families fleeing domestic violence by finding foster homes for their dogs until they find alternative accommodation. Our HOPE project gives peace of mind to homeless dog owners by giving preventative healthcare treatment to their pets, as well as providing treatment for injury and disease. We also work with housing providers to encourage them to adopt pet-friendly policies for dog owners seeking accommodation. Schools and schoolchildren also benefit from our work. Thousands of schools use our free curriculum-linked learning resources to teach children about a variety of subjects including Maths, English and Science. These materials also include key messages about responsible dog ownership – helping to ensure that tomorrow's dog owners are aware of their responsibilities. Our education officers also visit schools to teach children about kindness to animals while also instructing them in how to be safe around dogs.

By encouraging responsible dog ownership and in caring for abandoned dogs, we are helping to ensure that our communities do not have to deal with packs of unwanted dogs. This also helps to reduce dog fouling as does our campaign to "scoop the poop".

We believe that neutering is a central part of responsible ownership that helps to reduce the numbers of strays on our streets. As the cost of the operation can be beyond some dog owners, we run a subsidised neutering programme to assist those on means-tested benefits in areas with an acute stray dog problem.

We aim to educate people worldwide, within financial limits, in responsible dog ownership and we believe that all communities will benefit from a reduction in the number of unwanted dogs.

REVIEW of SIGNIFICANT ACTIVITIES

In meeting our objectives, we carry out the following key activities and an in-depth review of our activities in 2013 is in our Annual Review at www.dogstrust.org.uk.

- **Rehoming** - We have a network of 19 Rehoming centres across the United Kingdom and Ireland. Each centre is centrally funded and operated by a professional team led by a manager. Each centre provides dog accommodation, puppy houses, isolation blocks and treatment rooms. They are open to the public 6 days a week.

In 2013 our 19 Rehoming Centres cared for 14,769 dogs (2012: 14,876), reuniting 220 with their owners. No healthy dog was destroyed. The number of dogs rehomed decreased by 0.5% to 12,742. We were pleased to maintain the number of dogs being rehomed to a similar level as in 2012 because the economic crisis continued to hamper our rehoming efforts and disappointingly, we also saw a notable increase in the number of dogs handed over by their owners; some of whom could no longer afford to keep them, and some of whom had not fully considered the effort involved in looking after the dog before buying it.

The two mobile rehoming units continue to be a successful showcase, taking even more dogs to meet people not living near our Rehoming Centres. Our dedicated training centre provides extra

training care for our more difficult dogs, and the sanctuary has proven to be a success in giving freedom to 14 dogs unlikely to be rehomed but enjoying canine companionship.

The Home from Home scheme continues to find temporary homes for dogs that are stressed by being in a kennel environment pending finding a permanent home.

- **Neutering** - We provide financial assistance to allow owners in genuine need to have their dogs neutered. This scheme operated in areas of greatest need across the country through participating veterinary practices. Any person living in one of these campaign areas, who is receiving means-tested benefit, can contact a participating veterinary practice who will arrange for their dog to be neutered at a reduced rate. We give free neutering vouchers to Councils, Police and dog owners for “dogs at risk” to help in particular cases (“status dogs”, dogs with health or behavioural problems and if in the hands of irresponsible dog owners).

In 2013 we spent £5 million on these campaigns, enabling 68,619 dogs to have a neutering operation at a fraction of the regular price (2012: £4.5m neutering 67,244 dogs).

- **Microchipping** - A microchipped dog can more easily be traced back to its owner, which is why we have convinced the government that the mandatory microchipping of all dogs in the UK is the way forward which will become law in England in 2016 (Wales in 2015). In 2013 we microchipped 90,968 (2012:144,600) dogs both at our rehoming centres and in outreach areas. We gave 35,000 microchips to councils and housing associations.
- **Emergency veterinary help** - Our Emergency Help Fund provided £37,960 (2012: £74,587). We have increased the guidelines from 25% or £150 whichever is the lesser to 25% or £250 whichever is the lesser in financial assistance for dog owners on means-tested state benefits who are unable to pay for emergency veterinary treatment for their dogs.
- **Greyhounds** – We continue to Chair the Greyhound Forum both in the UK and in Ireland. Working with all the major animal charities and the governing bodies we are slowly making improvements to the lives of greyhounds from “cradle to grave”. There is still a lot of work to be done.
- **Research** – The Canine Welfare Grants Committee has spent in excess of £1m over the past decade to fund research into disease affecting the welfare of dogs. Current projects include development of a welfare audit for trap, neuter, release schemes; exploring stereotypical and compulsive behaviour in dogs and measuring the quality of life in dogs with chronic inflammatory ear disease. We do not undertake any research that harms dogs.
- **City Dogs** - Young urban dog owners are often portrayed as uncaring and unthinking, when the majority are quite the opposite. Our City Dogs project in London is a free service aimed at helping young owners and their dogs. We offer advice, dog training classes, microchipping and neutering for their dogs, and help with preventative veterinary costs.
- **Pro-Dog Support for Social Housing Providers** - We support housing providers (local authorities, housing associations and other landlords) by giving them a full set of services to encourage their residents to be responsible dog owners. This included giving microchips for dogs living on their estates (10,000 chips in London alone), microchip scanners and chip training for their staff and free legal advice on amending tenancy agreements.
- **Outreach Projects** - The Freedom Project is an emergency service, taking dogs and cats (in collaboration with Cats Protection in London) from families fleeing domestic violence and placing them in a foster home. This service covers Greater London, Herefordshire and Yorkshire. In 2013 131 (2012 - 103) dogs and 36 (2012 - 37) cats were cared for through the scheme.

- The HOPE Project runs a veterinary entitlement card scheme in 100 towns and cities across the UK, allowing homeless owners access to free preventative veterinary care

and subsidised additional treatments for their dogs. In 2013 610 (2012 - 654) veterinary entitlement cards were issued and 1,805 (2012 - 1,749) veterinary treatments were carried out through the scheme. The project also works with homelessness organisations, such as hostels and day centres, by providing information and policy advice to encourage them to accept clients with pets. At Christmas we sent out more than 1,050 (2012 - 850) Christmas hampers for dogs via 140 (2012 - 112) homeless organisations.

- Paws for Progress is a prison-based dog training course run in partnership with the University of Stirling and the Scottish Prison Service. The key aims for the young offenders taking part are to improve their behaviour, employment prospects and enhance education. Similarly, the aims for the dogs taking part are to improve their behaviour and wellbeing, and increase their chances of being successfully rehomed. 101 (2012 - 76) of the 121 (2012 - 81) dogs taking part were rehomed as a result of the one to one training, socialisation and support they received. 44 (2012 - 51) of these dogs have also successfully completed the Association of Pet Dog Trainers Good Companion Award.

- the Lets with Pets scheme is supported by the private lettings industry and aims to make the process of privately renting easier for tenants with pets, while highlighting the benefits of allowing pets to landlords and lettings agencies. The scheme recruited 115 (2012 - 78) new letting agents bringing our total to over 335 (2012 - 220) active scheme supporters. There were 75,957 (2012 - 45,257) visitors to the Lets with Pets website and 6,687 (2012 - 7,738) Lets with Pets advice booklets were sent out or downloaded from our website.

- **Education** – Our national network of Education Officers gave 3,566 (2012: 3,029) free classroom presentations, speaking to more than 106,000 (2012: 90,000) children about the fun and hard work involved in being a good dog owner. Occasionally we are contacted by teachers concerned about their pupils' fear of dogs, and we are always happy to visit classes and give workshops on what children should do when a dog approaches.
- **International** – We are entering the fifth year of our Dogs Trust led project to promote responsible dog ownership in Malta. In the past four and a half years Dogs Trust Malta (DTM) has focused primarily on neutering and education. Both areas have been successful with almost 13,000 dogs neutered and over 38,000 children educated. Our survey data shows a higher proportion of owned dogs are now neutered and chipped. People perceive there to be fewer dogs on the streets while fewer puppies are being dumped at shelters. A key objective this year will be to sustain these gains. The project in Bosnia had an excellent year. We have neutered over 4,000 dogs this year – higher than our original target. We have held eight training courses with the Veterinary Faculty in Sarajevo that have trained 48 veterinary professionals who will go on to provide better services for small animals across Bosnia. We have educated over 20,000 children since the project began.

Over the next few years the international programme will move away from Dogs Trust led projects and towards more grant funding. We believe that our new grant funding programme will lead to greater and more sustainable animal welfare improvements and avoid over-dependency on Dogs Trust. We maintained our involvement in all major projects that were running in 2012 throughout 2013 with the exception of the Catch, Neuter, Vaccinate, Release project in Bahrain, which completed in August 2013.

The 15th International Companion Animal Welfare Conference (ICAWC) was held in Barcelona, Spain, with over 300 delegates from Europe, Africa, Asia and the Americas. The feedback was overwhelmingly positive and it was nice to see two projects we support, Mdzananda Animal Clinic and Pomujre SPA, get standing ovations following presentations on their work.

Our International Training Programme provided three residential courses at our West London centre in Harefield in 2013, with 50 delegates attending from across the world. We also conducted 2 Overseas Behaviour Workshops in Bulgaria and Spain and ran four Global Assistance Programme (GAP) placements in South Africa, India, Malta and the Philippines

- **Communications** – Our website received over 5.3 million unique visitors in 2013 and we had over 590,000 followers on Facebook and 118,000 on Twitter. The core focus of our work has been to promote the dogs we have available for rehoming. We continued our work as Chair of the Pet Advertising Advisory Group to tackle the problem of pets being sold irresponsibly via websites. We engaged with the leading websites that sell pets, including Gumtree and Preloved to encourage them to adhere to a set of minimum standards. As there is a lack of regulation of the online sale of pets, we have engaged with the Government to encourage them to add weight to these minimum standards with an official endorsement. This work continues and will lead to further work to educate the public on the best way to buy a puppy or dog.

We were delighted to welcome the introduction of compulsory microchipping for all dogs in Northern Ireland. We have been campaigning for many years for this to be introduced across the whole of the UK, and in February 2013 we welcomed the Government's announcement for the planned introduction of compulsory microchipping in England. As chair of the Microchipping Alliance we lobbied the government to introduce compulsory microchipping for all dogs in England and were successful in securing this important legislative announcement. We subsequently worked in partnership with Defra on the media launch, which saw the Secretary of State make a ministerial statement at Dogs Trust Harefield on compulsory microchipping and the wider package of measures. The legislation will come into force in April 2016.

We lobbied the European Parliament to make changes to the regulation regarding the non-commercial movement of pets. Dogs Trust, alongside Eurogroup for Animals, has been lobbying MEPs to introduce a requirement for dogs, cats and ferrets being moved between Member States to be registered on an authorised database which is accessible across the EU. The Committee on Environment, Public Health and Food Safety has taken a number of our recommendations into account, and we now look forward to the final adoption of the draft report by the European Parliament.

- **Review of Subsidiary Activities** – The charity wholly owns Dogs Trust Promotions Limited and controls Dogs Trust Limited.

Dogs Trust Promotions Limited undertakes non-charitable trading activities for the charity. The mail order catalogue operation and contributions through sponsorship deals with our commercial partners together achieved a pre-tax profit of £285,000 in 2013 (2012: £216,000). In addition donations of £125,000 (2012: £103,000) were received on behalf of the Charity with catalogue orders.

Dogs Trust Limited was set up in Ireland in 2005 with charity number 16218. In November 2009 we opened a rehoming centre in Dublin and we rehomed 756 dogs (2012 - 665 dogs) in 2013. We have 3 Education Officers to deliver the message of responsible dog ownership to schools and there is a subsidised neutering scheme. Income was £5.2m (2012 - £3.9m) including a grant of £3m (2012 - £2m) from Dogs Trust. Retained surplus was £0 (2012 - £0).

ENVIRONMENT

Dogs Trust recognises that it has a responsibility to care for the natural environment and we do all that we reasonably can to:

- Comply with environmental legislation
- Prevent pollution and nuisance through our work
- Integrate sustainability into all new building projects
- Measure, benchmark and monitor our environmental impact
- Continually seek to improve our environmental performance by reducing our use of energy, water and other materials
- Continually seek to improve environmental performance through minimisation and responsible disposal of waste
- Instil environmental awareness in employees and volunteers
- Promote the benefits of environmental care to suppliers, contractors, customers and local communities

The importance of sustainable design and energy conservation has been a core brief of Dogs Trust's latest Rehoming Centre developments. The two projects at Shrewsbury and Loughborough have been independently assessed under the 'BREEAM' (Building Research Establishment Environmental Assessment Method) accreditation process. The Shrewsbury Rehoming Centre recently achieved the highest rating of any project of any type to have been assessed through this method worldwide. The Loughborough Rehoming Centre is also expected to receive accreditation at the highest rating band which is achievable. Dogs Trust will continue to design our centres to meet independent environmental accreditation assessments wherever appropriate.

FUTURE PLANS

Dogs Trust is planning to rehome more dogs than ever before in the years ahead. In 2014 we expect to open our new centres at Basildon in May and at Manchester in October and we will continue to improve our facilities for dogs in the United Kingdom.

We continue to expand our youth education work. We will employ an extra 5 education officers in 2014 to make a total of 22 Education Officers. We will also expand our work on teaching responsible dog ownership to young offenders.

We were delighted to welcome the Government's announcement for the planned introduction of compulsory microchipping in England in 2016 (Wales in 2015) and plan to spend £5.7 million in 2014 on our microchipping campaign.

FINANCIAL REVIEW

Key Performance Indicators

| | Change | 2013 | 2012 | Budget '13 |
|--------------------|--------|--------|--------|------------|
| | % | Number | Number | Number |
| Dogs Rehomed | (0.5)% | 12,742 | 12,822 | 14,616 |
| Neuters subsidised | 2% | 68,619 | 67,244 | 57,389 |

We rehomed 0.5% fewer dogs than in 2012. In 2014 we aim to rehome 14,500 dogs.

2% more dogs were neutered under the subsidised neuter scheme than we budgeted.

Income

| | Change | 2013 | 2012 | Budget '13 |
|--------------|--------|--------|--------|------------|
| | % | £000s | £000s | £000s |
| Donations | 10% | 49,182 | 44,640 | 45,600 |
| Legacies | 0.4% | 20,090 | 19,998 | 18,191 |
| Other income | (1)% | 7,288 | 7,361 | 7,088 |
| Total income | 6% | 76,560 | 71,999 | 70,879 |

Donations grew in line with the growth in numbers of committed donors.

Expenditure

| | Change | 2013 | 2012 | Budget '13 |
|--------------------------------|--------|--------|--------|------------|
| | % | £000s | £000s | £000s |
| Costs of charitable activities | 14% | 47,288 | 41,629 | 51,058 |
| Costs of generating funds | 1% | 23,618 | 23,272 | 23,500 |
| Other costs | 4% | 338 | 325 | 520 |
| Total costs | 9% | 71,244 | 65,226 | 75,078 |

Total costs are 4% under budget.

Tangible Fixed Assets

£6 million has been spent on developing our new centre in Essex which is expected to open in May 2014 and £2.5 million has been spent acquiring and developing our new centre at Manchester which is expected to open in October 2014.

The Investment Portfolio

The investment portfolio increased by £4.8m mainly due to net investment gains of £5m in the year, of which £2.6m are unrealised. The investment portfolio produced a total return of 20% in 2013. This is 2.4% above the investment manager's benchmark for the period. £23 million is held in cash to fund the Rehoming Centre Development Fund.

Net Movement in Funds and Investable Funds

Net incoming resources for 2013 were £5.3 million and, after investment gains, funds have increased by £10.4 million.

The value of the group's investable funds (investments plus net current assets) are £78 million, of which £73 million is earmarked for acquiring new rehoming centres and redeveloping existing centres.

Reserves policy and related funds

The primary function of the Charity is to provide temporary care, food and shelter for stray and abandoned dogs prior to reuniting them with their owners or finding new homes for them, and to provide a permanent home for life for those that cannot be rehomed.

It is the duty of the Trustees to ensure that funds are available at all times to pay for these activities at the Rehoming Centres together with the Charity's related administration costs.

The Charity's reserves policy is to maintain the following funds:

- 1) **The Rehoming Centre Base Fund.** The majority of the Charity's income comes from legacies and fundraising, which being uncertain sources of revenue may not always provide the funds to cover these essential costs. The Trustees' policy is to set aside funds ("the free reserves") to cover up to a maximum of the next two years' planned running costs. As at 31st December 2013 the Trustees set aside £49.8 million representing the next 24 months' planned running costs of rehoming centres.
- 2) **Rehoming Centre Development Fund.** This is set aside for future capital expenditure on the Charity's operations as approved by the Trustees for the next five years. This stood at £23 million at 31st December 2013, inclusive of the capital commitments noted below and in note 12 of the Accounts.
- 3) **Funds for Tangible Fixed Assets.** This represents the land, buildings, motor vehicles and equipment owned and used by the Charity to run its Centres and administer the organisation. At 31st December 2013 their net book value stood at £50 million.

- 4) **Special Project Fund.** This fund is earmarked by the Trustees for large special projects. We have provided £5.7 million for our microchipping campaign.

Grants

The Council provides a grant to cover the net loss incurred in 2013 by Dogs Trust Limited.

Capital commitments

As at 31st December 2013 the Council had authorised capital expenditure for rehoming centre developments for the next five years of £23 million. See note 12 to the Accounts for details.

Investment powers

The Council has the power to retain any money or investments belonging to the Charity, or to sell them and re-invest the proceeds as it thinks fit, subject to the approval of the Charity Commissioners if required by law. The Council has the power to appoint and delegate its investment powers to an investment manager legally authorised to carry on investment business under the Financial Services Act 2012.

Investment policy

The Charity's investment policy is to achieve a balance between income and capital growth. Investment assets allocated to world stock markets have been delegated to a professional fund manager. The Trustees require the fund manager to ensure that it does not invest in any companies which undertake or contract out any experiments, or other scientific procedures on dogs, which may cause pain, suffering, distress or lasting harm. This restriction also extends to research that is contracted out.

RISK MANAGEMENT

The Trustees have assessed the identified major risks to which the Charity is exposed, in particular:

- Governance
- Financial sustainability
- Reputation and brand
- Dog welfare
- Health, safety and the welfare of staff and volunteers
- Organisational change
- Service continuity

The corporate risk register is presented to the Finance and General Purposes Committee. They are satisfied that adequate systems are in place to manage the adverse effects of any such exposure.

The key controls used by the charity include:

- Detailed annual budget and five year business plan.
- Monthly comparison of actual results with budget, previous years and forecasts.
- Review of financial systems.

- Business continuity planning.
- A formal agenda for Trustee and Council meetings, with professional advice on significant issues.
- Established organisational structure and lines of reporting.
- Authorisation and approval levels.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Scotland

Dogs Trust is registered with the Office of the Scottish Charity Regulator (SC037843). We operate rehoming centres in Glasgow and West Calder and receive income from Scottish supporters.

Specific restrictions

The Charity's constitution allows the acquisition of a site and the construction on it of a new rehoming centre only if a full and balanced report recommending the acquisition has first been submitted to the Council by the Finance and General Purposes Committee.

Trustees' responsibilities regarding the accounts

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and group and of the incoming resources and application of resources of the charity and group 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and group will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and group and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

Signed on behalf of the Trustees by:

Chairman of the Council

P.G.Daubeny

Date 9th April 2014

Dogs Trust INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DOGS TRUST

We have audited the financial statements of Dogs Trust for the year ended 31 December 2013 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on pages 10-11), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2013 and of the group's incoming resources and application of resources 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper and sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records or returns; or
- we have not received all the information and explanations we require for our audit.

BDO LLP, Statutory Auditor, 55 Baker Street, London W1U 7EU, United Kingdom. Date: 9th April 2014
BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Accounting basis

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the revised Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and applicable accounting standards.

Group Financial Statements

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiaries, Dogs Trust Promotions Limited and Dogs Trust Limited. The results of the subsidiaries are consolidated on a line by line basis. The Charity's gross income was £73 million (2012: £69 million) and net incoming resources were £10 million (2012: £9 million).

Dogs Trust Limited is treated as a subsidiary company because all its members are Trustees or senior managers of Dogs Trust.

Foreign Currency

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

The results of overseas operations are translated at the average rates of exchange during the year and the balance sheet translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

Pension costs

Pension costs comprise the costs of the Charity's contribution to its employees' pension schemes. It provides a money purchase scheme which is available to all employees and, alternatively, it also contributes to certain employees' personal pension plans.

Fixed assets

Tangible fixed assets are stated at cost, net of depreciation. The Charity adopted the carrying valuation of freehold land and buildings, as at 31st December 2000, at historical cost under the transitional provisions of Financial Reporting Standard 15. The Charity regularly reviews the net book value of its fixed assets and writes their values down to their depreciated replacement cost if net book values are higher.

All additions to fixed assets purchased for more than £5,000 are included at cost and depreciated on the basis outlined below. Those that cost less than £5,000 are written off in the year of acquisition.

Depreciation is provided on the following basis:

| | |
|---------------------------------|---------------------|
| <i>Freehold Land</i> | - nil |
| <i>Freehold Buildings</i> | - over 15 years |
| <i>Motor Vehicles</i> | - 33% straight line |
| <i>Equipment & fittings</i> | - 25% straight line |

An impairment charge represents additional depreciation to write down the value of some rehoming centres to their depreciated replacement cost.

Investments

Listed investments are included in the balance sheet at market value. Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the balance sheet date are included in the statement of financial activities for the relevant underlying funds. The historical cost of investments is shown in note 9 to the financial statements.

Stocks

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

Incoming resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. In accordance with this policy, legacies are included when the Charity is advised by the personal representative of an estate that payment will be made or assets transferred and the amount can be quantified with reasonable accuracy, provided 6 months has elapsed since the date of probate. Gifts in kind are included at estimated market value.

No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to any given category. Where costs cannot be directly attributed to an activity or function they have been allocated on a usage basis or on the basis of head count.

Governance costs

Governance costs include the costs of the general running of the charity, costs of public accountability and costs of strategic planning.

Taxation

Dogs Trust is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period. The subsidiary trading companies make qualifying donations of all taxable profit to the charity. No corporation tax liability on the subsidiaries arises in the accounts.

Irrecoverable VAT

Irrecoverable VAT is included in the cost of those items to which it relates.

Funds Policy

Endowment funds

Represent those assets which must be permanently held by the charity, principally investments. Income arising from the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund.

Restricted funds

Where expenditure on projects, funded from restricted income, exceeds income the balance is applied out of general funds. Transfers between funds represent expenditure on particular projects being applied to restricted income.

Designated funds

Rehoming Centre Base Fund: The majority of the Charity's income comes from legacies and fundraising, which being uncertain sources of revenue, may not always provide the funds to cover these essential costs. The Trustees' policy is to set aside funds to cover up to the next two years' planned running costs.

Rehoming Centre Development Fund: This is set aside for future capital expenditure on the Charity's rehoming centres as approved by the Trustees in the five year plan.

Tangible Fixed Assets Fund: This represents the land, buildings, motor vehicles and equipment owned and used by the Charity to run its Centres and administer the organisation.

Special Project Fund: This fund is earmarked by the Trustees for large special projects. We have provided for our microchipping campaign.

Dogs Trust
Consolidated Statement of Financial Activities
for the year ended 31st December 2013

| | Notes | Unrestricted Funds £000's | Restricted Funds £000's | Permanent Endowment Funds £000's | 2013 Total £000's | 2012 Total £000's |
|--|-----------|---------------------------------|-------------------------------|---|-------------------------|-------------------------|
| Incoming Resources | | | | | | |
| From generated funds: | | | | | | |
| Voluntary income | 2 | 66,353 | 3,461 | 0 | 69,814 | 65,113 |
| Activities for generating funds | 3 | 3,945 | 0 | 0 | 3,945 | 3,569 |
| Investment income | | 1,650 | 0 | 2 | 1,652 | 2,161 |
| From charitable activities: | | | | | | |
| Adoption fees | | 1,130 | 0 | 0 | 1,130 | 1,134 |
| Other incoming resources | | 19 | 0 | 0 | 19 | 22 |
| Total Incoming Resources | | 73,097 | 3,461 | 2 | 76,560 | 71,999 |
| Resources Expended | | | | | | |
| Cost of generating funds: | | | | | | |
| Voluntary income | 6 | 21,215 | 0 | 0 | 21,215 | 21,376 |
| Activities for generating funds | 6 | 2,225 | 0 | 0 | 2,225 | 1,800 |
| Investment management fees | 6 | 178 | 0 | 0 | 178 | 96 |
| | | 23,618 | 0 | 0 | 23,618 | 23,272 |
| Costs of charitable activities: | | | | | | |
| Rehoming centres | 6 | 29,955 | 0 | 0 | 29,955 | 29,390 |
| International | 6 | 2,913 | 0 | 0 | 2,913 | 1,152 |
| Publicity, education and information | 6 | 3,829 | 0 | 0 | 3,829 | 3,038 |
| Give a Dog A Life campaign | 6 | 10,591 | 0 | 0 | 10,591 | 8,049 |
| | | 47,288 | 0 | 0 | 47,288 | 41,629 |
| Governance costs | 6 | 338 | 0 | 0 | 338 | 325 |
| Total Resources Expended | 6 | 71,244 | 0 | 0 | 71,244 | 65,226 |
| Net incoming resources before transfers | | 1,853 | 3,461 | 2 | 5,316 | 6,773 |
| Transfers between funds | | 3,655 | (3,653) | (2) | 0 | 0 |
| Net incoming resources | | 5,508 | (192) | 0 | 5,316 | 6,773 |
| Net gain/(loss) on currency | | 11 | 0 | 0 | 11 | (7) |
| Net gains on investments | 9 | 5,072 | 0 | 0 | 5,072 | 2,049 |
| Net Movement in Funds | | 10,591 | (192) | 0 | 10,399 | 8,815 |
| Funds brought forward 1 January | 10 | 117,468 | 235 | 325 | 118,028 | 109,213 |
| Funds carried forward 31 December | 10 | 128,059 | 43 | 325 | 128,427 | 118,028 |

All amounts relate to continuing activities.

The notes on pages 18 to 23 form part of the financial statements.

Dogs Trust
Balance Sheets
as at 31st December 2013

| | Notes | Group | | Charity | |
|---|-------|----------------|----------------|----------------|----------------|
| | | 2013 £000's | 2012 £000's | 2013 £000's | 2012 £000's |
| Fixed Assets | | | | | |
| Tangible fixed assets | 8 | 49,986 | 43,937 | 44,123 | 38,174 |
| Investments | 9 | 70,901 | 66,082 | 70,901 | 66,082 |
| | | 120,887 | 110,019 | 115,024 | 104,256 |
| Current Assets | | | | | |
| Stock | | 134 | 109 | 130 | 105 |
| Debtors | 13 | 7,238 | 7,429 | 13,137 | 13,124 |
| Cash at bank and in hand | 16 | 6,501 | 4,919 | 6,042 | 4,500 |
| | | 13,873 | 12,457 | 19,309 | 17,729 |
| Creditors: amounts falling due within one year | 14 | (6,333) | (4,448) | (6,172) | (4,228) |
| Net Current Assets | | 7,540 | 8,009 | 13,137 | 13,501 |
| Net Assets | | 128,427 | 118,028 | 128,161 | 117,757 |
| The Funds of the Charity | | | | | |
| Endowment funds | 10 | 325 | 325 | 325 | 325 |
| Restricted income funds | 10 | 43 | 235 | 43 | 235 |
| Rehoming Centre Base Fund | 10 | 49,818 | 34,446 | 49,552 | 34,175 |
| Rehoming Centre Development Fund | 10 | 22,540 | 39,085 | 22,540 | 39,085 |
| Fund for Fixed Assets | 10 | 49,986 | 43,937 | 49,986 | 43,937 |
| Special Project Fund | 10 | 5,715 | - | 5,715 | - |
| Total Charity Funds | | 128,427 | 118,028 | 128,161 | 117,757 |

The financial statements were approved by the Board of Trustees and authorised for issue on 9th April 2014:

P.G. Daubeny
Chairman of the Council

J.D. Gaye
Vice Chairman of the Council

The notes on pages 18 to 23 form part of the financial statements.

Consolidated Cashflow Statement
for the year ended 31st December 2013

| | Notes | 2013 | | 2012 | |
|--|---------|----------|---------------|----------|--------------|
| | | £000's | £000's | £000's | £000's |
| Net incoming resources for the year | | | 5,316 | | 6,773 |
| Exchange gain/(loss) | | | 11 | | (7) |
| Interest received | | | (745) | | (1,131) |
| Dividends received | | | (907) | | (1,030) |
| | | | 3,675 | | 4,605 |
| Depreciation charge | | | 5,519 | | 4,948 |
| Impairment charge | | | 0 | | 769 |
| Gain on disposal of fixed assets | | | (19) | | (22) |
| Increase in stock | | | (25) | | (24) |
| Decrease/(increase) in debtors | | | 191 | | (207) |
| Increase/(decrease) in creditors | | | 1,885 | | (745) |
| Net cash inflow from operating activities | | | 11,226 | | 9,324 |
| Returns on investments | | | | | |
| Interest received | | 745 | | 1,131 | |
| Dividends received | | 907 | | 1,030 | |
| | | | 1,652 | | 2,161 |
| Cash inflow from returns on investments | | | 1,652 | | 2,161 |
| Capital expenditure and financial investment | | | | | |
| Purchase of tangible fixed assets | | (11,318) | | (9,339) | |
| Proceeds from sale of fixed assets | | 19 | | 22 | |
| Purchase of investments | | (14,350) | | (28,359) | |
| Proceeds from sale of investments | | 14,353 | | 25,584 | |
| | | | (11,296) | | (12,092) |
| Increase/(decrease) in cash | 15 & 16 | | 1,582 | | (607) |

All amounts relate to continuing activities.

The notes on pages 18 to 23 form part of the financial statements.

Dogs Trust
Notes to the Consolidated Accounts for the year ended 31st December 2013

1 Results from Trading Activities of Subsidiary

The Charity has two subsidiary companies. Dogs Trust Promotions Limited is incorporated in the UK and its primary activity is to sell gifts and Christmas cards. Dogs Trust Limited is incorporated in Ireland and its primary activity is to reduce and, ultimately, see the end of homeless dogs in Ireland.

A summary of their trading results is shown below (the figures include intercompany trading).

| | Dogs Trust Limited | | Dogs Trust Promotions Limited | |
|--|-----------------------|----------------|----------------------------------|----------------|
| | 2013 £000's | 2012 £000's | 2013 £000's | 2012 £000's |
| Incoming resources | | | | |
| Donations | 1,963 | 1,652 | 0 | 0 |
| Legacies | 14 | 106 | 0 | 0 |
| Merchandising | 17 | 16 | 1,451 | 1,232 |
| Grant from Dogs Trust | 2,936 | 1,966 | 0 | 0 |
| Sale of dogs and neuter income | 156 | 80 | 0 | 0 |
| Interest received | 0 | 57 | 0 | 0 |
| Total incoming resources | 5,086 | 3,877 | 1,451 | 1,232 |
| Total costs | (5,086) | (3,877) | (1,156) | (1,016) |
| Net movement for the year | 0 | 0 | 295 | 216 |
| Gift Aid payment | 0 | 0 | (307) | (208) |
| Retained profit for the year | 0 | 0 | (12) | 8 |
| Funds brought forward 1 January | 257 | 264 | 13 | 5 |
| Exchange gain/(loss) on opening net assets | 5 | (7) | 0 | 0 |
| Funds carried forward 31 December | 262 | 257 | 1 | 13 |
| Total assets | 6,136 | 6,280 | 376 | 270 |
| Total liabilities | (5,874) | (6,023) | (375) | (257) |
| Total funds | 262 | 257 | 1 | 13 |

2 Voluntary income

| | 2013 £000's | 2012 £000's |
|-----------------|----------------|----------------|
| Donations | 49,182 | 44,640 |
| Legacies | 20,090 | 19,998 |
| Membership fees | 542 | 475 |
| | 69,814 | 65,113 |

3 Activities for generating funds

| | 2013 £000's | 2012 £000's |
|--------------------|----------------|----------------|
| Sale of goods | 2,753 | 2,473 |
| Fundraising events | 169 | 132 |
| Raffles | 1,023 | 964 |
| | 3,945 | 3,569 |

4 Trustees' remuneration and expenses

None of the Trustees or any person connected with them (other than the Secretary & Chief Executive, who is a Trustee ex officio, whose earnings are disclosed in the highest band in Note 7) received any remuneration during the year. Nine Trustees were reimbursed for expenses totalling £7,217 (2012 £7,121) covering travel, subsistence and accommodation incurred in connection with their duties as members of the Council of Dogs Trust. No allowances were paid to trustees, no direct payments to third parties were made on their behalf.

5 Indemnity Insurance

The Charity paid a premium of £5,755 (2012 - £5,490) for the purchase of Trustees' indemnity insurance.

6 Analysis of Total Resources Expended

| | Activities undertaken directly £000's | Support Costs £000's | 2013 Total £000's | 2012 Total £000's |
|---|--|-------------------------|----------------------|----------------------|
| Costs of generating funds: | | | | |
| Voluntary income | 20,616 | 599 | 21,215 | 21,376 |
| Activities for generating funds | 2,205 | 20 | 2,225 | 1,800 |
| Investment management fees | 178 | - | 178 | 96 |
| | 22,999 | 619 | 23,618 | 23,272 |
| Costs of activities in furtherance of the Charity's objects: | | | | |
| Rehoming centres | 28,324 | 1,631 | 29,955 | 29,390 |
| International | 2,632 | 281 | 2,913 | 1,152 |
| Publicity, education, international and information | 3,700 | 129 | 3,829 | 3,038 |
| Give a Dog A Life campaign | 10,478 | 113 | 10,591 | 8,049 |
| | 45,134 | 2,154 | 47,288 | 41,629 |
| Governance costs | 96 | 242 | 338 | 325 |
| Total resources expended | 68,229 | 3,015 | 71,244 | 65,226 |

Voluntary income is mainly generated by donors who sponsor dogs.

Support costs totalling £3,015,000 (2012 - £3,535,000) have been allocated across the activities. These include costs associated with IT, HR, finance, property and other central services to the charity's staff and rehoming centres across the group. The costs have been allocated based on time spent by departments supporting the various activities.

Governance costs include audit fees of £44,350 (2012 - £39,500). Our auditors received £3,600 (2012 - £39,373) in respect of other financial services.

Total irrecoverable VAT was £3,549,000 (2012 - £2,984,000).

A grant of £3m was made to Dogs Trust Limited (2012 - £2m) for its loss for 2013.

7 Staff numbers and emoluments

| | 2013 | 2012 |
|---|------------|------------|
| Rehoming centres | 560 | 518 |
| Fundraising, campaigns and publicity | 130 | 113 |
| Management and administration | 38 | 33 |
| The average monthly number of employees (full time equivalent) | 728 | 664 |

| | 2013 £000's | 2012 £000's |
|--|----------------|----------------|
| Their aggregate emoluments were as follows: | | |
| Wages and salaries | 15,876 | 14,487 |
| Social security costs | 1,371 | 1,246 |
| Pension costs | 1,142 | 923 |
| | 18,389 | 16,656 |

Number of employees of the group who earned from:

| | | |
|--|------------|------------|
| £60,001 to £70,000 | 3 | 2 |
| £70,001 to £80,000 | 3 | 1 |
| £80,001 to £90,000 | 1 | 3 |
| £90,001 to £100,000 | 1 | 1 |
| £100,001 to £110,000 | 1 | 1 |
| £110,001 to £120,000 | 2 | 1 |
| £140,001 to £150,000 | 1 | - |
| All the employees above received pension contributions | <u>12</u> | <u>9</u> |
| | £000's | £000's |
| Employer pension contributions for all above employees | <u>221</u> | <u>139</u> |

8 Tangible Fixed Assets

| Group | Freehold Land & Buildings £000's | Motor Vehicles £000's | Equipment & Fittings £000's | Total £000's |
|---|--|-----------------------------|-----------------------------------|-----------------|
| Cost | | | | |
| Balance at 1 January 2013 | 74,393 | 2,303 | 5,819 | 82,515 |
| Additions | 10,548 | 408 | 457 | 11,413 |
| Disposals | 0 | (95) | 0 | (95) |
| Foreign exchange movement | (1,050) | (1) | (1) | (1,052) |
| Balance at 31 December 2013 | 83,891 | 2,615 | 6,275 | 92,781 |
| Accumulated depreciation | | | | |
| Balance at 1 January 2013 | 31,408 | 1,918 | 5,252 | 38,578 |
| Depreciation charge for year | 4,659 | 370 | 490 | 5,519 |
| Disposals | 0 | (95) | 0 | (95) |
| Foreign exchange rate movement | (1,204) | (2) | (1) | (1,207) |
| Balance at 31 December 2013 | 34,863 | 2,191 | 5,741 | 42,795 |
| Net book value at 31 December 2013 | 49,028 | 424 | 534 | 49,986 |
| Net book value at 31 December 2012 | 42,985 | 385 | 567 | 43,937 |

Freehold land and buildings includes the cost of freehold land of £13.4 million (2012 - £11.8 million) which has been valued at £12.3 million and is not depreciated. The difference of £1.1m arose in prior years and was shown as an impairment cost in the Statement of Activities in prior years. No additional impairment charge was required in 2013.

| Charity | Freehold Land & Buildings £000's | Motor Vehicles £000's | Equipment & Fittings £000's | Total £000's |
|---|--|-----------------------------|-----------------------------------|-----------------|
| Cost | | | | |
| Balance at 1 January 2013 | 64,127 | 2,105 | 5,663 | 71,895 |
| Additions | 10,140 | 380 | 444 | 10,964 |
| Disposals | 0 | (77) | 0 | (77) |
| Balance at 31 December 2013 | 74,267 | 2,408 | 6,107 | 82,782 |
| Accumulated depreciation | | | | |
| Balance at 1 January 2013 | 26,768 | 1,773 | 5,180 | 33,721 |
| Depreciation charge for year | 4,225 | 332 | 458 | 5,015 |
| Disposals | 0 | (77) | 0 | (77) |
| Balance at 31 December 2013 | 30,993 | 2,028 | 5,638 | 38,659 |
| Net book value at 31 December 2013 | 43,274 | 380 | 469 | 44,123 |
| Net book value at 31 December 2012 | 37,359 | 332 | 483 | 38,174 |

Freehold land and buildings includes freehold land of £10.8 million (2012 - £9.2 million) that is not depreciated.

9 Fixed Asset Investments

| | 2013 £000's | 2012 £000's |
|------------------------------------|----------------|----------------|
| Market value at 1 January | 28,399 | 26,150 |
| Investment cash at 1 January | 37,683 | 35,108 |
| | 66,082 | 61,258 |
| Less: disposals at market value | (14,353) | (25,584) |
| Add: acquisitions at cost | 15,154 | 25,784 |
| : investment cash | (1,054) | 2,575 |
| Net realised and unrealised gains | 5,072 | 2,049 |
| Market value at 31 December | 70,901 | 66,082 |

9 Fixed Asset Investments (continued)

Investments at market value comprised:

| | 2013 £000's | 2012 £000's |
|--|----------------|----------------|
| UK fixed interest securities | 4,100 | 3,906 |
| UK equities | 12,970 | 12,555 |
| Non UK equities | 14,419 | 11,860 |
| Property | 215 | 0 |
| Total commitment foreign exchange transactions | 108 | 0 |
| Other investments | 2,370 | 78 |
| Cash | 36,719 | 37,683 |

70,901

66,082

The historical cost of investments held at 31 December was

66,473

64,155

No investment (other than cash) represented more than 5% of the portfolio valuation at 31st December 2013 or 2012.

10 Total Funds

| | Balance | Movement in Funds | | | Balance |
|--|-------------------|-----------------------|----------------|---------------------------------------|---------------------|
| | 1 January 2013 | Incoming Resources | Expenditure | Gains, Revaluations & Transfers | 31 December 2013 |
| | £000's | £000's | £000's | £000's | £000's |
| Permanent endowment funds | | | | | |
| The Sanborn & Ellanor Doe Memorial Fund | 18 | 0 | 0 | 0 | 18 |
| The Hamilton Fellows Trust Fund | 19 | 0 | 0 | 0 | 19 |
| Sussex Home for Lost & Stray Cats & Dogs | 46 | 0 | 0 | 0 | 46 |
| Gertrude R Clarke | 242 | 2 | (2) | 0 | 242 |
| Total permanent endowment funds | 325 | 2 | (2) | 0 | 325 |
| Other restricted funds | | | | | |
| Ballymena | 0 | 116 | (116) | 0 | 0 |
| Basildon | 38 | 20 | (15) | 0 | 43 |
| Bridgend | 0 | 20 | (20) | 0 | 0 |
| Canterbury | 0 | 48 | (48) | 0 | 0 |
| Darlington | 0 | 76 | (76) | 0 | 0 |
| Evesham | 0 | 136 | (136) | 0 | 0 |
| Glasgow | 0 | 60 | (60) | 0 | 0 |
| Harefield | 0 | 10 | (10) | 0 | 0 |
| Ilfracombe | 41 | 179 | (220) | 0 | 0 |
| Kenilworth | 0 | 161 | (161) | 0 | 0 |
| Leeds | 0 | 689 | (689) | 0 | 0 |
| Loughborough | 0 | 0 | 0 | 0 | 0 |
| Merseyside | 0 | 96 | (96) | 0 | 0 |
| Newbury | 0 | 317 | (317) | 0 | 0 |
| Salisbury | 0 | 4 | (4) | 0 | 0 |
| Shoreham | 92 | 670 | (762) | 0 | 0 |
| Shrewsbury | 0 | 358 | (358) | 0 | 0 |
| Snetterton | 0 | 126 | (126) | 0 | 0 |
| West Calder | 0 | 375 | (375) | 0 | 0 |
| Leeds Education Officer | 44 | 0 | (44) | 0 | 0 |
| Other | 20 | 0 | (20) | 0 | 0 |
| Sub total other restricted funds | 235 | 3,461 | (3,653) | 0 | 43 |

10 Total Funds (continued)

| | Balance | Movement in Funds | | | Balance |
|----------------------------------|-------------------|-----------------------|-----------------|---|--------------------|
| | 1 January 2013 | Incoming Resources | Expenditure | Gains, 1 Revaluations & Transfers | 1 December 2013 |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Rehoming Centre Base Fund | 34,446 | 73,097 | (67,589) | 9,864 | 49,818 |
| Rehoming Centre Development Fund | 39,085 | - | - | (16,545) | 22,540 |
| Fund for Fixed Assets | 43,937 | - | - | 6,049 | 49,986 |
| Special Project Fund | - | - | - | 5,715 | 5,715 |
| Total designated funds | 117,468 | 73,097 | (67,589) | 5,083 | 128,059 |
| Total Funds | 118,028 | 76,560 | (71,244) | 5,083 | 128,427 |

Transfers from restricted funds are for expenditure on rehoming centres. Details of funds are included in the Report of the Trustees. The charity's Fund for Fixed Assets includes the amount owed by Dogs Trust Limited which is represented by our Dublin Centre. The charity's Rehoming Centre Base Fund is less than the Group's Fund because the difference is the Fund held in Dogs Trust Limited.

11 Analysis of Group Net Assets between Funds

| Represented by: | Designated | Restricted | Permanent endowment | Total |
|-------------------------|----------------|------------|------------------------|----------------|
| | £000's | £000's | £000's | £000's |
| Tangible fixed assets | 49,986 | 0 | 0 | 49,986 |
| Investments | 70,818 | 0 | 83 | 70,901 |
| Current assets | 13,588 | 43 | 242 | 13,873 |
| Current liabilities | (6,333) | 0 | 0 | (6,333) |
| Total Net assets | 128,059 | 43 | 325 | 128,427 |

12 Capital Commitments

The Trustees have authorised the following capital expenditure over next 5 years:

| | Evesham Redevelop- ment | Manchester Develop- ment | Newbury Redevelop- ment | Other Redevelop- ment | Total |
|---------------------------|-------------------------------|--------------------------------|-------------------------------|-----------------------------|---------------|
| | £000's | £000's | £000's | £000's | £000's |
| Authorised and contracted | 0 | 0 | 0 | 3,119 | 3,119 |
| Authorised not contracted | 7,440 | 4,981 | 7,000 | 0 | 19,421 |
| | 7,440 | 4,981 | 7,000 | 3,119 | 22,540 |

13 Debtors' analysis

| | Group | | Charity | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2013 £000's | 2012 £000's | 2013 £000's | 2012 £000's |
| Trade debtors | 123 | 81 | 18 | 44 |
| Other debtors | 1,052 | 888 | 1,052 | 612 |
| VAT Claim | 925 | 786 | 925 | 786 |
| Amount owed by subsidiary companies | 0 | 0 | 6,026 | 6,061 |
| Prepayments & accrued income | 5,138 | 5,674 | 5,116 | 5,621 |
| Total | 7,238 | 7,429 | 13,137 | 13,124 |

14 Creditors' analysis

| | Group | | Charity | |
|----------------------------|----------------|----------------|----------------|----------------|
| | 2013 £000's | 2012 £000's | 2013 £000's | 2012 £000's |
| Trade creditors | 5,621 | 3,497 | 5,515 | 3,418 |
| Other creditors | 405 | 471 | 359 | 429 |
| Accruals & deferred income | 307 | 480 | 298 | 381 |
| Total | 6,333 | 4,448 | 6,172 | 4,228 |

Movement in deferred income

| | Group | | Charity | |
|-----------------------------|----------------|----------------|----------------|----------------|
| | 2013 £000's | 2012 £000's | 2013 £000's | 2012 £000's |
| Balance at 1st January | 480 | 703 | 381 | 698 |
| Utilised in the year | (455) | (473) | (356) | (473) |
| Deferred income in the year | 282 | 250 | 273 | 156 |
| Balance at 31st December | 307 | 480 | 298 | 381 |

Deferred income is income received during this year but in respect of next year.

15 Reconciliation of net cash flow to movement in net funds for the group

| | 2013 £000's | 2012 £000's |
|---|----------------|----------------|
| Increase/(decrease) in cash in the period | 1,582 | (607) |
| Net funds at 1st January | 4,919 | 5,526 |
| Net funds at 31st December | 6,501 | 4,919 |

16 Analysis of net funds for the group

| | 1st January 2013 £000's | Cashflow £000's | 31st December 2013 £000's |
|--------------------------|-------------------------------|--------------------|---------------------------------|
| Cash at bank and in hand | 4,919 | 1,582 | 6,501 |

17 Forward currency contracts

The Charity had outstanding forward currency commitments of €5.3m at average rate of €1.173 to £1 as at 31st December 2013.

18 Related party transaction

There were no related party transactions other than those disclosed in Note 13. Advantage has been taken of the exemption permitted by FRS 8 not to disclose transactions with group entities.