



Annual Report 2020

For the year ended 31 December 2020

**Helping dogs and their owners
every step of the walk**

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Cover image: Rehabilitation Trainer Eloise Chitty and Storm at Dogs Trust Shoreham

Our purpose

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

Our approach

We love dogs. That's why we do whatever we can to make sure every four-legged friend gets the love they deserve. We'll never put a healthy dog down, so our work is focused on helping dogs in need, supporting owners every step of the walk, and creating a better world for dogs in the future. It's what we've been doing since 1891 and how we've grown to become the UK's leading dog charity, helping 12,000 of our loyal friends find their forever homes every year.

Here's what we're doing in each of our three vital areas of work:

- 1 We're the best place for dogs in need.**
When a dog is at risk, we help them get back on their paws with healthcare, training, rehabilitation – and lots of love, of course – at our 21 rehoming centres in the UK and Ireland, and through our fostering scheme.
- 2 We're here to help dog owners every step of the walk.**
We know life with a pooch isn't always perfect, so we're ready to share trusted advice and support online, on the phone or in person, to help foster that all-important bond.
- 3 We're making tomorrow's world a better place for all dogs.**
While much of our work is focused on immediately improving the lives of dogs and their owners both here and abroad, we're always trying to make life better for generations of dogs to come. We campaign on important issues like puppy smuggling, lobbying governments to make policy changes and funding long-term research projects in dog welfare. Overseas, we're vaccinating and neutering hundreds of thousands of strays and working towards eliminating rabies.

From canine carers to behaviourists, vets to fundraisers, whatever our role, we love dogs – and love the people who love dogs too. Because we couldn't do what we do without the tens of thousands of you who support us every year. Together with owners and supporters, we'll never let a dog down and we'll make sure A dog is for life@.



Welcome from our Chair

Welcome to our review of 2020 — a year we will never forget. Like many organisations, Dogs Trust faced its fair share of challenges due to the coronavirus pandemic. Many forms of fundraising stopped overnight which left us uncertain about income, and we needed to temporarily close centres to adopters and pause our public-facing Dog School training, education classes, dog welfare events — and much more.

However, with a 129-year history we know that whenever we face adversity our staff always dig deep. We found new ways to help dogs and their owners, and I'm in awe of how our staff adapted through this trying year.

Throughout the ups and downs, you — our supporters — have remained incredibly loyal, despite whatever hardships you're facing yourselves. Thank you on behalf of all of us — especially our four-legged friends in need, for your continued support. We're extremely grateful.

A handwritten signature in black ink that reads "Graeme Robertson".

Graeme Robertson
Chair

Welcome from our Chief Executive

This was my first full year as Chief Executive of this incredible charity – and what a year!

The pandemic turned life upside down but our staff and volunteers have done their very best to make sure that Dogs Trust flexes and evolves, and I couldn't be prouder.

Much of our fundraising activity had to cease and in 2020 our income fell by £7 million from what we had planned for originally. Our brilliant team found innovative ways to deliver cost savings and fundraise, to make sure that we can provide support for dogs and owners, both now and in the future. While none of us know exactly what is ahead, our concern is that we may see a surge in people giving up their dogs, as we saw following the 2008 recession.

As I write, 2021 is already bringing a new set of challenges but I know, thanks to the devotion of our donors and the care and dedication of our staff and volunteers, we will always be ready to respond.



Owen Sharp
Chief Executive



Our work this year

For dogs – the best place for dogs in need

Rehoming

Through our 20 rehoming centres in the UK and one in Ireland, we provide world-class facilities and expert care and rehabilitation for dogs in need.

We like to think of our yellow Dogs Trust collar as a symbol of love and security. When a dog comes into our care, and our collar is fastened around their neck, we're saying that they'll always have a home with us. We'll make sure they get the care and attention they need to get back on their paws, from veterinary checks to any behavioural support needed, while our expert match-makers do everything they can to line up their perfect home. Our mantra is that we never put a healthy dog down.

Clearly, due to the pandemic, 2020 was a different year for our rehoming. Restrictions meant that we couldn't rehome in the same way.

We closed our centres and paused rehoming in the first lockdown for four weeks until we could be sure we could protect our staff and visitors. Plus, we had to pause taking in dogs, unless for extreme welfare reasons, to reduce possible contact with the virus.

We quickly set up virtual matching and 'handovers at home' to safely deliver dogs to new owners, while staying socially distant.

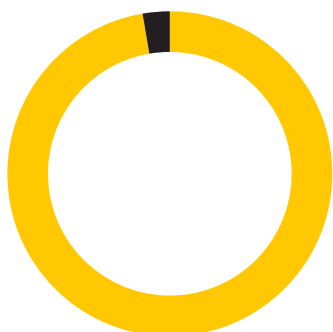
Overall the number of dogs we were able to rehome in 2020 was less than the year before. This was in part due to the restrictions and the limitations this put on our ability to physically get dogs and owners to meet. But it was also due to the fact that in 2020 fewer dogs were surrendered to us, leaving us a smaller number of dogs to rehome. We believe this was a result of more people being at home. Behaviour issues, such as separation anxiety, are the main reason dogs are given up to us. With changes to owner routines, such as spending less time separated from their dogs, fewer dogs have shown separation anxiety and other problem behaviours which lead to relinquishment.

Our non-urgent veterinary services such as neutering and vaccination were reduced, though staff in our central pharmacy ensured the dogs in need of our support continued to receive their vital medications by post to all parts of the UK, come rain or shine.



5% of our successful adoptions were long-term dogs

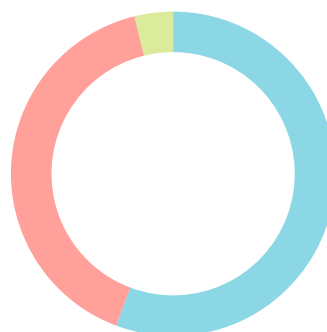
In 2020 we cared for 10,416 dogs at our 21 rehoming centres across the UK and Ireland



■ **8,473** Dogs successfully rehomed (2019: 11,790)

■ **252** Dogs died or put to sleep* (2019: 292)

* We never destroy a healthy dog.



■ **4,425** Handed over by their owner (2019: 6,815)

■ **3,213** Handed over by an organisation (2019: 5,082)

■ **304** Dogs born in our rehoming centres (2019: 338)

Finding a home for Sponsor Dog Benny

In July, Sponsor Dog Benny the Lurcher finally found a forever family. His new family, Malcolm and Jem, first connected with Benny through our Sponsor A Dog scheme, and quickly decided to offer him a permanent home. We arranged multiple socially distanced meetings at our Shoreham centre, with Benny's carers watching from a distance as the couple started to bond with him. After several weeks, our staff took Benny to see Malcolm and Jem's home, and helped them get ready to welcome him into their lives. We never gave up hope that one day we could find owners who understood Benny's needs. And now this lucky Lurcher has his perfect home.



Our contact centre staff worked from home, fielding more calls than ever. The number of rehoming calls for November 2020 was 107% higher compared to February 2020 (pre lockdown), and 78% higher than November 2019. We had 1,000 enquiries for a single litter of Dachshunds and the contact centre marked its 2 millionth call since opening in 2014. To cope with demand we trialled a new online rehoming enquiry form, which is set to stay, as we take the positives from this extraordinary situation.

The unprecedented desire to care for a dog has been welcome news for some of our rehoming centre residents, who have previously been overlooked. High demand has seen more dogs who have been with us several years rehomed, including some of our Sponsor Dogs, which has been an unexpected benefit of the crisis.

We also saw more dogs rehomed through our foster scheme. Our Home from Home volunteer foster carers open their houses and their hearts to dogs who find themselves without a permanent home and who might not suit a kennel environment. We support our foster carers every step of the way and provide food, bedding and any other practical things they need. We'll also cover the costs of any veterinary treatment. In 2020 our incredible foster volunteers cared for 1,934 individual dogs, and we rehomed 1,342 dogs thanks to the foster scheme, compared with 1,308 in 2019.

We're extremely grateful to our volunteers who work across much of the charity. In rehoming alone they dedicated around 31,500 hours, despite the pandemic restricting much of our volunteer-led activity.

Interactions for 2020

398,355 Inbound calls taken (2019: 376,447)



79,645 Emails received (2019: 45,187)



45,745 Post Adoption outbound calls (2019: 60,869)



14,361 Facebook direct messages (2019: 8,400)



Top 5 reasons people contacted us

140,758 Interested in rehoming a specific dog



43,170 Interested in general rehoming



26,556 Owner needing to hand over a dog



26,042 Making a donation of pre-loved items



11,085 Making financial donation



Post-adoption support

One thing that sets Dogs Trust apart from many other dog adoption organisations is the promise that we are there for life, with dedicated behavioural support for our adopted dogs. We provide vital advice and support to adopters at crucial stages of their rehoming journey. To help dogs adjust to their new routines, this advice has been needed more than ever during a year of lockdowns with owners present more than usual. During the pandemic (from February to December) our team gave advice to adopters across 16,851 calls.

The Puppy Pilot

In 2020, we saw a 66% increase (compared with 2019) in puppies needing help from our Puppy Pilot scheme. The scheme cares for, rehabilitates and responsibly rehomes pups that have been seized and quarantined having been smuggled into the country by unscrupulous dealers keen to profit from high puppy prices. Despite the lockdown restrictions, the illegal puppy smuggling trade shows little sign of slowing and the pilot continues to support those pups in need.



Support for other animal rescues and professionals

In 2020 we continued to work closely with other animal rescue organisations. We jointly formed an emergency grant fund with partners including the Association of Dogs and Cats Homes and the Petplan Charitable Trust to help other charities in need. We wrote new operating model guidelines for the sector and shared best practice guides and templates for risk assessments and ways of working with smaller organisations to help them with their response to the virus. And we helped the RSPCA and SSPCA care for dogs rescued in raids on establishments, following concerns for animal welfare.

We also held two online events to share best practice in behavioural rehabilitation, aiming to ensure more dogs remain in a forever home. The Rehoming Charity Conference was attended by 340 professionals in the rescue charity world and covered topics such as the management and rehabilitation of dogs that are reactive to other dogs. The Veterinary Student Seminar Day (co-sponsored by the British Veterinary Behaviour Association) was attended by over 160 people and helped vet students understand some of the key aspects of dog behaviour, equipping them with the skills and knowledge to make lives better for dogs.

With the help of our colleagues in animal welfare we believe we can make more of an impact on the lives of dogs, now and in the future.

Rehoming centre developments

We want to make sure our centres are the best in the world for dogs who need rehoming and rehabilitation. We also want to make sure we're present in enough locations support local authorities, who otherwise may have no option other than to put healthy dogs to sleep.

Planned building work to some of our centres, and the development of our brand new Cardiff centre, were delayed due to the pandemic restrictions. Cardiff has been delayed by six months due to the Covid-19 restrictions, and will now open later in 2021.

We've been renovating kennels in our Kenilworth centre, including repurposing eight kennels into four specialist training and behaviour rehabilitation kennels. This will complement the repurposing of former staff accommodation into four 'real life rooms' to help transition the dogs in our care into home environments.

Despite a six-month delay to the rebuild of our Darlington centre, work has progressed well, and the rebuild was completed in February 2021 and the site returned to normal operations from March 2021.

For dog owners – helping dog owners every step of the walk

Dogs are at the heart of everything we do — but where would dogs be without their wonderful owners? Much of our work is rooted in providing as much help and support as possible for dog owners as well as dog lovers, who may be thinking about welcoming a new furry family member.

We know that owning a dog isn't always a walk in the park. We aim to set dog owners up with as much knowledge as possible, as well as provide solutions to the bumps along the path of dog ownership.

Dog School

Our national network of classes is designed to teach dog owners the basics of training their dog, and give them the skills and knowledge to create a life-long bond with their pooch. We help owners understand their dogs and avoid the development of behaviour that can lead to problems further down the line.

Our classes are normally face-to-face but when the pandemic hit we moved everything online. We provided lots of information and videos for clients on the website, alongside virtual classes run by our expert teams. When restrictions lifted, we held smaller classes with appropriate social distancing, managing to teach over 14,800 owners overall in 2020. Our staff did an amazing job, repeatedly adapting to the changing external situation, and we're grateful to our customers for bearing with us and getting to grips with all the changes.



Gemma Smith (Head Coach at Dog School London) and Megana Nedungadi (Clinical Animal Behaviourist) with Mabel.

Freedom Project

Our Freedom Project is a dog-fostering service for people fleeing domestic abuse and going into refuge or emergency accommodation. The service has been running for 16 years and has helped over 1,800 dogs and their owners escape domestic abuse.

In 2020, there was an increase in domestic abuse offences as well as calls to support services, and domestic homicides in England and Wales tripled in the early weeks of lockdown.

Very sadly, our services have been needed more than ever: we saw an upsurge in visits to our website and we fostered a record number of dogs during August as restrictions started to lift.

In 2020, through our Freedom Project, we helped 170 people flee abuse. This important service runs in Greater London, the Home Counties, Yorkshire, the North East, the North West, Scotland, and in 2020, we expanded into East Anglia.

A huge thank you to all the volunteers who foster dogs through the project. We simply couldn't run the service without you.

Hope Project

We believe that no one should have to choose between their dog and having a safe place to sleep, but many people experiencing homelessness are left with that decision as many housing providers don't accept dogs. When faced with the choice of a roof over their head or being parted with their best friend, for many, there is no choice – their dog will always come first.

Our Hope Project gives homelessness service providers free, practical help and advice so they can make changes that will make the world of difference to dog owners experiencing homelessness — and ensure that people and their pets can stay together.

When the UK first went into lockdown, rough sleepers and other people experiencing homelessness were accommodated in hotels and emergency housing so they could adhere to government guidance on isolation and hygiene. However, many of these accommodations were worried about accepting dogs. We provided tailored support and guidance to hotels and homelessness services on accepting and managing dogs.

We also offered:

- **Emergency dog food and essential items like collars, leads, toys and bedding**
- **Free emergency vet care for any dog that became unwell, as well as transportation to the vet practice**
- **Temporary private boarding for dogs belonging to homeless people if they needed to access hospital treatment due to Covid-19.**

In Scotland, we worked closely with the Simon Community on a unique project to improve dog-friendly provision in homelessness services across Scotland.

We also developed a guide for homeless dog owners on how to care for their dogs and what to do if they needed to self-isolate.



Paul and Blake

Paul and his pooch Blake were staying in a dog-friendly hostel until the pandemic hit, forcing them to move into a hotel as part of the government's 'Everyone In' scheme. Paul explains, "I have found living in the hotel room very difficult and isolating. I genuinely don't think I would have been able to cope without Blake. He is the only constant in my life, he's my best friend and he perks me up every day. I don't get lonely because I have him. It's a huge relief knowing that if Blake gets ill, I won't need to worry about paying the bills. I wouldn't be able to afford it without you! It's also been lovely to receive parcels with food, a winter coat and other dog treats."

Education

We deliver educational programmes to children and young people across the UK, focusing primarily on two key themes: responsible dog ownership and being safe around dogs. One of our key activities is to encourage primary children to show appropriate behaviour around dogs to ensure safe interactions. However, with schools closing for large periods of 2020, and with restrictions in place when they did open again, we ran a large proportion of our workshops virtually. This switch did reduce the number of children we were able to reach, from 422,178 in 2019 to 112,602 in 2020, but the feedback has been very positive.

The team have used the time available to review activities, for example using research to understand how the impact of workshops could be increased. As a result, they've been developing materials for other audiences (like parents and childminders) to have even greater benefits for dogs.



Great informative session that involved the children and allowed time for them to discuss and voice their own thoughts..The children left the session being able to share what they had learned and expressed how much they enjoyed the experience

– Primary school teacher, following a virtual workshop.



Advice and awareness

As well as our projects that reach dog owners directly, we're also active in the public sphere, working with the media and through other communications channels, to get important messages out to millions of dog owners.

In 2020 we reworked our famous statement to help people realise A Dog is For Life, Not Just For Lockdown, we educated people on how not to be 'dogfished' or duped by unscrupulous sellers, and we advised owners how to prevent their pet from developing separation anxiety when they returned to work, to name just a few initiatives.

We also launched a campaign to shine a light on the work we do to change dogs' lives and support their owners. As part of this campaign we highlighted how those thinking of buying a dog can 'change the tale' and avoid fuelling the puppy smuggling trade. The campaign was backed by celebrities, including Graham Norton.



Changing the tale for River

River is a stray who arrived at Dogs Trust just before Christmas. He was so scared and anxious he barely left his crate for the first few weeks. But our training and behaviour advisors persevered, and with gentle care and encouragement River is growing in confidence. We'll continue helping him into 2021, showing him the world isn't such a scary place.

For dogs in the future – making tomorrow’s world a better place for dogs

While much of our work is focused on immediately improving the lives of dogs and their owners, we’re always looking to the future, and how we can further protect the welfare of dogs long term. Whether it’s our work to influence owners, professionals or politicians to improve dog welfare, or our research to better understand the behaviour and health of dogs — we’re here to make sure tomorrow’s world is a better place for our four-legged friends.

Public Affairs

While we reacted to change in 2020, we also continued our work to be agents of positive change. A major concern for us continues to be puppy smuggling. Between the start of lockdown and the end of the year, we rescued 261 puppies and 15 heavily pregnant mums (who had a further 65 pups). The desire for dogs during lockdown continues to fuel these unscrupulous sellers and their poor welfare practices. We put pressure on the government to end puppy smuggling and created a parliamentary Puppy Smuggling Taskforce with 80 MPs signing up in just a few months.

We held virtual meetings with MPs to make them aware of this and other issues, and the Environment Minister announced a consultation, promising that proposals to improve standards are imminent. We also responded to government consultations on topics such as housing and the impact of the pandemic, to improve life for dogs now and tomorrow.

We produced a 20 page booklet to demonstrate the puppy smuggling problem and galvanise MPs to join our taskforce.

Map depicting the 20–30 hour journey of an illegally imported puppy from Central or Eastern Europe to the UK



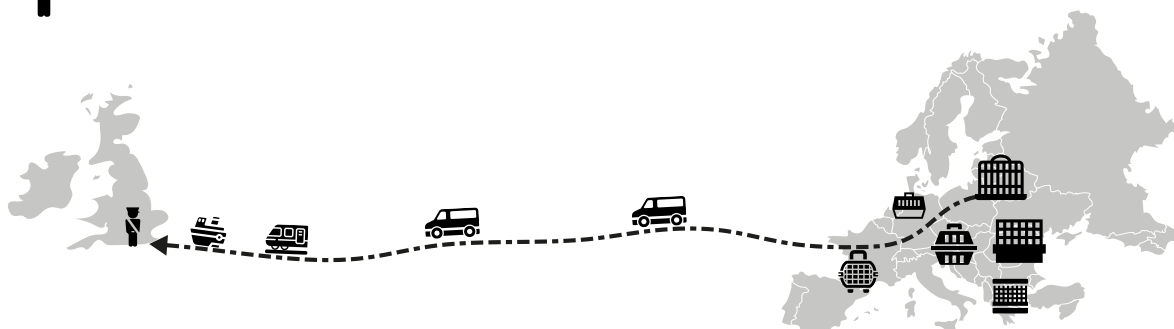
- Puppies bred in horrific conditions
- Unscrupulous vets falsifying data on pet passports, offering to sedate puppies to smuggle them through the border, providing EU passports and microchips for puppies from unlisted third countries



- No food, insufficient water, no exercise, no toilet breaks



- Ineffective border controls and enforcement of Pet Travel Scheme at UK ports
- Lack of sufficient penalties to deter the illegal trade



Research

We believe that research is fundamental in helping us make evidence-based decisions that influence dog welfare and making sure that our activities have the optimum impact. In 2020, many of our long-term projects continued, including our ground-breaking Generation Pup study. This project follows thousands of puppies throughout their lives, to help us understand more about the factors that lead to the development of health and behaviour conditions later in life. We now have nearly 5,000 puppies signed up. In 2020, three papers on topics such as ‘owner perception of problem behaviours’ were published in peer-reviewed journals.

Another focus this year has been our ‘Choosing My Dog’ research project, a survey completed by more than 11,000 respondents, to help us understand the decision-making process around how people choose a dog. The team have submitted two papers from this project already, and analysis is ongoing to gather more insights to help us influence those planning to acquire a dog in the future. We also developed research in record time to investigate the impacts of lockdown. A massive response to surveys and diaries has given us a wealth of data to understand the impacts of the pandemic on UK dogs and their owners. We’ve already used this to issue warnings to dog owners around separation anxiety through our communications work. We expect more helpful information to come out of this study as we move into 2021.



Dogs Trust **Worldwide**

Dogs Trust Worldwide provides grants, alongside our expertise and support, to improve dog welfare internationally. We do this through population management, rabies elimination, rehoming, education, innovation and reducing exploitation of our four-legged friends, while also providing emergency relief.

Our international work continues to go from strength to strength. Despite the challenges of 2020, Dogs Trust Worldwide-supported projects have achieved impressive results. We were able to neuter 90,000 dogs, to help manage the stray dog population, and vaccinate 282,000 dogs against rabies, a devastating disease for both dogs and humans.

Many of the organisations whose projects Dogs Trust Worldwide supports have faced unprecedented hurdles in continuing their work during the pandemic. These include pausing services because of local lockdown restrictions, sharp rises in requests for assistance in caring for dogs, roaming dogs going hungry due to a lack of tourists or the drying up of an organisation's own donations and volunteer pools. These factors, and many more, destabilised several of the groups that we support and the communities they serve.

Over the eight months since the start of the pandemic we've been able to provide £64,667 in emergency grants and the re-allocation of project funds to 14 organisations across eight countries who expressed the need for relief during this difficult time. For instance, we provided urgent funding for emergency dog-feeding programmes.

We were quick to provide support to emergency rescue work in Australia for the bush fires in February and in Lebanon following the Beirut explosion in the summer of 2020.

We've been improving conditions for dogs in Bosnia since 2013. This year we officially founded the Dogs Trust Worldwide Foundation Bosnia which gives us greater future possibilities to further build on the incredible achievements we've had in the country to date.



Helping dogs in Bangladesh

Dogs Trust Worldwide began supporting Obhoyaronno Bangladesh Animal Welfare Foundation's catch, neuter, vaccinate and release programme in 2018. That year they neutered, vaccinated and parasite treated 1,928 roaming dogs in a Northern zone of Dhaka. In 2020, a further grant helped them treat another 2,000 roaming dogs to reach a 75% sterilization rate in the area.



Dogs Trust Ireland

Through our Dublin-based rehoming centre and training, plus campaigning and education work in the community, Dogs Trust CLG in Ireland plays an important role in improving the lives of dogs in the Republic.

As in the UK, the Ireland team adapted to coronavirus-restrictions to carry out virtual matching and socially distant rehoming, also seeing success in matching long-term dogs with new owners.

The biggest challenge was that we could no longer transfer dogs to the UK to be rehomed, due to travel restrictions. To counter this, we now rehome dogs all over Ireland using foster families and boarding kennels and currently have over 800 approved foster families. This has worked so well that we're making it a permanent initiative.

Fostering has many benefits, one being that it has reduced the number of dogs returned to Dogs Trust Ireland, as people had the chance to spend time with a dog before making a full commitment to adopt. We also used our additional fosterers to offer support to frontline workers, if they needed their dogs cared for on a short-term basis. This generated huge media interest and as a result contributed to our fundraising efforts.

Just as in the UK, the demand for dogs grew exponentially as people wanted company during lockdown or could finally be at home to have the dog that they had dreamed of for their family. Over the summer months adoption applications went from an average of 700 to 7,000.

An unexpected benefit was that the move from in-person to online Dog School classes allowed us to reach people from all over Ireland, who wouldn't have been able to attend before, and to reach a wider range of dogs.

Our awareness and engagement work in Ireland continued in full flow. The team had nearly 40,000 signatures on the Christmas campaign petition #soldapup, to raise awareness of the terrible trade in puppy mills, and have been crowned one of Facebook's top five digital fundraising charities in Ireland.





Protecting dogs like Bailey

Springer Spaniel Bailey was falsely advertised for sale online as a Cockapoo, for €1,150. When Bailey was purchased, he was covered in lice — an indication of the poor conditions he originated from. To protect dogs like Bailey, Dogs Trust Ireland's #SoldAPup campaign called on the Government to enforce laws introduced in February 2020, which ban the illegal sale of dogs and puppies across Ireland.

Financial review

Income has remained at a consistent level of £111.5m in 2020 (2019: £109.5m). Note however, that this is substantially below the originally budgeted income of £117.7m, with severe reductions in retail trading income, rehoming adoption fees and Dog School class income (collectively £6.4m income in 2020, a drop of £3.5m from 2019's total of £9.9m). These face-to-face activities have all had to partially close in 2020 because of the Covid-19 pandemic. We are thankful to our loyal donors, who have continued to support the charity during the pandemic, giving a total of £98.5m in 2020 (2019: £97.8m), despite the hardships felt by many.

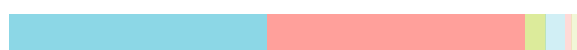
Expenditure has decreased 16% overall, from £116.6m to £97.4m due to the limited activities which could be performed during the pandemic. Capital expenditure was also reduced to conserve cashflow, as described below, with £9 million of spend delayed or cancelled from 2020. Fundraising expenditure has decreased more than charitable expenditure, a decrease of 22% from 2019 to £23.9m, this was due to the pandemic limiting our planned face-to-face fundraising activity. Retail trading costs were largely non-cancellable (for example, shop leases and salaries) therefore causing a significant loss on trading activities in 2020. Charitable expenditure has decreased by 15% to £73.5m (2019: £86.1m), most notably in our charitable category 'For dogs', which includes rehoming activity, as this has been significantly disrupted during 2020.

Where our income came from

It wouldn't be possible to carry out the work we do without the generosity of our supporters – over 589,000 people donated to Dogs Trust in 2020 – and our amazing volunteers who help in the delivery of our work.

As a one-off item during the Covid-19 pandemic, we also received government support under the Coronavirus Job Retention Scheme (£4.3m) and the Retail, Hospitality and Leisure Grant Fund (£0.7m). This support helped offset the £7.7m loss in budgeted 2020 income for those areas of the charity that had to cease activity because of the pandemic.

In order to continue our mission, we work hard to increase and diversify our sources of funding. In 2020, our income of £111.5m came from the following:



- Donations (2020: £62.0m) (2019: £61m)
- Legacies (2020: £36.5m) (2019: £37m)
- Coronavirus government grants (2020: £5m) (2019: £nil)
- Trading income (2020: £4.6m) (2019: £7.1m)
- Investment income (2020: £1.6m) (2019: £1.9m)
- Adoption fees (2020: £1.3m) (2019: £1.9m)
- Dog School classes (2020: £0.4m) (2019: £0.8m)

Where the money is spent

Our total expenditure for the year was £97.4m. These costs are split between charitable activities and expenditure to enable us to generate income. These costs were lower than our budget predictions as much of our public-facing work couldn't happen.



- For dogs (£48m)
- For dog owners (£14m)
- For dogs in the future (£4.3m)
- International (£7.2m)
- Fundraising on donations and legacies (£17.2m)
- Other trading activities (£6.5m)
- Investments (£0.2m)

For dogs – the best place for dogs in need: rehoming centre costs in UK and Ireland (staff, premises, maintenance, vehicle costs, veterinary costs) and canine behaviour work.

For dog owners – helping dog owners every step of the walk: our programmes including Dog School, Freedom Project, Hope Project, education and professional development work.

For dogs in the future – making tomorrow's world a better place for dogs: public affairs activity and research work.

International work: our long-term programme in Bosnia, as well as grants to support approved overseas projects by Dogs Trust Worldwide.

Donations and legacies: we continue to invest in a variety of areas to fund our future work.

Other trading activities: the cost of running our charity shop network, catalogues and raffles.

Fundraising contribution

£000s	2020	2020	2020	2019
	Voluntary	Trading	Total	Total
Income	98,485	4,630	103,115	105,789
Costs	17,223	6,521	23,744	28,041
Net contribution from fundraising	81,262	(1,891)	79,371	77,748

Our targets

We measure our success using internal statistics including:

Measure	2020	2019
Dogs rehomed by our rehoming centres	7,663	11,079
Dogs trained through Dog Schools	9,936	18,113
Number of children attending education workshops	112,602	422,178

The severe impact of Covid-19 on our activities is evidenced in the above statistics. Without this disruption, we would have expected numbers to have risen from 2019 measures.

Capital expenditure

Work on our Darlington centre and our new rehoming centre in Cardiff is expected to be completed in 2021, following a slowdown of construction in 2020 intentionally to preserve cashflow and in line with Covid-19 restrictions on the construction sector. Total spend on these major capital projects during 2020 was £11m. Work also continues on the refurbishment of the London office to bring this up to date for the future: the first time the office has had a significant modernisation. This is expected to be completed in 2021.

Financial position at year end

Net assets are now £187.8m compared to £170.8m in 2019: see the reserves policy following for details of how we plan to use these funds. Tangible fixed assets increased by £9.2m to £92.6m (2019: £83.4m) from capital expenditure (see above) offset against depreciation for the year.

Our shares investment portfolio, remarkably, saw gains in 2020 despite the Covid-19 pandemic, although below our benchmark of 11% return. Realised and unrealised gains totalled £3.0m (2019: £8.6m), taking the value from £56.3m in 2019 to £66.2m in 2020 (this total includes a cash injection of £7m). During these times of uncertainty, we released our cash from fixed deposits to be available within 60 days, reducing total deposits from £22m in 2019 to £8m. Cash on demand increased as a result, from £7.1m in 2019 to £16.2m. Other variances are less significant.

Performance of Group

See page 21 for details of the Dogs Trust Group. Dogs Trust Promotions Limited's total turnover was £1.7m (2019: £1.6m).

Dogs Trust CLG ("Dogs Trust Ireland") received a grant of £4.6m from the Charity, writing off its historic loan funding the purchase of the Dublin rehoming centre as this was no longer deemed repayable, in addition to £6.1m (2019: £5.6m) of donations and other income.

Dogs Trust Worldwide received a grant of £3.8m (2019: £4.2m) from the Charity. Dogs Trust USA Inc. received a grant of £0.2m (2019: £0.3m) from Dogs Trust Worldwide to support its work, and external donations of £0.3m (2019: £0.3m); with this it made £0.2m (2019: £0.2m) of grants to charitable organisations. Further detail on the results of these subsidiaries is shown in note 1 to the accounts.

In 2020, we made the difficult decision to make 21 roles redundant. Sadly, this resulted in 20 staff leaving, 13 in 2020 and the remaining seven in early 2021 after serving their notice. Coronavirus had a significant impact on some of our activity in 2020 and we could see that this impact would run well into 2021. We had to make the difficult decision to close seven of our less profitable shops and our Harefield tea-room. We also stopped activity of Dogmobile, our mobile unit that promoted rehoming, as the restrictions meant we could no longer be out in the community to encourage rehoming and we couldn't see a time when that would restart. Two roles were also made redundant in our publications team as we moved to digital methods of communicating to save costs and more clearly demonstrate impact. Redundancy is regrettable and always a last resort, after exploring other options. We're very grateful to those colleagues for all they did for Dogs Trust during their time with us and wish them well in the future.

Future plans

The charity plans activity looking five years ahead based on current forecasts. This includes major projects approved in principle by the Council, which are disclosed at note 18. We are reviewing all our planned projects in light of Covid-19 to ensure these are still of most beneficial impact for the charity. Online and remote service provision for our beneficiaries, as well as alternative methods of fundraising to mitigate the drop in face-to-face fundraising, are being trialled and are anticipated to become part of our long-term offering.

Reserves policy

The consolidated total funds are £187.8m (2019: £170.8m), of which £2m (2019: £2.1m) is restricted or endowed, and £12.5m (2019: £9.3m) is a revaluation reserve showing the cumulative uplift in the value of investments during the year.

The Charity holds the following designated funds:

Rehoming centre development fund

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

This fund is set aside for future capital expenditure on the Charity's operations (as approved by Council for the next five years). This stood at £31.9m at 31 December 2020 (see note 18 of the accounts).

Fund 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 31 December 2020 this totalled £92.6m (2019: £83.4m) (see note 8 of the accounts).

Grants fund

This is set aside for expected future grant payments to partner organisations, agreed with the partner in principle but subject to our satisfactory monitoring of the funds released to date. At 31 December 2020 this totalled £5.2m (2019: £1.6m) (see note 17 of the accounts).

IT strategy fund

An investment in the Charity's technology platform and application landscape is required to ensure this is fit for the future. At 31 December 2020 this totalled £4.5m (2019: £1.5m).

Free reserves

The reserves policy is used to ensure that the Charity and Group remain financially viable, even if impacted by any unanticipated short-term financial shortfall. It is reviewed annually or as a change in financial situation requires.

Dogs Trust has regular cash inflows from generous donors and those leaving gifts in their will. The group also has regular cash outflows in terms of maintaining rehoming centres, activities and programmes that promote dog welfare. While there are long-term spending commitments in place, these form the minority of the total group spend.

Council monitors the financial wellbeing of the Charity by reviewing total available cash and investments rather than free reserves, because in the event of a funding shortfall it would be this which provides the ability and stability to see the Charity through the difficult period.

The amount of cash and investments readily convertible to cash within 30 days must be sufficient to cover the Group's normal operational, or distressed, cash outflows for a minimum of three months. This would allow the Council to determine any required changes to ensure the group's longer-term financial stability (for example to find alternative provision for dogs being cared for), and management to implement the changes, while drawing on the cash and investments.

Higher amounts of cash and investments can be held on a short-term basis. However, the Group's Five Year Plan must accommodate a plan to spend any levels higher than 12 months of Group cash outflows by the end of the review period.

The amount of cash and investments readily convertible to cash within 30 days at 31 December 2020 was £90.4m (2019: £85.4m), which would cover 10.6 months' cash outflows. This is more than the three month minimum period, as the cost savings made in 2020 will be used to support the reduced fundraising income anticipated in 2021-25 as a result of the pandemic. Free reserves, for comparison, were £39.1m, as shown on the Balance Sheet.

Investment policy

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 Commission and the Office of the Scottish Charity Regulator if required by law. 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. Investments include cash held on deposit.

The Charity's investment policy seeks to achieve a balance between income and capital growth. The management of the Charity's invested assets has been delegated to professional fund managers. Council requires 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.

Governance

Public benefit

Dogs Trust exists to ensure that all dogs get the love they deserve and ultimately live happy lives, free from the threat of unnecessary destruction. We do this through our work that directly impacts dogs and supports their owners, making tomorrow's world a better place for our four-legged friends.

Dogs can play a vital role in keeping humans physically and mentally happy and healthy, so while it's certainly true that Dogs Trust charitable activities focus firmly on dog welfare, we believe our contributions towards public benefit (as defined by the Charity Commission) extend into the following areas:

- Providing a wonderful friend, in the form of a dog. Each year many people contact us to share their appreciation for their Dogs Trust dog and how the love and affection they receive from their hound has improved their lives.
- Helping make people fitter and healthier through rehoming and/or fostering dogs, thus providing the catalyst to take regular exercise.
- Helping children to better understand dog behaviour and dog safety, through our education activity.
- Helping the general public and society as a whole, through rehoming some of our dogs to police forces and prison services, to work as sniffer or defence dogs.
- Helping individuals to manage their mental and/or physical health problems when we rehome our dogs via organisations dedicated to assistance dogs. Furthermore, some of our adopted dogs have gone on to qualify as Pets As Therapy dogs, bringing comfort and fun to the sick in hospital, nursing homes and hospices.
- Helping individuals and families to escape a violent partner, by fostering their dog while they flee to safety, through our Freedom Project. Several individuals have told us that they would not leave their violent partner for fear of them harming or killing their dog – our service offers a lifeline.
- Helping homeless dog owners, or those experiencing a housing crisis, to have peace of mind that they can get veterinary help for their dog should they need it. We help owners and dogs to stay together, by encouraging homelessness organisations to accept dogs in their premises, through our Hope Project.
- Helping people make informed choices about how to go about buying a puppy, through our dog buying advice campaigns and providing behavioural advice to dog owners which is constantly enhanced via our extensive canine research programmes.
- Enabling those who love dogs, but are not in a position to own one permanently, by supporting them to volunteer as a foster carer through our Home From Home scheme.
- Providing peace of mind to dog owners, by promising to care for their dog in the event of their death, via our Canine Care Card scheme and supporting dog adopters where dogs have pre-existing conditions by covering some or all of the future costs for those conditions via our Shared Adoption Scheme.
- Helping prevent human deaths caused by rabies, through our major grants to the Mission Rabies programme in India and Malawi, via Dogs Trust Worldwide.

Governance structure

Dogs Trust (“The Charity”) is an unincorporated registered charity in England and Wales (charity number 227523) and Scotland (number SC037843), governed by a constitution embodying its rules and principles.

The corporate trustee, Dogs Trust Trustee Limited (“the Trustee”), is the sole trustee and non-trading parent company of Dogs Trust.

These consolidated accounts incorporate the results of:

- The Charity;
- Dogs Trust CLG, a charitable company registered in Ireland (charity number 20057978, company number 396919);
- Dogs Trust Worldwide, a charitable company registered in England and Wales (charity number 1167663, company number 09365971);
- Dogs Trust USA Inc, a non-profit 501 (c)(3) entity registered in the USA (EIN number 82-2390086); and
- Dogs Trust Promotions Limited, a company registered in England and Wales (company number 00963277).

Further detail on the objects and performance of the Charity’s subsidiaries is shown in note 1 to the accounts.

The Charity has three other dormant subsidiaries:

- Dogs Trust Limited, a company registered in England and Wales (company number 04877537);
- NCDL Limited, a company registered in England and Wales (company number 03798787); and
- Sponsor a Dog Limited, a company registered in England and Wales (company number 03601279).

Dogs Trust Foundation Bosnia, a subsidiary of Dogs Trust Worldwide, was registered in Bosnia on 2 October 2020. The Foundation was dormant during 2020.

The Charity is registered with the Office of the Scottish Charity Regulator (SC037843). Dogs Trust operates rehoming centres in Glasgow and West Calder. Youth education programmes and Dog Schools are run throughout Scotland and Dogs Trust receives income from Scottish supporters.

Trustee and Council members

Dogs Trust Trustee Limited has a board of 14 unpaid directors, referred to as our Council. The Council meets a minimum of four times a year and acts as the Charity’s governing body with powers to delegate day-to-day management to Dogs Trust Leadership Team, as defined on page 25.

Directors of Dogs Trust Trustee Limited

Mr Graeme Robertson (Chair) ✨ ✨
Mr Philip Daubeny (Vice Chair) ✨
Mr Edward Chandler BVetMed., FRCVS (Vice President) ✨
Mr James Monteith (Honorary Treasurer and Chair of F&GP) ✨
Prof David Argyle BVMS PhD DECVIM-CA (Oncology) FRSE FRCVS ✨
Mrs Clarissa Baldwin CBE
Mr John Beveridge QC (resigned 1 November 2020)
Mrs Veronica Carbone
Mr Robert Colvill ✨
Mrs Suzanne Murphy BVMS MSc DECVIM-CA MRCVS ✨
Mr Timothy Pearey MA ACMA ✨
Mr Michael Radford LLB OBE
Mr Ian Rose LLB ✨
Mrs Nicola Canavan
Mrs Louise Allum BSc MA VetMB PGCert(VetEd)
Grad Cert Shelter Medicine FHEA MRCVS

- ✨ member of the Finance and General Purposes Committee (F&GP)
- ✨ member of the Canine Welfare Grants Committee (CWGC)

Dogs Trust would like to thank Mr John Beveridge QC, who stepped down in November 2020, for his contributions to the charity throughout his many years of service.

Committees of the Council

The Dogs Trust Council has two advisory committees, the Finance and General Purposes Committee, which meets at minimum twice a year and advises the Council on finance, audit and risk matters, and the Canine Welfare Grants Committee, which meets once a year and has oversight of the grant funding of scientifically based research projects which aim to improve the lives of dogs. Each committee has a terms of reference set out by the Council and makes its recommendations directly to the Council at each meeting.

Both committees increase the frequency of their meetings as required to ensure effective oversight of the Charity. During the coronavirus pandemic the Council and its committees met on a more frequent basis – as often as necessary to ensure effective risk management and business continuity.

Appointment process

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 Council members receive an induction course covering all the operations and activities of Dogs Trust and may attend seminars and training courses on relevant subjects.

All Council members serve for a period of three terms of three years each, with the exception of Officers of the Charity, whose terms do not automatically expire.

Charity Governance Code

The Dogs Trust Council operates under the principles of the Charity Governance Code and has adopted many of the recommendations from within the code, including:

- Improvements to board effectiveness and decision-making via increased detail in agendas, papers, actions and record keeping.
- An updated Code of Conduct that sets out clear policies on Council member values, conflicts of interest and expenses.
- Updates to key policies such as whistleblowing and safeguarding. In 2020 Dogs Trust appointed a Lead Trustee for Safeguarding, who has oversight of safeguarding obligations and represents the Council in managing those obligations.
- Updates to delegated authorities to further clarify financial authority delegated from Council to management.
- A review of Dogs Trust strategy and priorities for the coming years.

The Trustee's responsibilities regarding the accounts

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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) Regulation 2008. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Trustee has taken all the steps that it ought to have taken to make itself 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 Trustee is not aware of any relevant audit information of which the auditors are unaware.

Risk management

The Trustee is responsible for ensuring there are appropriate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. This is actioned via review of the effectiveness of the Charity's risk management policy.

The risk management policy is in place to enable the management, as opposed to the elimination, of risks. The policy is designed to enhance the ability of the Charity to achieve its objectives.

The risk management policy includes the following processes and controls:

- A comprehensive risk register developed and enacted at departmental level and subject to top-down review by the leadership team.
- Annual review of the risk register, and the accompanying statements, by Council.
- The risk register draws upon risks submitted by department but is prioritised by consequences that could have a significant material impact on the Charity, including a severe immediate or prolonged reduction in income or disruption to our services.

The table below details the principal risks and uncertainties facing the Charity and the measures in place to manage these.

Key category	Summary of risks	Management
Strategy	<ul style="list-style-type: none"> - Number of dogs available for rehoming is significantly reduced, or exceeds the Charity's capacity. - Strategic areas unable to be fulfilled due to external factors. 	<ul style="list-style-type: none"> - Regular dialogue with key partners to mitigate against future issues. - Strategy and five-year plan regularly reviewed and approved by Council. - Regular assessment of the impacts and performance of the Charity's activities.
Dog welfare	<ul style="list-style-type: none"> - Treatment of dogs in the Charity's care goes against our agreed ways of working. - A health outbreak at one of the Charity's sites. - A supply chain issue results in compromised dog welfare. 	<ul style="list-style-type: none"> - Regular handling training for staff. - The Charity's policies and procedures are kept up to date. - Clinical decisions documented. - Scientific Advisory Board provides external research perspective. - Pharmacy stockpiles key medication, if necessary. - Employer liability insurance.
Income/asset generation	<ul style="list-style-type: none"> - Changes in public giving trends/external conditions/regulation reduces or potentially reduces income significantly. - Economic conditions/changes give rise to significant losses to the Charity's assets. 	<ul style="list-style-type: none"> - Diversification of income streams. - Proactive monitoring/discussions with trade unions, Fundraising Regulator and competitors. - Forward contracts purchased. - F&GP Committee reviews and scrutinises investments to ensure best value.
Governance	<ul style="list-style-type: none"> - Conflicts of interest are not appropriately managed. - A change in law or regulation makes current operations obsolete or compromised. 	<ul style="list-style-type: none"> - Council members disclose any conflicts ahead of each meeting. - A Register of Interests is maintained. - Internal and external audits undertaken. - Company Secretary attends regulatory briefings. - External legal advice sought for high-impact decisions.
PR & external	<ul style="list-style-type: none"> - Supply chain reputational issue. - The Charity's name, brand or funding is used negatively. - Adverse reaction to the Charity's messaging. - A claim is made against the Charity (either validly or not). 	<ul style="list-style-type: none"> - Due diligence for new and existing suppliers. - Supplier written contracts in place. - Trademarks registered. - Review process for external messages. - Crisis plan regularly updated and communicated.

Key Category	Summary of risks	Management
People	<ul style="list-style-type: none"> - An issue or concern is raised by an employee. - Failure to attract, motivate and retain the best employees, especially during the Covid-19 pandemic. - Non-compliance with laws, regulations or contractual terms by employees or volunteers. 	<ul style="list-style-type: none"> - Whistleblowing, safeguarding and H&S policies in place and updated regularly. - Training for all staff on safeguarding and health and safety. - Performance management processes in place. - Job descriptions updated annually. - Salaries benchmarked against other charities. - External advisors used to inform contracts, decisions and processes. - Staff wellbeing initiatives are regularly reviewed and feedback collected from staff surveys.
Health and safety	<ul style="list-style-type: none"> - An employee or volunteer is seriously injured while at work. - A third party is seriously injured while visiting one of the Charity's sites or events or while encountering one of the Charity's dogs. - Dog or human disease outbreak at one of the Charity's sites or events. 	<ul style="list-style-type: none"> - Isolation and cleaning procedures in place. - Operation procedures kept up to date. - Lone workers given personal safety devices. - Communication systems and alarms on site. - Crisis management plan updated annually. - Adopters informed of specific behavioural issues. - Employer liability insurance.
Security and systems	<ul style="list-style-type: none"> - Data on the Charity's systems is compromised. - The Charity's technology fails/is not fit for purpose. - Physical site security is severely compromised. - Goods/services are not procured effectively. 	<ul style="list-style-type: none"> - Modernised IT Strategy being implemented to bring CRM and systems up to date. - Data backed up and checked regularly. - Penetration testing and phishing simulation testing with actions followed up. - System security, firewalls and regular password updates in place. - Locks, safes, CCTV alarms.
Covid-19	<ul style="list-style-type: none"> - Significant reduction in donations or legacy income due to economic conditions or social restrictions. - Staff or volunteer welfare adversely affected by pandemic working conditions. - Heightened risk of loss or theft of the Charity's assets or data. - A key postholder or employee with critical business tasks contracts Covid-19. 	<ul style="list-style-type: none"> - Temporary move from F2F to digital fundraising. - Short-term cost reductions. - Robust risk assessments for reintroduction of activities. - Test and trace and Covid-19 notices at all sites. - Regular CEO briefings to ensure staff are informed and engaged. - Government updates proactively reviewed by the Coronavirus Action Team. - Key postholders and workstreams have contingency plans in place.

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

Policies

Remuneration policy

Governance of pay at Dogs Trust

Council is responsible for Dogs Trust's pay policy, as well as deciding the salaries of the chief executive and the leadership team. Council delegates this responsibility to the Finance and General Purposes Committee (F&GP).

The F&GP oversees the administration of Dogs Trust's pay policy, evaluates executive performance and decides on any changes to leadership team pay. The committee meets twice a year and may take external advice as well as recommendations from the chief executive, the finance director and the director of HR, provided that their pay is not being discussed.

Dogs Trust pay policy

In setting overall pay levels for our staff, Dogs Trust takes account of pay practice in other similarly sized charities, and, where necessary, private sector organisations for specialist and technical roles (for example in IT, finance, veterinary and rehoming roles).

We aim for a sustainable and consistent pay policy that meets the diverse requirements of Dogs Trust and a pay practice that ensures that individual pay decisions are supported by a performance management process that applies to all employees in the organisation.

The objective of this policy is to ensure that Dogs Trust can attract and retain the right people with the right skills to deliver its work. The policy also ensures that the chief executive, leadership team and employees are provided with appropriate remuneration to encourage optimum performance and are rewarded in a fair and reasonable manner for their individual contributions to the overall success of the Charity.

Key principles applicable to all levels of pay at Dogs Trust

- Dogs Trust encourages and rewards good performance. Individual pay is reviewed annually and takes into account performance, market conditions, any relevant new qualifications or skills developed and internal pay relativities. A recognition scheme is operated using cash rewards for exceptional contributions outside an individual's normal job role;
- Annual pay budgets take into account affordability, economic trends and external market pay movement;
- Pay is reviewed consistently using the same approach for all staff, including the leadership team and the chief executive; and
- All national pay standards are met, including the National Living Wage.

Leadership team in 2020

Name	Role
Owen Sharp	Chief Executive
Paula Boyden	Veterinary Director
Becky Bristow	Executive Director of Dogs Trust CLG
Rachel Casey	Director of Canine Behaviour and Research
Adam Clowes	Operations Director
Nick Daniel	Marketing Director
Tessa Drysdale	Human Resources Director
James Hiley	Finance Director (appointed 16 March 2020)
Brett Llewellyn	Interim Finance Director (resigned 13 March 2020)
Karen Reed	Executive Director of Dogs Trust Worldwide
Emma Sheppard	Communications and Digital Director

The leadership team, led by the Chief Executive, is responsible for the day-to-day running of the Charity under authority delegated by Council to the Chief Executive. It proposes to Council where the Charity should invest its time, money and expertise. It proposes an annual budget to the Finance and General Purposes Committee and the Council for approval and monitors financial performance accordingly.

Grant expenditure policy

We award grants to other organisations ("partner organisations" or "institutions") as part of delivering our charitable activities. We undertake a formal appraisal of the project and partner organisation before making the grant, subject to specific grant agreements with the partners. We monitor and evaluate progress and if we are not satisfied that the grant is being managed according to the agreement, we can delay or discontinue it. In 2020 we spent £3.2m (2019: £3.3m) in grants to partner organisations in relation to our international work, and £0.6m (2019: £0.9m) in relation to our veterinary and other work. Further detail is shown at note 6 to the accounts.

How we ensure we fundraise responsibly

As a charity that receives no government funding (with the unusual exception of the coronavirus government grants), we are reliant on income given voluntarily by supporters and our partners. They are at the heart of everything that we do and achieve. And, because of this, we strive to give the best experience to our supporters and the people we talk to in the delivery of our life-saving work.

Dogs Trust subscribes to the policies of the Fundraising Regulator, which oversees fundraising activity. The Fundraising Regulator investigates and, where necessary, takes appropriate action in cases of public concern. We work closely with the Fundraising Regulator and the Institute of Fundraising to help improve sector standards and ensure our activity meets the expectations of our supporters and the wider public. Full details of the Fundraising Regulator and the codes of our fundraising practice can be found at fundraisingregulator.org.uk

While our programmes have been seriously impacted by the pandemic, as a charity, talking to the public in person and communicating with our existing supporters are both key in engaging people and raising vital funds for our life-saving work. These include:

- Raising funds through selling goods and services through our charity shops, rehoming centres, website and catalogue
- Raising funds through the promotion of raffles
- Raising funds through local community fundraising
- Promoting the supporting of Dogs Trust through legacies
- Raising funds via other sources such as charitable trusts, foundations or companies.

We're always looking for ways to improve our activities and find new ways to engage the public with our work. Therefore, over time this list of activities may change.

Our staff carry out these activities, but we also work with external organisations, whose expertise allows us to talk to a wider audience in a more cost-effective manner. And, when working with these external organisations, we ensure that contracts are in place specifying that they meet our customer service expectations and that they adhere to all the appropriate legislations and regulation; including but not limited to the Fundraising Regulator's Code of Practice, Safeguarding Vulnerable Groups Act and the Data Protection Act.

Full details of our policies can be found on our website dogstrust.org.uk

We operate further controls to try to ensure that the trust and confidence of our supporters and the public are maintained:

- We regularly monitor and review work done on our behalf
- Where possible every new supporter receives a courtesy call soon after signing up to check that they were happy with how they were encouraged to support us and that they understand the nature of their regular gift to Dogs Trust. The calls are recorded for monitoring and training purposes and supporters are given every opportunity to opt out if they no longer wish to take part
- Fundraisers at our agencies all receive specific Dogs Trust training before conducting fundraising activities on our behalf
- We undertake 'mystery shopping' to ensure the processes and experience are being delivered to the standards we expect.

In addition to these controls, a complaints log is maintained and monitored, and we keep a close eye on the pattern of complaints so improvements to our services can be made. In 2020, we received a total of 27 complaints (2019 – 58 complaints) about our fundraising. This represents one complaint for every 937,100 supporter dealings but we are always striving to reduce these numbers further. During 2020, none of these complaints required any action by the Fundraising Regulator.

Signed on behalf of the Trustee by:



Graeme Robertson
Chair
7 May 2021

Independent auditor's report to the Trustee of Dogs Trust

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 December 2020 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 requirements of the Charities Act 2011 and Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 & 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of Dogs Trust ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report & Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: The Chair and Chief Executive Welcomes and the Annual Report of the Trustee. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- proper accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

As part of the audit we gained an understanding of the legal and regulatory framework applicable to the Group and the sector in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error, the Group's compliance with laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and other laws and regulations applicable to the group such as employment law, taxation legislation, data protection, health and safety legislation and the Animal Welfare Act 2006. We considered financial performance, key performance indicators and other performance targets. We also considered the risks of non-compliance with requirements imposed by the Charity Commission, and other regulators, and we considered the extent to which non-compliance might have a material effect on the group financial statements.

We also communicated relevant identified laws and regulations, potential fraud risks and that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members including internal specialists audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of these procedures we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: donations and legacy revenue recognition.

Our tests included:

- agreeing the financial statement disclosures complied with applicable legislation
- enquiries of the Finance & General Purpose Committee, management and internal audit, review of minutes of meetings of those charged with governance
- reviewing correspondence with HMRC
- audit testing a sample of gift aid claims and ensuring these have been made in accordance with the regulations
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the legacy accrual and shared adoption scheme provision
- enquiries of third parties, where information from that third party has been used by the Group in the preparation of the financial statements
- reviewed if any Serious Incident Reports submitted to the Charity Commission and performed an assessment of any Whistleblowing matters and
- performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluations, whether there was evidence of bias in accounting estimates by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charity's Trustee, 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 Trustee 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor
London, UK
Date: 7 May 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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

Dogs Trust

Consolidated Statement of Financial Activities

for the year ended 31 December 2020

		2020 £000's	2020 £000's	2020 £000's	2019 £000's	2019 £000's	2019 £000's
	Notes	Unrestricted	Restricted & endowment	Total	Unrestricted (restated)	Restricted & endowment (restated)	Total (restated)
Income from:							
Donations and legacies							
Donations		60,448	1,499	61,947	58,049	2,767	60,816
Legacies		32,863	3,675	36,538	33,454	3,569	37,023
Coronavirus government grants	2	709	4,331	5,040	-	-	-
Charitable activities							
Adoption fees		1,338	-	1,338	1,863	-	1,863
Dog School classes		414	-	414	834	-	834
Other trading activities	3	4,630	-	4,630	7,140	-	7,140
Investments	4	1,568	-	1,568	1,866	-	1,866
Total income		101,970	9,505	111,475	103,206	6,336	109,542
Expenditure on:							
Raising funds							
Donations and legacies	6	17,011	219	17,230	23,807	-	23,807
Other trading activities	6	5,941	587	6,528	6,466	-	6,466
Investments	6	183	-	183	244	-	244
		23,135	806	23,941	30,517	-	30,517
Charitable activities							
For dogs	6	41,474	6,533	48,007	53,599	5,928	59,527
For dog owners	6	12,017	1,960	13,977	12,487	728	13,215
For dogs in the future	6	4,099	232	4,331	4,611	-	4,611
International	6	7,121	34	7,155	8,675	34	8,709
		64,711	8,759	73,470	79,372	6,690	86,062
Total expenditure	6	87,846	9,565	97,411	109,889	6,690	116,579
Net income / (losses) before gains on investments		14,124	(60)	14,064	(6,683)	(354)	(7,037)
Net realised gains on investments		869	-	869	1,670	-	1,670
Net unrealised gains on investments		2,111	-	2,111	6,901	-	6,901
Net income / (expenditure)		17,104	(60)	17,044	1,888	(354)	1,534
Other recognised gains / (losses)		11	-	11	1,110	-	1,110
Net movement in funds		17,115	(60)	17,055	2,998	(354)	2,644
Reconciliation of funds							
Funds brought forward 1 January	14	168,675	2,100	170,775	165,677	2,454	168,131
Funds carried forward 31 December	14	185,790	2,040	187,830	168,675	2,100	170,775

All amounts relate to continuing activities.
The notes on pages 33 to 51 form part of the financial statements.

Dogs Trust

Balance sheets

on 31 December 2020

	Notes	Consolidated		Charity	
		2020 £000's	2019 £000's	2020 £000's	2019 £000's
Fixed assets					
Tangible fixed assets	8	92,600	83,379	87,564	78,358
Investments	9	66,248	78,305	66,248	78,305
		158,848	161,684	153,812	156,663
Current assets					
Stock	10	548	917	475	790
Debtors	11	30,603	26,393	30,949	30,769
Investments	9	8,005	-	8,005	-
Cash at bank and in hand		16,156	7,143	15,103	6,435
		55,312	34,453	54,532	37,994
Creditors: amounts falling due within one year	12	(15,638)	(15,332)	(15,274)	(14,932)
Net current assets		39,674	19,121	39,258	23,062
Provisions for liabilities	13	(10,692)	(10,030)	(10,692)	(10,030)
Net assets		187,830	170,775	182,378	169,695
The funds of the Charity					
Unrestricted funds					
Revaluation reserve	14	12,493	9,256	12,493	9,256
Designated reserves: Development fund	14	31,924	46,265	31,924	46,265
Designated reserves: IT Strategy	14	4,462	1,500	4,462	1,500
Designated reserves: Grants fund	14	5,225	1,597	5,225	1,597
Designated reserves: Fixed asset reserve	14	92,600	83,379	87,564	83,379
Free reserves	14	39,086	26,678	38,671	25,598
Total unrestricted funds		185,790	168,675	180,339	167,595
Restricted income funds	14	1,128	1,188	1,128	1,188
Endowment funds	14	912	912	912	912
Total Charity funds		187,830	170,775	182,379	169,695

The financial statements were approved by the Council members and authorised for issue on 7 May 2021:



G. Robertson
Chair



J. Monteith
Honorary Treasurer

The notes on pages 33 to 51 form part of the financial statements.

Dogs Trust

Consolidated cashflow statement

for the year ended 31 December 2020

	2020		2019	
	£000's	£000's	£000's	£000's
Net cash provided by operating activities		18,091		5,369
Cash flow from investing activities				
Dividends, interest and rents from investments	1,568		1,863	
Purchase of property, plant and equipment	(17,689)		(16,677)	
Proceeds from the sale of property, plant and equipment	-		24	
Purchase of fixed investments	(25,102)		(15,696)	
Proceeds from sale of fixed asset investments	40,139		24,683	
Net cash used in investing activities		(1,084)		(5,803)
Change in cash and cash equivalents in the reporting period		17,007		(434)
Cash and cash equivalents at the beginning of the reporting period		7,143		6,467
Change in cash and cash equivalents due to exchange rate movements		11		1,110
Cash and cash equivalents at the end of the reporting period		24,161		7,143

	2020		2019	
	£000's	£000's	£000's	£000's
Reconciliation of net income to net cash flow from operating activities				
Net income for the reporting period (as per the statement of financial activities)		17,044		1,534
Adjustments for:				
Depreciation charges	8,468		8,638	
Profit on disposal of fixed assets	-		(14)	
Gains on investments	(2,980)		(8,571)	
Dividends, interest and rents from investments	(1,568)		(1,863)	
Decrease/(increase) in stocks	369		(414)	
(Increase) in debtors	(4,210)		(1,549)	
Increase in creditors	306		5,923	
Increase in provisions for liabilities	662		1,685	
Net cash flow from operating activities		18,091		5,369

	2020	2019
	£000's	£000's
Analysis of cash and cash equivalents		
Cash in hand	16,156	7,143
Cash on deposit	8,005	-
Total cash and cash equivalents	24,161	7,143

		At 1 January	Cashflows	At 31 December
		£000's	£000's	£000's
Analysis of net debt				
Cash	2020	7,143	17,018	24,161
	2019	6,467	676	7,143

The notes on pages 33 to 51 form part of the financial statements.



Changing the tale for Flo

In the midst of the pandemic, Flo was found in a field, terrified and alone. She was just 10 weeks old. We have no idea how long she'd been left to fend for herself, and she was in a bad way. If she hadn't been found and brought to us, she probably wouldn't have made it. Thanks to our dedicated staff, Flo is now happy, healthy and safe.



Notes to the accounts

Accounting Policies

Accounting basis

Dogs Trust is an unincorporated registered charity in England and Wales (charity number 227523) and Scotland (charity number SC037843) governed by a constitution.

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – ‘Accounting and Reporting by Charities (2019)’ published in 2019, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and applicable accounting standards.

The 2019 consolidated Statement of Financial Activities has been restated to attribute charitable spend between the refreshed charitable activity headings, with no change to the overall total – see note 6. The 2019 consolidated Statement of Financial Activities has also been restated to reclassify income from Dog School classes from Trading Activities to Charitable Activities – see note 3.

Going concern

In December 2019, coronavirus started circulating across the world, and was declared a global pandemic in March 2020. On 5 January 2021, the UK government announced a further national lockdown. A ‘roadmap’ for easing Covid-19 restrictions in England has been announced, with the aim of restrictions being lifted by 21 June 2021 at the earliest.

The pandemic has caused a significant change to the activities of the charity during 2020 and into 2021: our rehoming centres and shops have been closed to the public, other customer-facing activities have been paused including much of our fundraising, and our office staff are working remotely.

Income has been adversely affected from that originally planned in the 2020 and 2021 budget, but offset by reduction in costs and receipt of government support.

Given the strength of the balance sheet and availability and liquidity of unrestricted investments, Council believes that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity’s ability to continue as a going concern. The Council therefore consider it appropriate for the accounts to be prepared on a going concern basis.

Group financial statements

The Statement of Financial Activities (“SOFA”), Balance Sheet and Cashflow Statement consolidate the financial statements of the Charity and its deemed subsidiaries, Dogs Trust Promotions Limited, Dogs Trust CLG, Dogs Trust USA Inc and Dogs Trust Worldwide (collectively “the Group”). The results of the subsidiaries are consolidated on a line by line basis. The Charity’s gross income was £103.7m (2019: £105m) and surplus was £12.7m (2019: surplus of £3.9m).

Dogs Trust Worldwide, Dogs Trust CLG and Dogs Trust Promotions Limited are each deemed to be a subsidiary company because the majority of directors or members are Council members or senior managers of Dogs Trust and therefore, by voting rights, the Charity retains control.

Dogs Trust USA Inc is deemed a subsidiary because the President is the Chief Executive Officer of Dogs Trust.

The sole Trustee of Dogs Trust is Dogs Trust Trustee Limited (company number 08996564), a non-trading company (“the Trustee”). Dogs Trust Trustee Limited does not produce consolidated financial statements because it does not control Dogs Trust, as it does not have the ability to benefit from its interest in Dogs Trust.

A separate Statement of Cash Flows has not been presented for the Charity only as it has taken advantage of the exemption afforded by FRS102.

Critical accounting estimates and judgements

To be able to prepare financial statements in accordance with FRS 102, the Trustee is required to make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The significant estimates and judgements are:

- Accrued income: legacy (see income policy below);
- Accruals: costs not yet invoiced (see expenditure policy below);
- Provisions: Shared Adoption Scheme costs (see provisions policy below);
- Allocation of support costs (see expenditure policy below); and
- Depreciation and impairment (see fixed assets policy below).

Income

All income is included in the SOFA when the Charity is legally entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably.

Donations and legacies

Legacy income is recognised when it satisfies the following criteria:

- There is sufficient evidence of a legacy having been left to Dogs Trust based on probate having been granted before the year end;
- For pecuniary legacy interests, notification has been received from the executor. For residuary legacy interests, we have received the confirmation of sufficient assets in the estate and there are no material known outstanding disputes. For all other types of legacy interests, we have a reasonable estimate of the amount due. In each case this information must be notified to us by the date of signing the accounts;
- Where a legacy is subject to the interest of a life tenant, the income will not be recognised until the death of the life tenant; and
- Measurement of legacy income is exposed to inherent uncertainties represented by property and other investments whose value is subject to market fluctuations until realised. Dogs Trust recognises this by using the latest available estate valuation information and allowing for fluctuations with a provision against income of 5%-8% per estate, based on historic trends.

Donations are accounted for when received. No amounts are included in the financial statements for services donated by general volunteers. Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor. Membership income is accounted for over the period to which membership relates.

Government grants are recognised when the Charity is entitled to receipt:

- Coronavirus Job Retention Scheme grant is recognised in the period in which it becomes receivable. The grant is received to meet specific employee costs and therefore charged to restricted funds. Furloughed employment costs have been shown gross.
- Grants received under the Retail, Hospitality and Leisure Grant Fund have been recognised at the point of entitlement, which is when received and there is no material uncertainty remaining which may indicate grants need to be repaid.

Charitable activities

Adoption fees received for rehoming services are included as income when the dog is rehomed.

Income for Dog School classes is accounted for when the training has taken place.

Other trading activities

Sale of goods, comprising income from the sale of new and donated goods through retail shops and online, is accounted for when the sale has taken place. Where applicable, income is recognised net of value added tax. The Charity operates a retail Gift Aid scheme for supporter goods sold that are in its charity shops on an agency basis. These sales are treated as sales of donated goods for accounting purposes. Income from raffles is recognised when the draw takes place.

Investments

Income is shown in the year for which it is received or becomes receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to any given category. Costs not yet invoiced, but where goods or services have been provided, are included where the amount owed can be estimated reliably. Where timing or amount of costs are uncertain, amounts are classified as a provision. Where costs cannot be directly attributed to an activity or function, they have been allocated on a usage basis or on the basis of headcount. Support costs, such as general management, payroll administration, technology infrastructure support, human resources advisory and financing are allocated in this way.

Grant expenditure

Grants payable are accounted for as expenditure in the year in which a binding, specific commitment to make payment is entered into with the recipient. Expected future grant payments, if conditions are met by the recipient as the grant falls due, are disclosed in note 17.

Irrecoverable VAT

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

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation. The Charity regularly reviews the net book value of its fixed assets and writes their values down (shown as an impairment) to their depreciated replacement cost, for rehoming centres, or open market value, for offices, where the net book value is higher.

Depreciation is provided on the following basis:

Freehold land	Land is not depreciated and is tested for impairment
Freehold buildings	Over 15 years straight line for rehoming centres and 25 years for offices
Assets under construction	Not depreciated until they are ready for use. Construction projects are reviewed for impairment
Motor vehicles	Over three years straight line
Equipment & fittings	Over four years straight line

Investments

Listed investments are included in the balance sheet initially at cost and revalued at the reporting date to bid price. 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.

Current asset investments include cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes, valued at fair value.

Stocks

Stocks are valued at the lower of cost and net realisable value. Goods donated for resale are valued at estimated net realisable value based on historical trends.

Provisions

Provision for liabilities relates to the estimated future veterinary costs for dogs on the shared adoption scheme. Under this scheme, dogs rehomed with certain medical conditions will have the approved veterinary costs covered for the treatment of that particular ailment for the rest of the dog's life. The provision for future costs is estimated based on the average cost incurred per dog already on the scheme (£1.9m total cost in 2020), factoring in the expected growth in the number of dogs admitted (3.9%), and the average life of a dog on the scheme (4.2 years). To date, 18,638 dogs have been enrolled on the scheme.

Operating leases

Rental applicable to operating leases is charged to the SOFA over the period in which the cost is incurred.

Foreign currency

Foreign currency transactions of individual group entities are translated at the rates applicable on the transaction date. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All differences are included in the SOFA as other recognised gains or losses.

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 that arise from translation of the opening net assets and results of foreign subsidiary undertakings are included in reserves.

Pension costs

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

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 do not generally pay UK corporation tax because their policy is to pay qualifying donations out of taxable profits to the Charity. Foreign tax incurred by overseas subsidiaries is charged as it is incurred.

Financial instruments

The Group has financial assets and financial liabilities of a kind that qualify as basic and complex financial instruments.

Basic financial instruments comprise fixed asset investments measured at fair value through profit or loss and financial assets and liabilities that are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash, trade debtors and other debtors. Financial liabilities held at amortised cost comprise trade creditors and other creditors.

The charity uses foreign currency forward contracts to manage its exposure to foreign currency exchange risk. These are classified as complex and the fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date.

Details of financial instruments are found in note 22.

Funds

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

The Frank Goddard Jackson endowment fund has been invested to contribute towards the maintenance of the Frank Goddard Jackson Veterinary Suite in future years.

Restricted funds represent funds which must be used for a specific purpose narrower than the objects of the Charity such as for specific rehoming centres and projects. Where restricted expenditure on projects exceeds restricted income, the balance is applied out of unrestricted funds, shown by a funds transfer.

1. Results from trading activities of group entities

See page 21 for details of the group structure. Dogs Trust Promotions Limited (Company number 00963277) is incorporated in the UK and its primary activity is to sell gifts and licenses. Dogs Trust CLG is a charity incorporated in Ireland (Charity number 20057978, Company number 396919) and its primary activity is to reduce and, ultimately, see the end of homeless dogs in Ireland. Dogs Trust USA Inc is a non-profit 501 (c)(3) charity registered in USA and its primary activity is to protect dogs from maltreatment, cruelty and suffering. Dogs Trust Worldwide is a charitable company incorporated in the UK (Charity number 1167663, Company number 09365971), its primary activity is to protect dogs from maltreatment, cruelty and suffering outside of the UK. Dogs Trust Foundation Bosnia is a non-profit foundation registered in Bosnia on 2 October 2020, its primary activity is to protect dogs from maltreatment, cruelty and suffering in Bosnia. Dogs Trust Foundation Bosnia was dormant during 2020. All entities have a year-end reporting date of 31 December. A summary of the trading results for these entities is shown below (the figures include intercompany trading).

	Dogs Trust CLG		Dogs Trust Promotions Limited		Dogs Trust USA Inc		Dogs Trust Worldwide	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Incoming resources								
Donations	5,300	4,360	-	-	147	287	48	38
Legacies	78	280	-	-	-	-	-	-
Merchandising	96	-	1,700	1,561	-	-	-	-
Grant from Dogs Trust Group	4,597	2,386	-	-	206	256	3,802	4,205
Coronavirus government grants	284	-	-	-	-	-	-	-
Sale of dogs and neuter income	313	965	-	-	-	-	-	-
Interest received	-	22	-	-	-	-	-	-
Total incoming resources	10,668	8,013	1,700	1,561	353	543	3,850	4,243
Total costs	(6,285)	(8,083)	(1,661)	(1,307)	(423)	(316)	(3,907)	(4,250)
Net movement for the year	4,383	(70)	39	254	(70)	227	(57)	(7)
Qualifying charitable contribution	-	-	(38)	(259)	-	-	-	-
Retained profit/(loss) for the year	4,383	(70)	1	(5)	(70)	227	(57)	(7)
Funds brought forward 1 January	472	552	20	25	333	109	267	274
Exchange gain/(loss) on opening net assets	105	(10)	-	-	1	(3)	-	-
Funds carried forward 31 December	4,960	472	21	20	264	333	210	267
Total assets	5,730	5,599	368	419	274	452	210	312
Total liabilities	(770)	(5,127)	(347)	(399)	(10)	(119)	-	(45)
Total funds	4,960	472	21	20	264	333	210	267

2. Government grants

	2020 £000's	2019 £000's
Coronavirus Job Retention Scheme	4,331	-
Retail, Hospitality and Leisure grants	709	-
	5,040	-

There are no unfulfilled conditions in respect of these grants. No other government grants were received; a waiver was received in respect of business rates. Coronavirus Job Retention Scheme grants totalling £4,331,000 (2019: £nil) are treated as restricted for employee costs.

3. Other trading activities

	2020 £000's	2019 (Restated) £000's
Sale of goods	3,657	5,736
Fundraising events	63	202
Raffles	910	1,202
	4,630	7,140

Dog School income of £834,000 has been restated from Sale of goods to Charitable Activities in 2019 to better reflect the nature of the activity.

4. Investments

	2020 £000's	2019 £000's
Interest received	100	307
Dividends received	1,468	1,559
	1,568	1,866

5. Council members' remuneration and expenses

All Council members are directors of Dogs Trust Trustee Limited, the non-trading parent company. No Council member or any person connected with them received any remuneration during the year. Three Council members were reimbursed for expenses totalling £621 (2019: 11 members reimbursed £5,060) covering travel, subsistence and accommodation incurred in connection with their duties as members of the Council of Dogs Trust. No allowances were paid to Council members, and no direct payments to third parties were made on their behalf.

6. Analysis of expenditure

	Grants £000's	Activities undertaken directly £000's	Support costs £000's	2020 Total £000's	2019 Total (restated) £000's
Raising funds					
Donations and legacies	-	15,984	1,246	17,230	23,807
Other trading activities	-	5,391	1,137	6,528	6,466
Investments	-	183	-	183	244
	-	21,558	2,383	23,941	30,517
Charitable activities					
For dogs	60	36,514	11,433	48,007	59,527
For dog owners	-	10,858	3,119	13,977	13,215
For dogs in the future	588	3,338	405	4,331	4,611
International	3,154	3,612	389	7,155	8,709
	3,802	54,322	15,346	73,470	86,062
Total	3,802	75,880	17,729	97,411	116,579

2019 costs have been restated to better attribute charitable spend between the refreshed charitable activity headings, with no change to the overall total.

Support costs totalling £17,729,000 (2019 - £18,174,000) have been allocated across the activities. These include costs associated with IT totalling £2,940,000, management and administration (finance, legal, HR and central administration costs) totalling £9,795,000, property totalling £3,616,000, central veterinary services totalling £1,002,000 and central communications services totalling £376,000. The costs have been allocated based on headcount.

Of the total expenditure above £9,565,000 (2019: £6,690,000) related to restricted funds. See note 14 for a breakdown of this expenditure.

Included within support costs are governance costs of £490,000 (2019: £669,000), these include the following amounts:

	2020 £000's	2019 £000's
Audit	89	80
Other assurance services	9	6
Tax and advisory	30	8
	128	94

Total irrecoverable VAT was £2,597,000 (2019: £2,457,000).

Net income is stated after charging rent payable under operating leases of £1,170,000 (2019: £1,072,000).

£4,597,000 (2019: £2,320,000) was granted to Dogs Trust CLG by the Charity during the year, the current year grant being in respect of a historic loan from the Charity, which is no longer repayable.

During the year, £207,000 (2019: £256,000) was granted to Dogs Trust USA by Dogs Trust Worldwide in support of its work.

Grants payable to other organisations improving the lives of dogs in the UK and around the world are considered to be part of the costs of activities in furtherance of the objects of the Charity. This is because the Charity's grant programme activity is carried out through organisations, monitored by the Charity, that support long-term benefits for dogs.

Analysis of expenditure (continued)

(a) International projects:

Grants were made to the following animal welfare organisations outside the Dogs Trust Group as detailed below:

Organisation/Project	Delivery country (Unless UK)	2020 £000's	2019 £000's
Mission Rabies	India & Malawi	1,096	1,096
Soi Dog Foundation	Thailand	634	593
Dogstar Foundation	Sri Lanka	250	313
WVS - International Training Centre	India	250	250
WVS - International Training Centre	Thailand	220	220
Aware Trust	Zimbabwe	155	153
Mayhew International	Afghanistan	66	140
WW IAHP	Australia	61	30
Obhoyaronno	Bangladesh	45	6
The Jane Goodall Institute	Nepal	41	-
Buckaroo MNI	South Africa	34	10
HEART - Tokushima	Japan	30	-
Forgotten Animals	Russia	26	47
NSPCA	South Africa	26	15
Help in Suffering	India	26	39
Mdzananda Animal Clinic	South Africa	24	-
SPCA Malta	Malta	22	-
LAPA	Russia	21	13
Save the Dogs	Romania	20	-
GAAP - Global Alliance for Animals and People	Chile	19	-
The Pets Second Home	Latvia	18	-
Project Humane Nepal	Nepal	14	-
BAWA	Indonesia	13	102
Lanta Animal Welfare	Thailand	13	-
Animal Nepal	Nepal	12	30
Sneha's Care	Nepal	12	-
Funda Nenja	South Africa	11	12
IRS	Ukraine	9	14
Transylvania Animal Care	Romania	4	-
Pomurje SPA	Slovenia	4	9
ARPOL	Lithuania	4	29
Animals Lebanon	Lebanon	4	-
Ukrainian Association of Animal Advocates (UAAA)	Ukraine	4	-
Simabo	Cape Verde	3	-
SPAW	Kingdom of Tonga	3	28
Humane Animal Society	India	2	-
Himalayan Animal Treatment Centre (HAT) UK	UK	2	-
TNR Trust	Malawi	1	-
GAAP	Guatemala	-	30
Fundacion Amici Cannis	Ecuador	-	22
FOMAW	Mexico	-	19
Alliance of Animals and People (AAP)	India	-	17
Animal Friends Croatia	Croatia	-	9
UVP	Slovakia	-	9
Animal Rights Committee	Georgia	-	6
FIAPO	India	-	6
EVAC	Egypt	-	5
MBWA	Tanzania	-	4
IAPWA (return of unspent grant)	Malaysia	(24)	9
Edinburgh University (return of unspent grant)	Edinburgh	(16)	9
Other International grants	Croatia	-	9
Total International grants		3,154	3,279

Each organisation received one grant in the reporting period, with the exception of Mission Rabies which received five grants for difference projects.

The return of unspent grant from Edinburgh University relates to a project that was funded by Dogs Trust Worldwide in 2016 and 2017 but not completed. The grant was therefore terminated by Dogs Trust Worldwide.

The return of unspent grant from IAPWA relates to a project that was funded by Dogs Trust Worldwide in 2015 but funds were subsequently found to have been misappropriated. The full amount of the grant has been refunded by IAPWA.

(b) Preventative work grants:

	2020 £000's	2019 (Restated) £000's
Research grants:		
Grants were made to individuals at the following institutions to support research work:		
University of Edinburgh	219	312
University of Liverpool	-	186
University of Bristol	-	163
Animal Health Trust	-	64
Royal Veterinary College	108	87
Royal School of Veterinary	-	22
University of Lincoln	-	32
University of Nottingham	-	21
University of Surrey	135	-
University of Salford	96	-
University of Cambridge	-	20
	558	907
Other grants:		
Association of Dogs and Cats Homes	60	-
Emergency help grants (i)	30	42
	90	42
Total rehoming centres grants	648	949

(i) Emergency help grants bring free veterinary treatment for dogs belonging to owners who are homeless, or in housing crisis, including neutering operations, vaccination and worming, as well as non-preventative and emergency veterinary procedures.

7. Staff numbers and emoluments

The average monthly number of employees (full time equivalent) analysed by function was:	2020 number	2019 number
Rehoming centres	893	904
Fundraising, campaigns and publicity	346	303
Management and administration	86	81
	1,325	1,288

The average monthly number of employees (headcount) analysed by function was:	2020 number	2019 number
Rehoming centres	992	1,004
Fundraising, campaigns and publicity	386	340
Management and administration	87	83
	1,465	1,427

Their aggregate emoluments were as follows:	2020 £000's	2019 £000's
Wages and salaries	37,957	36,972
Social security costs	3,231	3,140
Pension costs	4,004	3,713
	45,192	43,825

Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn. Redundancy costs were incurred as a result of the coronavirus pandemic. £97,000 cost (2019: £nil) is shown in 2020 with £72,000 unpaid at year-end.

Number of employees of the group who earned from:	2020 number	2019 number
£60,001 to £70,000	19	14
£70,001 to £80,000 (**)	7	8
£80,001 to £90,000	3	5
£90,001 to £100,000	4	4
£100,001 to £110,000	4	1
£110,001 to £120,000 (**)	-	1
£120,001 to £130,000	2	3
£160,001 to £170,000 (*)	1	-
	40	36

(*) this band contains the earnings of the Chief Executive in 2020, and (**) in 2019. The Chief Executive changed in 2019 from Jim Monteith to Owen Sharp. Owen started in July 2019 and Jim retired in October 2019. The salary bands reflect salary actually paid to an individual, not the full annual salary, therefore the figure temporarily shows a lower amount for the Chief Executive's salary in 2019.

All the employees above received pension contributions.

Staff numbers and emoluments (continued)

	2020 £000's	2019 £000's
Employer pension contributions for all above employees	416	405

Key management employees, defined as the Leadership Team of 10 employees in the Report of the Trustee, received total remuneration as follows:

	2020 £000's	2019 £000's
Wages and salaries	1,199	1,016
Employer's NI	135	125
Employer's pension	194	146
	1,528	1,287

8. Tangible fixed assets

Group	Freehold land & buildings £000's	Assets under construction £000's	Motor vehicles £000's	Equipment & fittings £000's	Total £000's
Cost					
Balance at 1 January 2020	140,387	7,870	6,259	9,244	163,760
Additions	1,379	13,830	138	2,002	17,349
Transfers	-	-	-	-	-
Disposals	-	-	-	(1,232)	(1,232)
Foreign exchange movement	612	-	14	18	644
Balance at 31 December 2020	142,378	21,700	6,411	10,032	180,521
Accumulated depreciation					
Balance at 1 January 2020	69,445	-	4,926	6,010	80,381
Depreciation charge for year	6,215	-	850	1,403	8,468
Disposals	-	-	-	(1,232)	(1,232)
Foreign exchange rate movement	281	-	13	10	304
Balance at 31 December 2020	75,941	-	5,789	6,191	87,921
Net book value at 31 December 2020	66,437	21,700	622	3,841	92,600
Net book value at 31 December 2019	70,942	7,870	1,333	3,234	83,379

Freehold land and buildings includes freehold land of £18.9m that is not depreciated.

Tangible fixed assets (continued)

Charity	Freehold Land & Buildings £000's	Assets Under Construction £000's	Motor Vehicles £000's	Equipment & Fittings £000's	Total £000's
Cost					
Balance at 1 January 2020	129,450	7,870	6,010	8,824	152,154
Additions	1,379	13,830	102	1,648	16,959
Transfers	-	-	-	-	-
Disposals	-	-	-	(1,232)	(1,232)
Balance at 31 December 2020	130,829	21,700	6,112	9,240	167,881
Accumulated depreciation					
Balance at 1 January 2020	63,390	-	4,706	5,700	73,796
Depreciation charge for year	5,593	-	808	1,352	7,753
Disposals	-	-	-	-1,232	(1,232)
Balance at 31 December 2020	68,983	-	5,514	5,820	80,317
Net book value at 31 December 2020	61,846	21,700	598	3,420	87,564
Net book value at 31 December 2019	66,060	7,870	1,304	3,124	78,358

Freehold land and buildings includes freehold land of £17.2m (2019: £17.2m) that is not depreciated.

9. Fixed asset investments

	2020 £000's	2019 £000's
Market value at 1 January	53,782	46,559
Investment cash at 1 January	24,523	32,162
	78,305	78,721
Less: Disposals at market value	(17,647)	(16,183)
Add: Acquisitions at cost	25,102	15,696
Less: Investment cash	(22,492)	(8,500)
Net realised gains	869	1,670
Net unrealised gains	2,111	6,901
Total market value	66,248	78,305

Investments at market value comprised:

	2020 £000's	2019 £000's
UK fixed interest securities	8,985	7,558
Equities	50,813	41,997
Other investments	5,329	4,293
Cash	1,121	24,457
	66,248	78,305
The historical cost of investments held at 31 December was	53,755	69,049

No individual investment held at 31 December 2020 or 31 December 2019 had a market value that was material to the Group.

	2020 £000's	2019 £000's
Cash on deposit	8,005	-

10. Stock

	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Finished goods	548	917	475	790

11. Debtors' analysis

	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Trade debtors	584	775	529	497
Other debtors	1,469	956	1,493	956
VAT Claim	2,283	2,458	2,195	2,342
Amount owed by subsidiary companies	-	-	635	4,903
Prepayments & accrued income	26,267	22,204	26,097	22,071
Total	30,603	26,393	30,949	30,769

12. Creditors' analysis

	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Trade creditors	6,184	6,115	6,056	5,884
Other creditors	1,320	2,207	1,224	2,059
Accruals & deferred income	8,134	7,010	7,894	6,705
Amounts owed to subsidiary companies	-	-	100	284
Total	15,638	15,332	15,274	14,932

Movement in deferred income	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Balance at 1 January	428	396	428	396
Utilised in the year	(428)	(396)	(428)	(396)
Deferred income in the year	834	428	834	428
Balance at 31 December	834	428	834	428

Deferred income is membership income received during this year but in respect of next year and raffle ticket income received in respect of raffles drawn next year.

13. Provision for liabilities

	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Shared adoption scheme	10,692	10,030	10,692	10,030
	10,692	10,030	10,692	10,030

Movement in provision for liabilities	Group		Charity	
	2020 £000's	2019 £000's	2020 £000's	2019 £000's
Balance at 1 January	10,030	8,345	10,030	8,345
Utilised in the year	(1,557)	(1,949)	(1,557)	(1,949)
Charged to the SOFA	2,219	3,634	2,219	3,634
Balance at 31 December	10,692	10,030	10,692	10,030

Provision for liabilities relates to the estimated future veterinary costs for dogs on the shared adoption scheme.

Under the shared adoption scheme, dogs rehomed with certain medical conditions will have the veterinary costs covered for the treatment of that particular ailment for the rest of the dog's life.

14. Total funds

£000's	Movement in funds in 2020					Balance 31 December 2020
	Balance 1 January 2020	Income	Expenditure	Transfers	Gains and revaluations	
Unrestricted funds						
Revaluation reserve	9,256	-	-	-	3,237	12,493
Designated funds						
Rehoming Centre Development Fund	46,265	-	-	(14,341)	-	31,924
Fund for Fixed Assets	83,379	-	-	9,221	-	92,600
Grants Fund	1,597	-	(1,272)	4,900	-	5,225
IT Strategy Fund	1,500	-	(595)	3,557	-	4,462
Total designated funds	132,741	-	(1,867)	3,337	-	134,211
Free reserves	26,678	101,970	(85,979)	(3,337)	(246)	39,086
Total unrestricted funds	168,675	101,970	(87,846)	-	2,991	185,790
Restricted income funds						
Coronavirus Job Retention Scheme	-	4,331	(4,331)	-	-	-
Freedom Project	-	564	(297)	-	-	267
Hope Project	-	187	(95)	-	-	92
Dog School	-	24	(24)	-	-	-
Education	-	1	(1)	-	-	-
Puppy smuggling	-	19	(4)	-	-	15
Worldwide	-	34	(34)	-	-	-
Ballymena	8	127	(127)	-	-	8
Basildon	40	63	(90)	-	-	13
Bridgend	19	235	(211)	-	-	43
Canterbury	7	33	(33)	-	-	7
Cardiff	71	0	(71)	-	-	-
Darlington	6	197	(195)	-	-	8
Evesham	1	446	(445)	-	-	2
Glasgow	6	284	(282)	-	-	8
Ilfracombe	11	35	(31)	-	-	15
Kenilworth	4	29	(29)	-	-	4
Leeds	28	667	(671)	-	-	24
London	21	78	(77)	-	-	22
Loughborough	16	12	(6)	-	-	22
Manchester	1	12	(12)	-	-	1
Merseyside	1	94	(90)	-	-	5
Newbury	6	51	(46)	-	-	11
Salisbury	9	13	(7)	-	-	15
Shoreham	8	1,372	(863)	-	-	517
Shrewsbury	1	106	(106)	-	-	1
Snetterton	9	380	(378)	-	-	11
West Calder	15	13	(11)	-	-	17
Cardiff Capital Appeal	900	85	(985)	-	-	-
Darlington Capital Appeal	-	13	(13)	-	-	-
Total restricted income funds	1,188	9,505	(9,565)	-	-	1,128
Endowment funds						
Gertrude R Clarke	242	-	-	-	-	242
Frank Goddard Jackson	670	-	-	-	-	670
Total endowment funds	912	-	-	-	-	912
Total funds	170,775	111,475	(97,411)	-	2,991	187,830

Details of the use of designated funds can be found in the reserves policy on page 19.

Details of the use of endowment and restricted funds can be found in the accounting policy on page 36.

Total funds (continued)

£000's	Movement in Funds in 2019					Balance 31 December 2019
	Balance 1 January 2019	Income	Expenditure	Transfers	Gains and revaluations	
Unrestricted funds						
Revaluation reserve	3,216	-	-	-	6,040	9,256
Designated funds						
Rehoming Centre Development Fund	58,265	-	-	(12,000)	-	46,265
Fund for Fixed Assets	75,350	-	-	8,029	-	83,379
Grants Fund	1,271	-	-	326	-	1,597
IT Strategy Fund	-	-	-	1,500	-	1,500
Total designated funds	134,886	-	-	(2,145)	-	132,741
Free reserves	27,575	103,206	(109,889)	2,145	3,641	26,678
Total unrestricted Funds	165,677	103,206	(109,889)	-	9,681	168,675
Restricted income funds						
Freedom Project	-	462	(462)	-	-	-
Hope Project	-	183	(183)	-	-	-
Dog School	-	70	(70)	-	-	-
Education	-	13	(13)	-	-	-
Worldwide	-	34	(34)	-	-	-
Ballymena	4	132	(128)	-	-	8
Basilton	63	205	(228)	-	-	40
Bridgend	21	198	(200)	-	-	19
Canterbury	3	34	(30)	-	-	7
Cardiff	-	75	(4)	-	-	71
Darlington	5	328	(327)	-	-	6
Evesham	1	236	(236)	-	-	1
Glasgow	7	567	(568)	-	-	6
Ilfracombe	4	265	(258)	-	-	11
Kenilworth	4	129	(129)	-	-	4
Leeds	22	295	(289)	-	-	28
London	32	37	(48)	-	-	21
Loughborough	6	148	(138)	-	-	16
Manchester	1	23	(23)	-	-	1
Merseyside	4	209	(212)	-	-	1
Newbury	6	128	(128)	-	-	6
Salisbury	2	49	(42)	-	-	9
Shoreham	5	411	(408)	-	-	8
Shrewsbury	-	293	(292)	-	-	1
Snetterton	444	360	(795)	-	-	9
West Calder	8	333	(326)	-	-	15
Cardiff Capital Appeal	-	1,015	(115)	-	-	900
Darlington Capital Appeal	900	104	(1,004)	-	-	-
Total restricted income funds	1,542	6,336	(6,690)	-	-	1,188
Endowment funds						
Gertrude R Clarke	242	-	-	-	-	242
Frank Goddard Jackson	670	-	-	-	-	670
Total endowment funds	912	-	-	-	-	912
Total funds	168,131	109,542	(116,579)	-	9,681	170,775

Donations for the Cardiff Capital Appeal include £900,000 received from players of People's Postcode Lottery.

15. Analysis of Group net assets between funds

Represented in 2020 by:	Unrestricted £000's	Restricted £000's	Endowment £000's	Total £000's
Tangible fixed assets	92,600	-	-	92,600
Investments	73,583	-	670	74,253
Stock	548	-	-	548
Debtors	30,603	-	-	30,603
Cash at bank and in hand	14,787	1,127	242	16,156
Current liabilities	(15,638)	-	-	(15,638)
Provision for liabilities	(10,692)	-	-	(10,692)
Total net assets	185,791	1,127	912	187,830

Represented in 2019 by:	Unrestricted £000's	Restricted £000's	Endowment £000's	Total £000's
Tangible fixed assets	83,379	-	-	83,379
Investments	77,635	-	670	78,305
Stock	917	-	-	917
Debtors	25,863	288	242	26,393
Cash at bank and in hand	6,243	900	-	7,143
Current liabilities	(15,332)	-	-	(15,332)
Provision for liabilities	(10,030)	-	-	(10,030)
Total net assets	168,675	1,188	912	170,775

16. Operating leases

The Group and Charity had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2020 £000's	2019 £000's
Land and buildings		
Within one year	748	810
Between one and five years	1,243	1,184
After five years	46	-
	2,037	1,994

17. Grant commitments

As at 31 December 2020, the following expected future grant payments to partner organisations are expected, if conditions are met by the recipient as the grant falls due:

	2020 £000's	2019 £000's
Within one year	3,007	1,272
Between one and five years	2,218	325
	5,225	1,597

18. Capital commitments

Council have authorised the following major development project expenditure over the next five years:

	Redevelopment of centres				New centres	Total
	Ballymena £000's	Canterbury £000's	Darlington £000's	Other £000's	Cardiff £000's	£000's
Authorised and contracted	-	168	463	467	2,842	3,940
Authorised not contracted	3,484	-	-	24,500	-	27,984
	3,484	168	463	24,967	2,842	31,924

The uncontracted commitments were released at the start of the coronavirus pandemic; Other redevelopment is that now recommitted by Council, with relative priorities of projects to be redetermined in light of the outcomes of the pandemic.

19. Contingent liabilities

The Charity has given an indemnity to repay £2.5m (2019: £2.2m) related to legacy bequests, should the relevant estates be claimed against.

20. Related party transactions

In accordance with Financial Reporting Standard 102, the related party transactions entered into by the Charity are detailed below. All transactions that arose were in the normal course of business.

The Charity was invoiced £217,000 (2019: £1,140,000) for rehoming services provided by Dogs Trust CLG, a subsidiary of the Charity. Of this amount £nil (2019: £158,000) was outstanding at the year end.

During the year, the Charity confirmed that the financial support previously provided to Dogs Trust CLG was no longer repayable. The financial support to date of £4,597,000 was granted to Dogs Trust CLG. No further grant (2019: £2,320,000) was provided to Dogs Trust CLG in the year to support its work. £313,000 (2019: £4,452,000) was owed to the Charity from Dogs Trust CLG at the year end.

The Charity invoiced £10,000 (2019: £10,000) for office services provided to Dogs Trust Promotions Limited, a subsidiary of the Charity. The Charity was owed £323,000 by (2019: was owed £361,000 by) Dogs Trust Promotions Limited at the year end.

The Charity invoiced £430,000 (2019: £651,000) for office services provided to Dogs Trust Worldwide, a subsidiary of the Charity. During the year, the Charity provided £3,802,000 (2019: £4,205,000) to Dogs Trust Worldwide to support its work. The Charity owed £100,000 (2019: £284,000) to Dogs Trust Worldwide at the year end.

Grants totalling £206,000 (2019: £256,000) were paid to Dogs Trust USA, a non-profit entity (a registered 501 (c)(3) in the USA) and deemed subsidiary of Dogs Trust, by Dogs Trust Worldwide. Of this amount, none was outstanding at the year end (2019 — none). Dogs Trust USA owed £nil (2019 - £91,000) to Dogs Trust Worldwide at year end (2019 — £91,000).

Grants totalling £634,000 (2019: £593,000) were paid to Soi Dog Foundation, a charity whose Trustees include Mr P Daubeny, who was a director of Dogs Trust Trustee Limited in 2019. Of this amount none was outstanding at the year end.

Grants totalling £219,000 (2019: — 312,000) were paid to the University of Edinburgh. Prof D Argyle and Mrs S Murphy who were directors of Dogs Trust Trustee Limited in both years, are employees of the University of Edinburgh. Of this amount none was outstanding at the year end (2019 - none).

Grants totalling £1,096,000 (2019: £1,096,000) were paid to Mission Rabies, a charity whose Trustees include Mrs C Baldwin and Mr P Daubeny, who were directors of Dogs Trust Trustee Limited in both years. Of this amount none was outstanding at the year end (2019 — none).

21. Contingent legacy income

In addition to the legacy income recognised in the SOFA, on the 31 December 2020 the Charity had been notified of 249 residuary legacies (2019: 170 residuary legacies) with a total estimated value of £18,379,621 (2019: £12,060,207). These legacies do not satisfy the criteria relating to probability and/or reliable estimate required by our accounting policy to recognise the income during the year. They are therefore disclosed here as a contingent asset.

22. Financial instruments

The Charity's financial instruments comprise fixed asset investments (see note 9) measured at fair value through profit or loss and other financial assets which comprise cash, trade debtors and other debtors (see note 11) and financial liabilities which comprise trade creditors and other creditors (see note 12), measured at amortised cost.

The Charity uses foreign exchange forward contracts to manage its exposure to foreign currency exchange risks. The fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date. The relevant forward exchange rate used is sterling:euro. At 31 December 2020, the Charity had outstanding forward currency commitments of €nil (2019: €6m at average rate of €1.10 to £1 with an unrealised loss of £336,000).

Changing the tale for Polly Pocket

This tiny Chihuahua is Polly Pocket. She was found as a stray last year, and clearly had trouble walking. Our vets found both her kneecaps were prone to dislocating ('bilateral luxating patellae'). She's had her first surgery to correct one leg and is recovering in a foster home until we're able to perform the second.



Thank you

We are very grateful to all our donors, volunteers, charitable trusts, and corporate partners for their wonderful contributions throughout the year. Specifically, we would like to thank Cottages.com and Hoseasons, staff and customers of HSBC UK, Petplan®, players of People's Postcode Lottery, Radley London, and Shark. We would also like to recognise the generous support of the BNA Charitable Incorporated Organisation, The RS Macdonald Charitable Trust, Petplan Charitable Trust, Julia and Hans Rausing and The Andrew Smiley Charitable Trust. Special thanks to the VIP Club members of Pets at Home and their Lifelines for feeding our dogs Wainwright's dry dog food at our 20 UK rehoming centres for the eighth consecutive year.

Contacts

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Where to find us

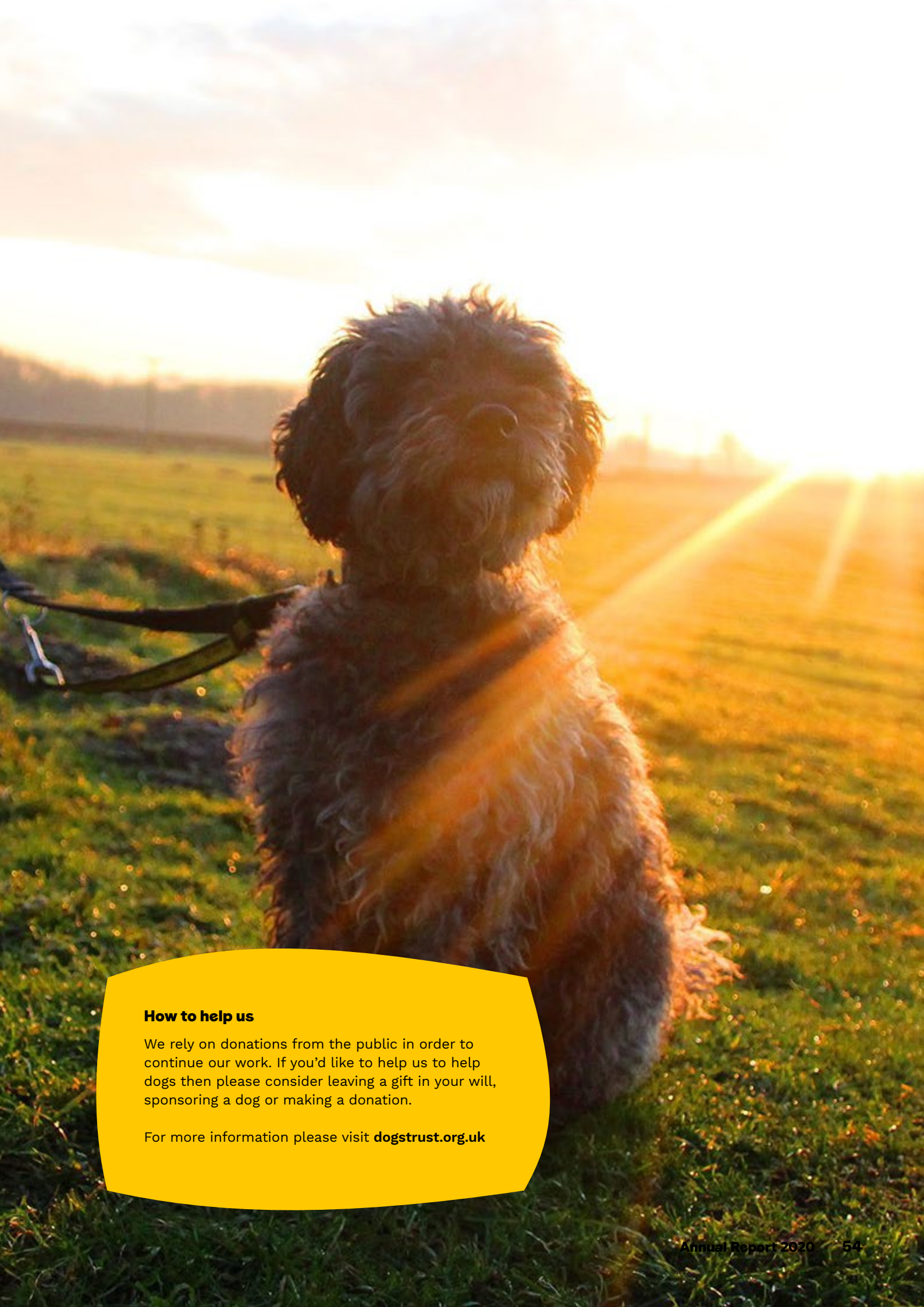
To find opening times and directions for any of our rehoming centres, please visit [dogstrust.org.uk/our-centres](https://www.dogstrust.org.uk/our-centres)

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To find your local Dogs Trust charity shop, please visit [dogstrust.org.uk/shopping/charityshops](https://www.dogstrust.org.uk/shopping/charityshops)

Image credits

Cover	Rehabilitation Trainer Eloise Chitty and Storm. Taken by Ella Bowden-Williams, Media Assistant at Dogs Trust Shoreham
Page 1	Left: Canine Carer Emily Hawker with Poppy. Taken by Heather Cook, CC2 Media Assistant at Dogs Trust Loughborough Right: Lad at his foster home. Taken by Zoe Taylor, foster carer for Dogs Trust Harefield
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How to help us

We rely on donations from the public in order to continue our work. If you'd like to help us to help dogs then please consider leaving a gift in your will, sponsoring a dog or making a donation.

For more information please visit [dogstrust.org.uk](https://www.dogstrust.org.uk)

**We're for dogs.
For the scruffiest mutts
The handsomest hounds
The most faithful of faithful friends.
We're for those waggy tails
The talkative ears
And eyes that never judge.
But not every dog gets back the love they need.
So we're changing that - together.
When a dog is in distress
We care for them.
When a dog needs a home
We find them a loving family.
When an owner needs a helping hand (or paw)
- or they just can't cope -
We're ready to step in.
For every dog, for every owner
we're by their side
through thick and thin - throughout their lives.
Because the bond they have is special to us.
It changes lives, making each day happier and more complete.
It's why we believe a dog is for life®.**

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