

---

**UNDERSTANDING DOGS**

---

**ANNUAL REPORT  
& ACCOUNTS 2017**

## CONTENTS...

From the chairman and chief executive	2
Goals and progress	5
Rehoming figures	6
Understanding our residents	7
Understanding training and behaviour	12
Understanding veterinary work and public affairs	16
Understanding dogs and their owners	20
Understanding dogs and helping others to understand them	22
Understanding dogs as part of a community	24
Understanding dogs' needs	25
Understanding dogs overseas	26
Understanding finances	28
Financial statements	38
Acknowledgements	60

### OUR ORGANISATIONAL AIM

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

### OUR STRATEGY

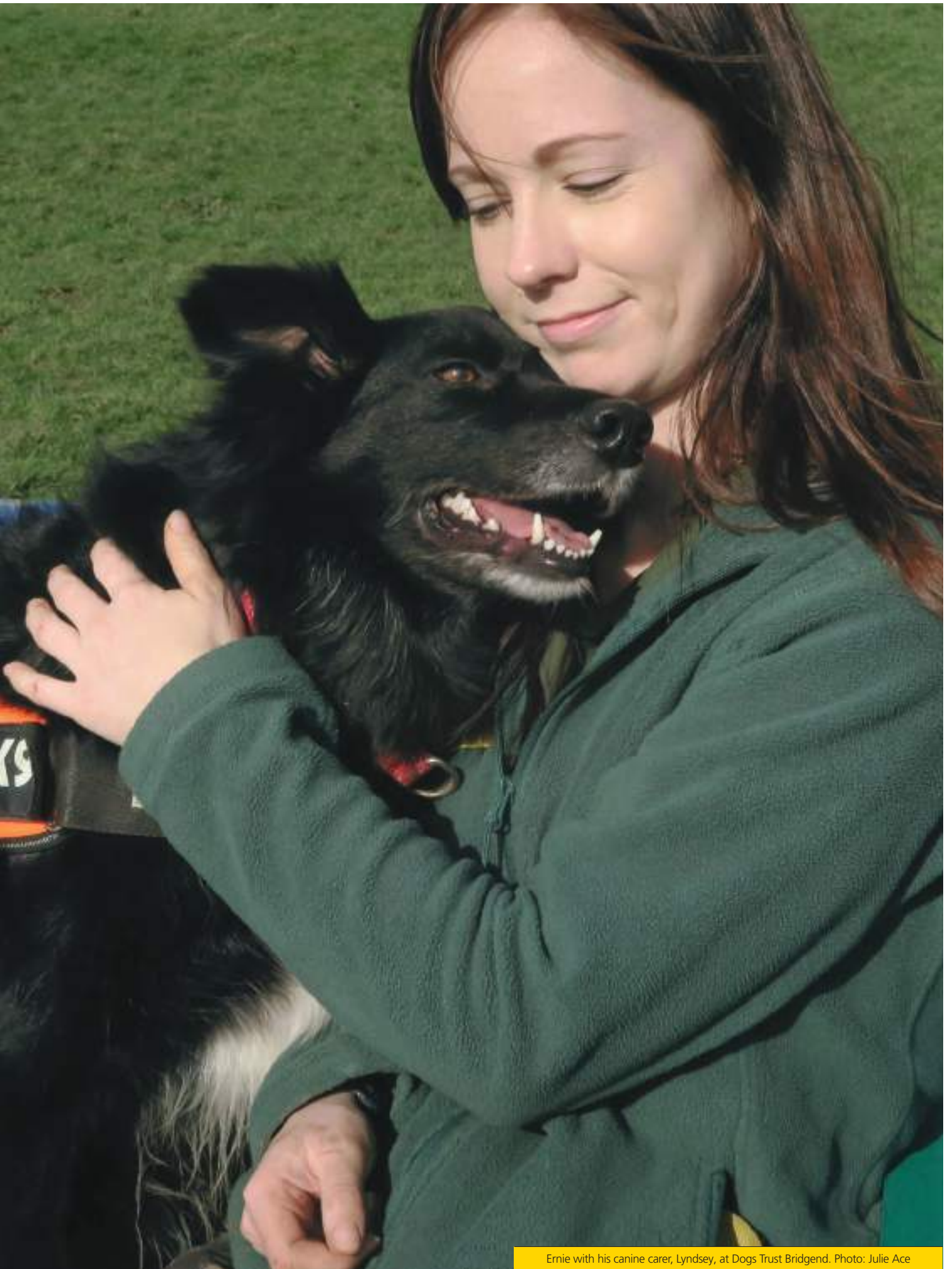
To achieve our aim we rely on the prevention and cure approach: our rescue and rehoming work aims to deal with the immediate needs of abandoned dogs; while preventative measures such as dog training, neutering, microchipping, education and lobbying are used as longer-term solutions.

Through our training and behaviour expertise, including initiatives like Dog School, we assist and encourage existing and potential dog owners to be responsible and to ensure their dog is well trained and sociable. We aim to provide owners with accessible advice and information to prevent the occurrence of behaviours that can lead to relinquishment or euthanasia. We also provide financial support in some circumstances to allow owners to keep their dogs, when they might otherwise have to give them up.

We have developed expertise in every area of our operation, which, together with our evidence-based approach, enables us to take a leading role advising on every aspect of dog health, behaviour and care.

Whilst our immediate priority is the UK, we will take the prevention/cure approach to as many countries as funds allow, through Dogs Trust Worldwide which aims to improve dog welfare internationally.





Ernie with his canine carer, Lyndsey, at Dogs Trust Bridgend. Photo: Julie Ace

## FROM THE CHAIRMAN...

**We love dogs. But more than that, we understand them. From the shyest to the boldest, from the minute-old newborn pup to the grey-muzzled old boy, we know what makes them tick. We understand what they mean to us, and us to them. And whatever we don't know about dogs, we have the thirst and the expertise to discover.**

I hope you enjoy reading about how we are able to improve dogs' lives. The only way we can achieve anything is through the continued support of our fellow dog lovers. So thank you for enabling us to achieve as much as we have thus far; please join us for the next part of this journey, towards the day when all dogs can live a happy life and no healthy dog is destroyed.



**Graeme Robertson**, Chairman



## FROM THE CHIEF EXECUTIVE...



**The past twelve months have been incredibly exciting for Dogs Trust, kicking off with the rapid expansion of our Dogs Trust Dog Schools, seeing the reopening of our extensively rebuilt Evesham rehoming centre, and culminating with the long-awaited news that we have been granted planning permission to create a brand new rehoming centre in Cardiff. Most importantly, we have cared for 15,446 stray and abandoned dogs at our 21 rehoming centres.**

Our understanding of dogs is also woven into the fabric of our kennels. Our newly rebuilt rehoming centres at Evesham and Newbury (completed in January 2018) have been designed to incorporate a range of different kennel sizes, shapes and orientations, as our years of experience in observing kennelling environments have shown that this encourages a calmer, happier atmosphere for the dogs. 2018 will see us embark on the rebuilding of another of our older centres, in Darlington, which will also use dog welfare as its key architectural inspiration.

Sharing our understanding of dog behaviour is the key to improving dog welfare right now and for years to come. There are three troubling facts which prompted us to create Dogs Trust Dog Schools: In council pounds, the number one reason that dogs are put to sleep is because their behaviour is difficult to manage<sup>1</sup>. One of the most common reasons given by people calling us to ask if they can relinquish their dog for rehoming is because they are unable to cope with their behaviour<sup>2</sup>.

Finally, 'behavioural problems' is the most frequently given rationale heard by vets when presented with a healthy dog under three years old for destruction<sup>3</sup>.

As dog lovers we can't sit back and allow this to happen. We began 2017 with just six Dog Schools and ended it with classes in 26 locations, and our teams helping over 1,000 dogs per week. By the end of the year, we had helped 6,866 owners to gain a better understanding of their dogs' needs. 2018 will bring yet more Dog Schools in more places around the country - and most rewardingly, more dogs and their families enjoying a stronger bond and better equipped to face their lives together.

It's precisely because we believe that understanding dogs is so important that we took the step of creating a new department within Dogs Trust in 2017. Led by Dr Rachel Casey, one of just five recognised specialists in veterinary behavioural medicine in the UK, our new canine behaviour and research department ensures that all of our training and behaviour based activities and advice is founded on scientific evidence. We believe the work of this new team will eventually reduce the number of dogs which are abandoned or relinquished for behavioural reasons.

2017 was also notable for the way in which we saw the impact of our long-term programmes to reduce the number of stray dogs. One year since the government introduced compulsory microchipping for all dogs, thanks to a major campaign led by Dogs Trust, we were pleased

to see a reduction of 18% in the total stray dog population. In 2016, UK local authorities collected **81,000** strays, while in 2017 this fell to **66,000**<sup>4</sup>. The impact of our programmes - urging government to introduce compulsory microchipping; providing and inserting free microchips; encouraging owners to update their chip details when they move home - is truly beginning to be felt.

What does the future hold? Helping dogs wherever we can, and helping people to make the best choices when it comes to acquiring and caring for a dog. We're excited by the prospect of being able to improve our Darlington rehoming centre, and we can't wait to bring more dogs and people closer together through Dog School. Our work overseas continues to go from strength to strength, through our sister charity, Dogs Trust Worldwide. At time of writing, we are responding to a government consultation on their proposed ban on the sale of dogs by vendors who are not the breeder, which we see as a huge opportunity to improve canine welfare in the UK.

Thank you for your help – and for making everything you are about to read possible.

**Adrian Burder**, Chief Executive

<sup>1</sup> 36% of dogs which were put to sleep in council pounds were euthanised due to behavioural problems and/or aggression. The 2017 Stray Dog Survey was produced by GfK who mailed questionnaires to all 379 local authorities in England, Wales, Northern Ireland and Scotland. 309 local authorities responded to the survey from 19th April to 19th August.  
<sup>2</sup> From Jan 2016 to Jan 2017, the Dog Trust contact centre handled calls from 5,733 people wishing to give up their dog for rehoming due to either behavioural problems, separation anxiety and/or aggression.

<sup>3</sup> 'Longevity and mortality of owned dogs in England', Veterinary Journal 198: 638-643 2013 O'Neill DG, Church DB, McGreevy PD, Thomson PC, Brodbelt DC.

<sup>4</sup> Stray Dog Survey 2017, as per note 2.



Sky, rehomed from Dogs Trust Ilfracombe. Photo: Martin Phelps Photography

## GOALS AND PROGRESS...

Thanks to your help – we are the UK's largest rehomer of stray and abandoned dogs

### REHOMING

**Goal:** To ensure every dog has the best quality of life while they are in our care.

**Progress 2017:** We have more training and behaviour advisors at each centre to assess each dog's needs and environment; we recruited more volunteer foster carers to provide at-home care for those dogs unhappy in kennels.

**Future:** We continue to recruit more foster carers for the Home from Home programme (page 9), and we will ensure every dog undergoes a behavioural assessment on arrival.

**Goal:** To reduce the number of dogs brought into rehoming centres because of perceived behavioural issues.

**Progress 2017:** Dogs Trust Dog Schools (page 12) helped 6,866 dogs and their owners to better understand each other, and increase their chances of staying together for the dogs' lifetime, by providing positive, science-led and affordable training classes.

**Future:** Expansion. We aim for Dogs Trust Dog Schools to be the number one port of call for anyone wanting to train their dog in the UK. We are planning more Dog Schools around the country, with Dog School videos now available on YouTube.

**Goal:** To modernise and improve our oldest rehoming centres.

**Progress 2017:** Our Evesham centre was rebuilt and completed in 2017; the Newbury centre was completed in January 2018.

**Future:** We aim to extensively rebuild our Darlington centre, to modernise our Salisbury centre including the Stepping Stones facility for longer stay dogs, and to modernise kennelling in our Canterbury centre.

### PREVENTATIVE WORK

**Goal:** To become an even more evidence-based organisation.

**Progress 2017:** We created the canine behaviour and research department to ensure that all of our operational activity and advice is based on the best available scientific evidence.

**Future:** Research including Generation Pup (page 15) will tell us so much about dog behaviour, health and welfare; the Dogs Trust Dog Schools and UK dog population study will give us a better understanding of why people choose the dogs they choose - and sometimes decide not to keep them.

**Goal:** To increase the number of children who know how to stay safe around dogs, to help reduce the number of dog bites.

**Progress 2017:** We helped 297,000 children to understand the dos and don'ts for meeting dogs, including an understanding of dog body language, through our Be Dog Smart safety workshops in schools (page 22).

**Future:** Our education and community officers will continue running these workshops for years to come, and we will provide free educational resources online and in print.

**Goal:** To prevent the illegal importation of puppies.

**Progress 2017:** Our Puppy Pilot programme (page 19) helps disrupt this trade, while our Puppy Smuggling awareness campaign resulted in around 11,000 people emailing their MPs to highlight this problem, and an announcement from Department for Environment, Food & Rural Affairs (Defra) that they will explore measures to tackle cross-border smuggling.

**Future:** We continue to lobby in the UK and the European Parliament for better enforcement of the Pet Travel Scheme (PETS). Impending Brexit means we are seeking to change legislation to ensure that puppies entering the country under PETS are healthy, not underage and are not being brought in to sell on to the unsuspecting public.

**Goal:** To educate owners about the best and kindest way to care for their dog.

**Progress 2017:** Our roving community and publicity teams gave advice to owners on feeding dogs a healthy diet, how to update their microchip database details when they move home, how to train using praise and reward, and how to keep their dog safe on very hot days.

**Future:** We will continue to give free advice and ideas to all dog owners, using online channels, the media, advertising and face-to-face methods whenever possible.

### INTERNATIONAL WORK

**Goal:** To reduce humanely the stray population, and improve overall welfare, for dogs in Bosnia and Herzegovina.

**Progress 2017:** Our recent population census showed there had been a decrease of around 7,500 dogs living on the streets in Sarajevo, since we started working there five years ago.

**Future:** We continue to neuter, vaccinate, educate and train in Bosnia, and plan to further improve dog welfare by creating a rehoming centre in Sarajevo.

UNDERSTANDING DOGS... AT OUR REHOMING CENTRES

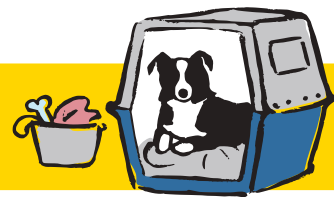
IN 2017 WE CARED FOR 15,446 DOGS AT OUR  
21 REHOMING CENTRES. (2016: 15,343)

WHERE DO OUR DOGS COME FROM?

6,452 strays passed to us by local  
authorities/other charities  
(2016: 6,284)



6,894 handed over by their owner  
(2016: 6,913)



320 born in the rehoming centre  
(2016: 329)



AT OUR REHOMING CENTRES

13,141 dogs rehomed  
(2016: 13,067)



242 dogs reunited with their owners  
(2016: 226)



312 dogs died or put to sleep\*  
(2016: 270)



1,751 dogs in our kennels on  
31st Dec 2017  
(2016: 1,780)



\* We never destroy a healthy dog in our care



## UNDERSTANDING OUR RESIDENTS...

### WE NEVER DESTROY A HEALTHY DOG IN OUR CARE

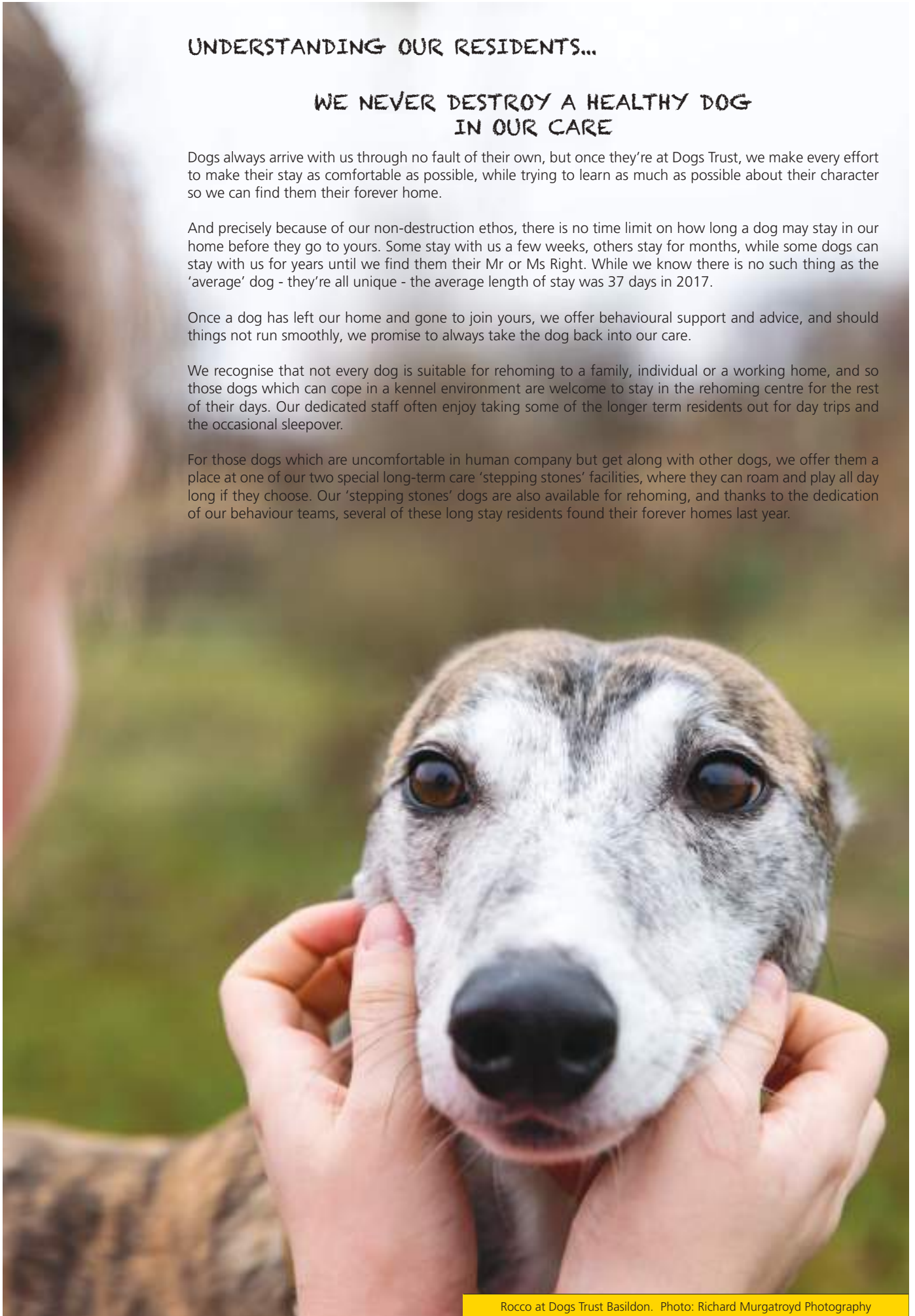
Dogs always arrive with us through no fault of their own, but once they're at Dogs Trust, we make every effort to make their stay as comfortable as possible, while trying to learn as much as possible about their character so we can find them their forever home.

And precisely because of our non-destruction ethos, there is no time limit on how long a dog may stay in our home before they go to yours. Some stay with us a few weeks, others stay for months, while some dogs can stay with us for years until we find them their Mr or Ms Right. While we know there is no such thing as the 'average' dog - they're all unique - the average length of stay was 37 days in 2017.

Once a dog has left our home and gone to join yours, we offer behavioural support and advice, and should things not run smoothly, we promise to always take the dog back into our care.

We recognise that not every dog is suitable for rehoming to a family, individual or a working home, and so those dogs which can cope in a kennel environment are welcome to stay in the rehoming centre for the rest of their days. Our dedicated staff often enjoy taking some of the longer term residents out for day trips and the occasional sleepover.

For those dogs which are uncomfortable in human company but get along with other dogs, we offer them a place at one of our two special long-term care 'stepping stones' facilities, where they can roam and play all day long if they choose. Our 'stepping stones' dogs are also available for rehoming, and thanks to the dedication of our behaviour teams, several of these long stay residents found their forever homes last year.



Rocco at Dogs Trust Basildon. Photo: Richard Murgatroyd Photography



Spot enjoying the snow with his canine carer, Zena, at Dogs Trust Evesham. Photo: Joanne Bennett

## GOLD STANDARD CARE FOR EVERY SINGLE DOG...

Every dog coming into our care receives a veterinary check-up, vaccinations, worming treatment, tick and flea treatment - plus anything else they need, whether medical or surgical. All dogs are neutered as a matter of course, and if a dog is too young (or ill) at the point of leaving our care we invite them back to the rehoming centre to have the procedure at a later date.

On arrival, all dogs are microchipped and their ownership details registered to Dogs Trust. Once that dog leaves our care to go and live with his new owner, we update the microchip database details to reflect this. Crucially, we encourage the new owner to always remember to update their dog's microchip database details whenever they move home, as not only is it a legal requirement, but will help the chances of reunification should the dog become lost or stray.

All dogs undergo a behavioural assessment by the centre's training and behaviour advisor (TBA), who then recommends environmental enrichment or a behavioural modification programme if necessary. The TBA shares their recommendations with the dog's assigned canine carers so that everyone knows what each individual dog requires to be comfortable during their stay, and what kind of home the carers should be looking for. There is also the option for dogs with particular behavioural needs to move into one of our two specialist rehabilitation facilities. In the case of hand-overs, we ask the owner to share as many details as possible about their dog's likes and dislikes, when they bring them into the centre for us to find them a new home.

Some dogs may struggle to settle in the rehoming centre, finding the sudden change in their surroundings too much to handle. Thankfully, we have a network of wonderful volunteer foster carers whom we call upon to take in and provide love and care for those dogs which find kennel life too stressful, through our Home from Home programme. We are currently lucky enough to have around 200 such volunteers, and in 2018 we intend to find more, as their help is invaluable, both to the dogs they care for and our rehoming centre staff.

All dogs are walked, groomed and fed on a diet which best suits their physiological needs. Dogs will be given free run in the exercise areas, many of which contain water features, climbing structures and sandy zones, sometimes with other dogs to play, or with their favourite canine carers and volunteers, if that's what they show they prefer.

We ask that new owners come to a pre-adoption talk at the rehoming centre in advance of them collecting their new dog, so that we can answer any questions they may have about dog ownership in general, and what they might expect from their dog during the settling in period.

We wave off each dog to their new life with a 2kg bag of the food they've been eating during their residency, generously provided by the VIP Club members of Pets at Home, plus four weeks' free pet insurance from Petplan®. Finally, once a dog has left our care, centre staff are on hand for advice on caring for the dog, with behavioural support from the dog's own TBA available on request. All of our rehoming centres offer weekly dog training classes, which new owners are encouraged to attend.



## UNDERSTANDING DOGS... AND THE IMPORTANCE OF A LULLABY, A TUMTICKLE AND A COMFY SOFA

All of the above comes as standard at Dogs Trust, but because our staff love what they do, many of them really go the extra mile to bring comfort and TLC to their canine charges. Bringing a smile to a dog's face really makes our day.

### UNDERSTANDING... ...BEDTIME.

Lara (pictured) really loves a lullaby. Having lived all her life with a family, nine year old Lara had been finding it tough to settle down at tucking in time at our Ilfracombe centre. Her carer, Phil, tried singing to her one bedtime, which soothed the sweet old girl into a gentle sleep. Lara is still living at our Ilfracombe centre, and is still looking for her 'special someone.' In the meantime, Phil makes sure he spends quality time with Lara each evening to help her nod off, including belly rubs, cuddles and a ditty to lull her to sleep.

### ...QUIRKY NATURES.

Gordon the French Bulldog had been in the care of our West Calder centre for more than two years, but because of his quirky nature it was proving tricky finding him the perfect home. We never gave up on Gordon, so when the offer of a great home came from Brighton, his carer, Stephen, happily travelled the 900 mile round trip in order to really make sure Gordon adjusted to his new life with his three new owners by the sea. Gordon's new family adore him, telling us he is still full of character, and is hugely enjoying the company of his new best friend, Dolly the Frenchie.

### ...SLEEPOVERS.

Despite her elegant appearance, Lady the Greyhound had been repeatedly walked past by visitors to our Darlington centre, prompting her carer, Emma, to bring her home for a weekend sleepover to cheer her up. Emma soon realised that Lady loved watching Saturday night TV snuggled up beside her on the sofa. The sleepover was such a big hit for both dog and human that Lady now comes back to stay at Emma's house every so often. Lady is still looking for her ideal home (preferably with a big TV.)



Lara and Phil enjoying their bedtime routine. Photo: Tom Teegan Photography



### **...BEACH TRIPS.**

Some of our longer stay residents really appreciate a change of scene and a spot of extra exercise. Blue the Labrador cross has developed a very close bond with his carer, Blain, who loves to take him on day trips to the beach on his days off. Blue loves getting to spend more time in the company of his human pal. Blain is keeping his fingers crossed that their next seaside rendezvous will bring a new home for Blue, in the shape of a fellow beach lover who can see his potential to be a fabulous family pet.

### **...PUPPIES ARE A HANDFUL.**

Wedged in a cardboard box beside a busy road when they were just one week old, crossbreed pups Daisy, Diva, Kong, Dakota, Georgia, Texas and Nevada were rushed to our Darlington centre by a member of the public. They had to be bottle fed every two hours, a mammoth task shared by devoted canine carers Sharon Boulton and Joanne Alford. The carers each took the pups into their own homes to give them the 24/7 attention they needed simply to survive. Thanks to their efforts, every tiny pup survived and thrived, and happily all have since been rehomed with great new owners in the Darlington area.

Max, rehomed from Dogs Trust Darlington, taking the sea air at Bamburgh beach. Photo: Brian Young Photography

## UNDERSTANDING DOGS... TRAINING AND BEHAVIOUR

2017 saw us focussing more than ever on understanding dog behaviour, with the creation of a new department - 'canine behaviour and research' - devoted to expanding and sharing our knowledge.

But why invest so much resource into this area? We want to ensure no dog is destroyed unnecessarily. It's only by understanding what makes dogs and humans tick today that we can help prevent dogs being abandoned or relinquished tomorrow. We ensure that all of our behavioural practices at the centres; all of our advice to the public via website, print and social media; and everything we teach in Dog School is based on the best available scientific evidence. Where no data exists, we endeavour to carry out research.

### Dogs Trust Dog Schools

In 2017, Dog Schools grew from just 12 to 26 locations around the UK, and we trained 6,866 dogs and their families through our Dog Schools. Far from being a traditional dog training class, Dog Schools focus on preparing dogs for all the things they will encounter in their everyday lives, while helping owners to develop a strong bond with their dog. We run classes specially tailored for puppies, adults and rescue dogs; children are invited to join the classes - all members of the family are welcome. Once a dog and their owner(s) complete the five week course, they receive a certificate and enjoy a mini graduation ceremony. By the end of 2018 we aim to have opened 30 Dog Schools, and earlier this year we launched our Dog School short films via our YouTube channel, so we can help even more dogs and their people develop that bond.

"... IT'S ONLY BY  
UNDERSTANDING WHAT MAKES  
DOGS AND HUMANS TICK TODAY  
THAT WE CAN HELP PREVENT  
DOGS BEING ABANDONED OR  
RELINQUISHED TOMORROW."





Dogs Trust Dog Schools: helping dogs and their owners build up their bond. Photo: Martin Phelps Photography

**Lifelong behavioural support**

We offer lifelong behavioural support for all of our dogs, so even when they've left our care we are able to help them settle into their new lives by giving behavioural advice should their owner need it. For 2018, we have plans to develop our post-adoption behavioural support even further.

With some dogs arriving at the centres with behavioural challenges, we do all we can to help them overcome their fears and get back on their paws. Last year we increased the number of training and behaviour advisors (TBAs) working at the centres, which has allowed us to spot any behavioural problems when a dog first arrives, and ensure any necessary rehabilitation work or enrichment starts as soon as possible.

**Staff development**

We invested more resource in ensuring our behavioural staff remain up to date with the latest evidence-based developments in canine welfare. We began working with the Association of Pet Dog Trainers to ensure our Dog School trainers are accredited to recognised professional standards, and in 2018 we plan to work closely with the Association of Pet Behaviour Counsellors in developing staff towards professional accreditation as clinical animal behaviourists. In October we held the first ever training and behaviour conference for our rehoming centre, office and Dog School staff, with 165 people attending; back in 2000 we employed just one full time behaviourist.

"WE HELD OUR FIRST TRAINING AND BEHAVIOUR CONFERENCE FOR REHOMING CENTRE, OFFICE AND DOG SCHOOL STAFF, WITH 165 PEOPLE ATTENDING. BACK IN 2000 WE EMPLOYED JUST ONE FULL TIME BEHAVIOURIST."







### Research

Our research team focusses on two areas; projects which improve dog welfare, and those which ensure best practice at our rehoming centres and daily operations. Generation Pup, the first ever full-life study of dogs, continues to grow in terms of volunteer subjects, while last year saw us launch the UK Dog Population research project.

Using data and biological samples<sup>5</sup> provided by dog owners, Generation Pup examines the impact of environment, social interaction, diet, exercise and daily routine in the development of a range of health and behaviour conditions which impact on the well-being of dogs. Last year we began the task of recruiting 10,000 puppies of all breeds and crossbreeds, and we're excited to know that the results will yield many new insights into the health and welfare of a whole generation of dogs.

In order to better understand the causes behind dog abandonment, we need to know much more about why people choose the dogs they choose, and where and how they acquire them. Our UK Dog Population study has two parts; the first element is to give us a clearer picture of dog numbers and distribution in the UK, while the second part is to identify the reasons behind why people acquire a dog, the breed they choose, where they go to get their puppy and why some decide to relinquish them. We expect to be able to report our findings in 2019.



**"IN ORDER TO BETTER UNDERSTAND THE CAUSES BEHIND DOG ABANDONMENT, WE NEED TO KNOW MUCH MORE ABOUT WHY PEOPLE CHOOSE THE DOGS THEY CHOOSE."**

<sup>5</sup> All materials are gathered using non-invasive methods, and include saliva swabs, fur, urine and faecal samples.

## UNDERSTANDING DOGS... VETERINARY WORK AND PUBLIC AFFAIRS

**The veterinary team's remit includes not only providing the very best care for the dogs at the rehoming centres and those we help through our outreach work, but also advising governments on all matters 'dog.' Wherever dogs need a voice, Dogs Trust will be there to speak on their behalf.**

2017 saw the expansion of the veterinary team, so that we now have 30 veterinary nurses in all, spread between our rehoming centres, working in our travelling outreach teams giving free dog health checks, and based at head office working on the Shared Adoption Scheme and the emergency fund. Additionally, we have two veterinary physio and hydrotherapists based at our Loughborough and Basildon centres, and four full-time veterinary surgeons.

The Shared Adoption Scheme helps those dogs which might otherwise struggle to find a new owner because they have a medical condition, to be rehomed. Under the scheme, we pay for all veterinary treatment and medication costs of known pre-existing medical conditions for the rest of a dog's life, once they have gone to their forever home. Currently we care for over 7,000 dogs in this way.

Our Emergency Fund is precisely that; a fund which helps dog owners in financial need to help pay for unexpected one-off veterinary costs, for example road traffic accidents. Last year the fund helped 350 dogs to receive urgent veterinary treatment, twice that of the previous year.

The Canine Welfare Grants Committee administers a fund to be awarded to veterinary professionals, academics and post-graduate students with the aim of furthering our understanding of canine health and welfare. In 2017 we funded 20 active research projects, including a study into the genetic factors contributing to obesity in Labradors, and the welfare of dogs in homes with people with neuro-developmental disorders. None of the research we fund requires a Home Office Licence, i.e. no invasive procedures are used.

Some of our vets and vet nurses also spent time overseas last year, ensuring best practice is used at various projects funded by our sister charity, Dogs Trust Worldwide. In 2017, members of our vet team assisted on population management and rabies eradication programmes in Sri Lanka, Goa, Romania, Uganda and Bosnia.



**"OUR SHARED ADOPTION SCHEME HELPS THOSE DOGS WHICH MIGHT OTHERWISE STRUGGLE TO FIND A NEW OWNER, BECAUSE THEY HAVE A MEDICAL CONDITION, TO BE REHOMED."**



## UNDERSTANDING DOGS... AND GIVING THEM A VOICE

**There is a broad range of welfare issues which we are currently discussing with UK and devolved governments, as well as the European Parliament, especially with regard to the illegal importation of dogs.**

In summary, Defra announced the new Animal Activities Licence to replace the current Breeding and Sale of Dogs Act, Pet Animals Act and Animal Boarding Establishments Act. We believe this is a positive step, as the current legislation is outdated and there is no real provision for the regulation of home-boarding or dog day-care premises. In 2018 we will continue to liaise with the Scottish Government on their plans to introduce licensing for animal shelters and rehoming activities, and update regulations governing the licensing of dog breeding, and review the penalties available for animal welfare offences. However, we were very disappointed with the Scottish Government's decision to overturn their ban on tail-docking for all dogs.

We are firmly against the use of aversive training devices, including electric shock collars. We were pleased the Scottish Government have made moves towards a ban, and this year sees us providing evidence to Westminster to urge them to ban the use of these devices in England and their sale across the UK.

We continue to highlight our concerns to the government regarding the welfare of racing Greyhounds. We continue to pressure the government to create amendments to existing regulations which will see them extended to trainers' kennels, and urge greater funding for Greyhound welfare given by the racing industry. We look forward to the publication of injury and euthanasia statistics, as promised by the Greyhound Board of Great Britain, due in 2018.

There is currently an ongoing consultation regarding the banning of Third Party Sales of Puppies, which was raised last year. While we support the idea of outlawing puppy sales from pet shops, we do have concerns about the potential unintended consequences of an immediate ban without tighter regulation in other areas. We fear that such a ban may encourage unscrupulous dealers to set themselves up as rescue organisations. As there is currently no regulation of rescue organisations, there is a real risk that puppy farmers may start operating under the guise of being a rescue centre. Similarly, we need legislation to address the illegal importation of puppies into the UK for sale. We eagerly await the new licensing regulations, together with plans for their enforcement, as a step towards tackling these problems.

Our work in Europe focusses on influencing the European Commission to support self-regulation to the online sale of pets within the EU, and stopping the illegal importation of puppies. With around 400,000 dogs (and 105,000 cats)<sup>6</sup> being advertised online on any given day, and online sales remaining unregulated, there is a huge amount of work to be done to improve the welfare of dogs being bred and sold in Europe. Additionally, there is a huge problem with people being able to buy puppies almost at the click of a button without thinking through their buying decision, leading to more dogs being abandoned.

We created the EU Cat and Dog Alliance in order to have a stronger voice for dogs and cats, and to provide evidence to the European Commission. Chaired by Dogs Trust Ireland, by the end of 2017 the alliance had welcomed the first member organisations from Germany and Hungary, bringing us up to 77 organisations from 24 EU Member States.

Last summer we presented on behalf of the EU Dog & Cat Alliance at the European Parliament's Intergroup on the Welfare and Conservation of Animals, on 'The need for an EU action plan to tackle the illegal trade in dogs and cats.' The Alliance and the Blue Cross developed a toolkit to enable members to launch Pet Advertising Advisory Groups (PAAG) in their own countries. The inaugural meeting of BelgPAAG took place in Brussels in July.

We continue to work together with other animal welfare groups, trade associations and veterinary bodies as part the Pet Advertising Advisory Group (PAAG) to promote responsible pet advertising in online and print media. We aim to ensure that wherever pet animals are advertised for sale, this is done so legally and ethically. We have published a set of minimum standards for advertisers, and encourage those websites which advertise pets to self-regulate and comply with agreed minimum standards which underpin a legal and ethical approach to the trade in pets.



<sup>6</sup> source: 'Study on the welfare of dogs and cats involved in commercial practices,' 2016

## UNDERSTANDING DOGS... AND HOW WE HELP STOP PUPPIES BEING EXPLOITED FOR PROFIT

**Our initiatives to combat the illegal importation of puppies from Europe accelerated in 2017. We launched our third report, 'Puppy Smuggling; a tragedy ignored' in the summer, which published information gathered by our undercover investigators to show that puppy smuggling is still rife, especially from countries such as Lithuania and Poland.**

Sadly, the imported dogs' health and welfare is often severely compromised, leading not only pain and misery for the dogs, but also considerable distress for unsuspecting buyers.

Following publication, we mounted a campaign urging members of the public to contact their MPs to express their concern. This garnered widespread coverage, and around 11,000 Dogs Trust supporters also emailed their MPs. We continue to work with the UK and devolved governments and civil service regarding the huge ongoing problem of illegal puppy imports.

Meanwhile, through our Puppy Pilot programme, we continued our on the ground work to help those dogs unfortunate enough to have been illegally imported into the country. Working closely with representatives from quarantine kennels, the Animal and Plant Health Agency (APHA), Eurotunnel, Department for Environment and Rural Affairs (Defra) and border control officers, our staff regularly visit and socialise the seized puppies while they go through quarantine. On completion of the quarantine period we then take the pups into our rehoming centres to continue their care, and then to find their forever homes. In 2017 we cared for 381 illegally imported puppies through our Puppy Pilot programme. Worryingly, we have also had some heavily pregnant bitches come into our care as a result of this programme, as the unscrupulous traders try to get around the rules and deceive the public.



Visiting illegally imported puppies while they complete their quarantine. Photo: Beth Walsh Photography

## UNDERSTANDING DOGS... AND THEIR OWNERS

### **The Freedom Project**

The Freedom Project provides a fostering service for dogs belonging to people escaping from domestic violence. Sadly many refuges do not accept pets, leaving some dog owners with the dilemma of whether to stay with an abusive partner, or to escape to a refuge but leave their dog behind, and in some cases at serious risk of injury or death at the hands of their abuser. Thanks to our network of volunteer foster carers, last year we were able to help 61 people to escape from an abusive partner, by taking in their dogs (92 in all) at short notice.

The project runs in London and Yorkshire, and in 2017 we expanded the reach of this service into Essex and the north east of England. In 2018 we will be bringing the Freedom Project into Scotland, Surrey, Kent and Sussex, and will be looking for even more dog lovers to become volunteer foster carers.

Since we began the project in 2004 we have provided foster care for 1,153 dogs. The scheme works by temporarily placing the pet at risk with a volunteer foster carer who will care for them in their own home until they can be safely reunited with their owner. Total anonymity is assured, and our staff give support to the foster carer, while also providing regular updates about the dog to their owner. Typically, foster placements last around six months, and we cover all of the dog's expenses until they can be reunited with their owner.

### **The Hope Project**

Our Hope Project provides free veterinary care for dogs belonging to owners who are homeless or living in temporary housing. Working closely together with kind-hearted vets who often lower their regular fees for us, last year we enabled 495 dogs to receive veterinary attention, and funded 1,665 treatments. The Hope Project has been up and running for 21 years, and last year we were able to run it in 112 towns and cities in the UK.

Last year's Hope Christmas Parcel service was our busiest yet; thanks to our generous supporters we were able to deliver Christmas gift parcels to 1,347 dogs, via homelessness organisations.

### **Lets with Pets**

Sadly, one of the most common reasons that people hand their dogs into us for rehoming is that they have had to move from owned into rented accommodation, and their tenancy agreement does not allow pets in the new home.

Our Lets with Pets resources, aimed at encouraging more landlords to accept dogs and cats into rental accommodation, offers three advice booklets; Good Practice for Landlords, Good Practice for Letting Agencies; Renting with Pets (for tenants) and an information website.

Last year, 288,000 people visited our website, an increase of 29% on the previous year. On request, we sent out over 300 booklets to landlords and agencies, and over 900 advice booklets for pet owning tenants. In London, we continued to partner with Chesterton's, a lettings agency which actively encourages its landlords to accept pets into their properties.





Freedom Project volunteer foster carer, Chrissie, with one of her foster dogs. Photo: Richard Murgatroyd Photography

## UNDERSTANDING DOGS... AND HELPING OTHERS TO UNDERSTAND THEM

### Education

Helping children and young adults understand what really makes a dog tick not only helps improve dog welfare right now, but we believe will also mean a brighter future for dogs for years to come.

In 2017, our education team ran workshops for 297,000 children in the UK and Ireland focussing on our key messages of responsible dog ownership and our 'Be Dog Smart' messages on how to stay safe around dogs. Our personally tailored 'Building Confidence Around Dogs' sessions were increasingly popular; we helped 230 children to manage their fear of dogs in these family focussed sessions. Last year saw us developing our Be Dog Smart safety top tips materials to be more suitable for children with autism.

As part of our 'Taking the Lead' programme, our youth trainers run dog-themed education courses in young offender institutions, secure units and probation housing, and last year they helped 1,150 young people. The programme is aimed at offenders and those deemed 'at risk' of offending, many of whom will come into contact with dogs in their daily lives once released. We aim to influence people's attitudes toward dogs in the future, while improving their overall behaviour and enhancing their employability skills. We use responsible dog ownership messages to focus on personal responsibility, respect for all living beings and anger management.



Our education and community officer, Ruth, helping a pupil to 'Be Dog Smart'. Photo: Richard Murgatroyd Photography





## UNDERSTANDING DOGS... AND BUILDING CONFIDENCE AROUND DOGS

14 year old Kiera had always been terrified of dogs. Last year she was helped by our education and community officer Jo. In their final session together, Kiera felt brave enough to stroke education dog, Paddy, and even do a little training. By shaking paws with Paddy, Kiera was able to feel that his claws weren't as sharp as she'd imagined. Her mum told us: 'I would like to thank you for all the time you have spent with Kiera and me, it is much appreciated, I feel that Kiera has made progress especially in her whole attitude and understanding towards dogs and their behaviour.'

"I WOULD LIKE TO THANK YOU  
ALL FOR THE TIME YOU HAVE  
SPENT WITH KIERA AND ME,  
IT IS MUCH APPRECIATED. I  
FEEL THAT KIERA HAS MADE  
PROGRESS, ESPECIALLY ON  
HER WHOLE ATTITUDE AND  
UNDERSTANDING TOWARDS  
DOGS AND THEIR BEHAVIOUR."  
- KIERA'S MOTHER.

## UNDERSTANDING DOGS... AS PART OF A COMMUNITY

**Helping owners to improve their dogs' health and welfare, while encouraging all owners to ensure their dog is microchipped, is another of our main focusses. Our roving campaigns teams arrange community events so we can help as many dog owners as possible.**

Focussing on Wales, the north of England, Northern Ireland, London - and in 2017 for the first time, Scotland - our travelling teams hold free health checks for dogs, free microchipping and offer plenty of advice on dog diet, exercise and the benefits of neutering. We also give help for some dogs to be neutered at reduced cost. Last year, our combined teams saw over 15,000 dogs and their people, gave free health checks to 7,400 dogs, and microchipped 7,000 dogs. Meanwhile, we supplied free microchips to our partners in local authorities, enabling them to implant a further 14,000 dogs with a microchip.

Additionally, we launched our public awareness campaign to remind owners that updating their dog's microchip database details is a simple task, takes five minutes and could just save their dog's life. Our 'chipmydog' website provided everything an owner needed to make the essential change.

We also undertook research to understand how many dog owners are aware that by law their dog must still wear a collar and tag, as well as carry a microchip. As a result, we are planning a 'collar and tag' public awareness campaign for spring 2018.

But why do we invest so much time and resource in promoting chipping and tag-wearing? Our annual stray dog survey showed a decrease of 18% in the number of strays collected by local authorities in the UK, (from April 2016 - April 2017), yet ten dogs a day still potentially face destruction because forgetful owners haven't updated their dog's microchip database details. Sadly, our stray dog survey revealed that there were 18,430 stray dogs collected by local authorities which were carrying a microchip, but despite this 12,700 - or 69% - of them could not be reunited with their owner because their chip database details were incorrect. We will continue to promote chipping and tag-wearing until this figure reaches zero.



## UNDERSTANDING DOGS... AND THEIR NEEDS



**We understand that building a rehoming centre is about so much more than catering for just the physical needs of our residents. Over the years we have observed and learned what dogs need to be happy in their environment.**

For example, in our most recently designed centres we include a low wall in front of the glass-fronted kennels, which acts as a barrier between the people and the dogs, and causes lower stress levels for the dogs.

We have designed the kennels so that the dogs always have the freedom to access their indoor sleeping area and their outdoor run. Giving a dog some control over their environment and temperature is very important to their well-being. The kennels are also designed to ensure that humans will only appear in the dog's outdoor run, so that the dog knows his sleeping area will always be an undisturbed, safe space. Of course, underfloor heating is included in all of our new build kennels, and especially so within the puppy and whelping kennels.



Our outdoor spaces give the dogs a variety of textures, heights and surfaces to play in, while some of the centres have water features, which many of our residents absolutely love! All of the centres have climbing structures and agility equipment so the dogs can really enjoy their exercise sessions.

In 2017 we completed a major redevelopment of our Evesham rehoming centre, our oldest rehoming centre, at a cost of £9 million. The centre is now a state-of-the-art, bright and welcoming rehoming centre, with accommodation for 120 dogs, an all-weather training hall and specialist training and behaviour facilities. Although the rebuilding project took approximately 22 months from start to finish, it is to the credit of the dedicated Evesham team that they still managed to find loving homes for 1,472 dogs during this period of upheaval.

We embarked on the complete redevelopment of another of our older centres, at Newbury, and it was almost completed by the end of 2017. This project was less straightforward as the centre is sited within a designated conservation area. All of the old kennelling was replaced, and by buying an additional four acres of land, we were able to create much-needed extra exercise runs and a playground. We have retained the pleasing rural appearance of the centre while much improving the facilities for our residents.



In late 2017 we received planning permission for two very exciting projects. We are now planning a full scale rebuild of our Darlington rehoming centre, which will commence in 2018. Furthermore, the year ended with the welcome news that we have been granted planning permission to create a brand new rehoming centre in Cardiff. We are looking forward to these two huge and exciting challenges.

## UNDERSTANDING DOGS... OVERSEAS

### **Last year saw the fifth anniversary of our major population control and welfare improvement project in Bosnia and Herzegovina, known as Dogs Trust Bosnia.**

Back in 2009, the Bosnian government introduced 'No-Kill' legislation, making it illegal for local authorities or individuals to destroy stray dogs, by any method. This law gave us the impetus to bring our understanding of establishing humane, sustainable dog population management systems into Bosnia. Previously we have managed similar projects in Romania and Malta.

Our aim is to significantly improve dog welfare in the long term, using a combination of education about responsible dog ownership; a mass neutering programme for owned and street dogs; the training of vets and vet nurses in surgical neutering skills and anaesthesia; and now Dog School Bosnia, to enable the local population to help train their dogs.

2017 showed that our programme really works. When we started working in Sarajevo city in 2013, our population census showed there were 12,500 dogs living on the streets of the city; by the end of 2017 there were less than 5,000. We've been pleased to see that Dog School Bosnia has been enthusiastically embraced by Sarajevo's dog owners, many of whom are keen to adopt positive, reward-based training methods. By the end of the year, 389 dogs had graduated from Dog School Bosnia.

The programme of workshops in schools is also very strong, with over 22,000 primary and secondary school children having enjoyed a fun session covering respect for and staying safe around dogs last year, and over 143,000 in total since Dogs Trust Bosnia began. We have trained over 270 veterinary professionals through working together with the Veterinary Faculty of Sarajevo, our ultimate aim being to increase the number of fully trained vets working throughout Bosnia. Over the past two years we have expanded beyond Sarajevo, so that our neutering and youth education programmes now cover more than 30% of the country.

Finally, at the tail end of the year, we signed an agreement with the mayor of Sarajevo which will allow us to build a rehoming centre on land donated by the municipality. Currently, our catch, neuter, vaccinate, release scheme works well, as our figures illustrate, but the lack of a rehoming facility in the city means that those who need to relinquish dogs have nowhere to turn, leading to dogs being abandoned on the streets. Building a rehoming centre in Sarajevo will bring us close to solving the street dog problem once and for all. This project will serve as an example to the world as to how to solve a street dog problem in a humane way.

Besides our work in Bosnia, we continued our activities supporting partners around the world. Working together with Mission Rabies, with the aim of eliminating rabies, in 2017 we vaccinated 123,836 dogs in India, (96,033 in Goa; 27,803 in Ranchi) and 89,219 dogs in Malawi. We also provided training for 66 vets and vet nurses, in surgical neutering, through the Mission Rabies mobile operating theatre truck in India.

Through our International Training Programme (ITP) and our Global Assistance Placement (GAP) scheme we shared our understanding of dogs with partners around the world. Six members of Dogs Trust rehoming centre and veterinary staff shared their skills for a short time at the ARK shelter in Japan, a dog shelter in Cape Verde and on Mission Rabies in India. We ran training courses in London for 28 delegates from overseas animal rescue organisations, and in October we held our annual International Conference on Companion Animal Welfare, in Cyprus. The conference allowed 234 delegates from 37 different countries to share their successes, failures and ideas for the future.

In 2016 Dogs Trust Worldwide was registered as a separate charity and the majority of our overseas work is now carried out by our sister charity. To see a full report of their activities in 2017 please call 020 7837 0006 or visit [www.dogstrustworldwide.org.uk](http://www.dogstrustworldwide.org.uk)



"WHEN WE STARTED WORKING  
IN SARAJEVO IN 2013, THERE  
WERE 12,500 DOGS LIVING ON  
THE STREETS OF THE CITY. BY  
THE END OF 2017, THERE WERE  
LESS THAN 5,000."



Dogs Trust Dog School is proving very popular in Sarajevo. Photo: Richard Murgatroyd Photography



Sarah from Dog Trust West London getting to know the residents during her work placement at the ARK shelter in Japan.

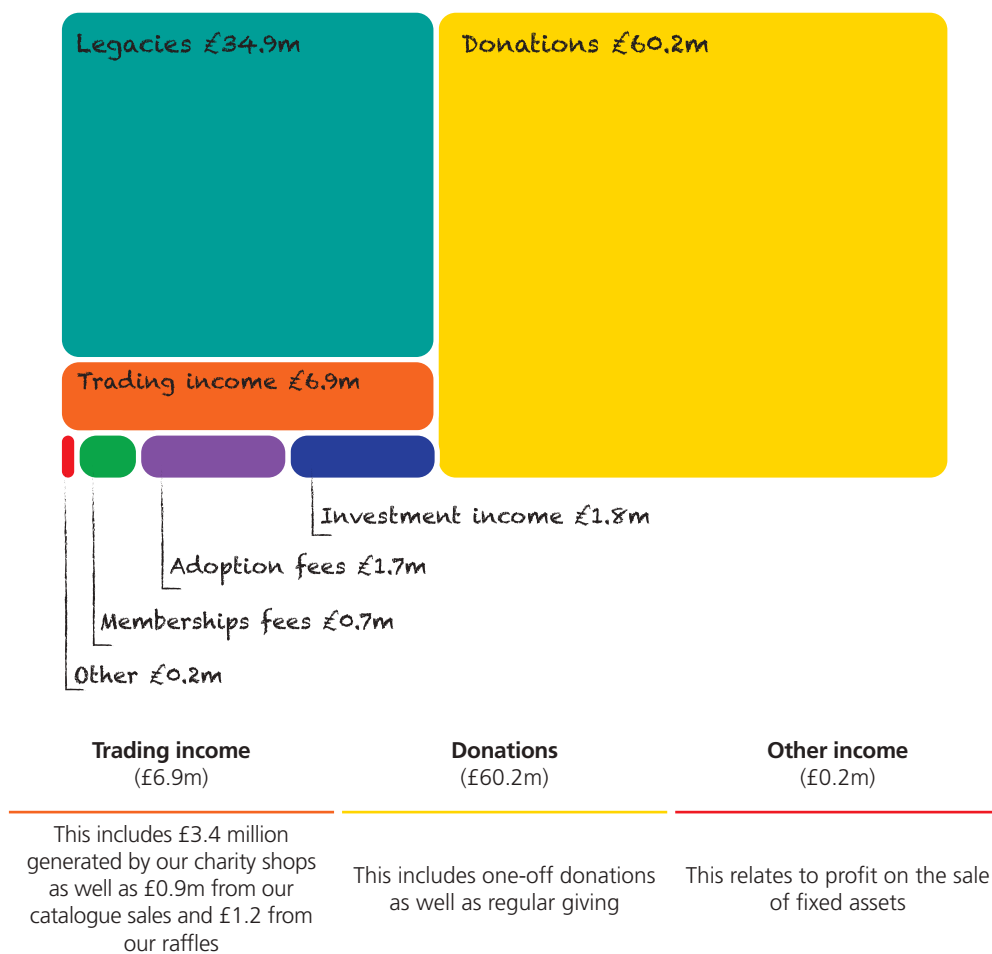
## UNDERSTANDING DOGS... FINANCES

We are delighted to report an increase in income of £8.0m to £106.4m in 2017 (2016: £98.4m). This includes a total of £95.8 million from voluntary income.

Our charitable expenditure has increased by 17% to £71.4m (2016: £61.0m), as we continue to invest in our rehoming activity (£55.3m in 2017 compared to £46.1m in 2016) including expansion of our Research work and Dog Schools.

## WHERE OUR INCOME CAME FROM...

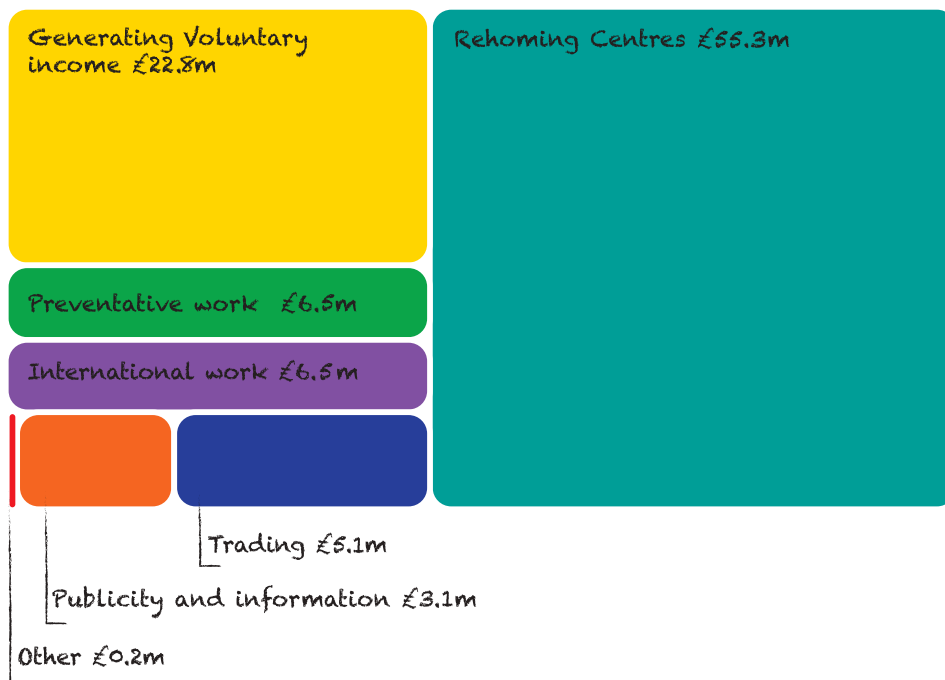
We receive no government funding. It would not be possible to carry out the work we do without the generosity of our supporters; over 600,000 people donated in 2017. In order to continue our mission, we work hard to increase and diversify our sources of funding. Our income of £106.4m comes mainly from fundraising activities, investment income and adoption fees.



## WHERE THE MONEY IS SPENT...

Our total expenditure for the year was £99.5m. These costs are split between our charitable activities and expenditure to enable us to generate income.

Rehoming centres (£55.3m)	Preventative work (£6.5m)	International work (£6.5m)
This includes staff, premises maintenance, veterinary costs, vehicle costs	This includes education, microchipping, neutering, community work, outreach work	This includes our long term project in Bosnia, as well as grants to support selected overseas projects

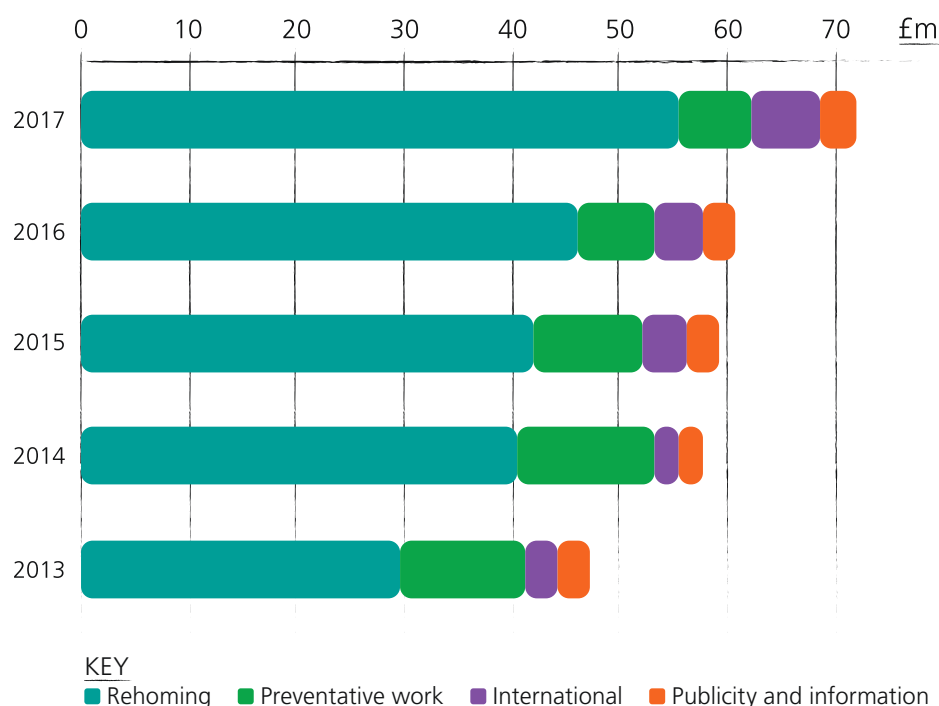


Publicity and information (£3.1m)	Trading (£5.1m)	Generating voluntary income (£22.8m)	Other costs (£0.2m)
This includes promoting the charity's key messages of raising public awareness about rehoming a rescue dog, and advising government on all dog related issues	Includes the cost of running our charity shop network, catalogues and raffle.	We continue to invest in several areas in order to fund our work. In 2017 this work led to an increase in voluntary income of 7%	This is made up of the costs of managing our investments

## UNDERSTANDING DOGS... FINANCES CONTINUED

## TOTAL SPEND ON CHARITABLE ACTIVITIES (£71.4M)

The chart below shows how our spending on our charitable activities has increased over the last five years (by 51% since 2013).



## FUNDRAISING CONTRIBUTION

	2017	2017	2017	2016
£000s	Voluntary	Trading	Total	Total
Income	95,841	6,911	102,752	94,887
Costs	22,789	5,099	27,888	24,860
Net contribution from fundraising	73,052	1,812	74,864	70,027

Income from fundraising increased by 8%. Our main source of income continues to be regular giving. Legacies grew by 15% in the year to £34.9m compared to £30.4m in 2016.

## OUR TARGETS

The success of our prevention and cure approach is assessed by measuring the key statistics below:

	2017	2017	2018
	Achieved	Target	Target
Dogs rehomed by our Rehoming Centres	13,141	13,058	13,330
Dogs neutered by our Campaigns team	22,789	20,900	20,317
Dogs trained through Dog Schools	6,866	6,000	13,100
Children attending education workshops	297,000	290,000	300,000

Even with our Newbury and Evesham centres being rebuilt in 2017 we were able to surpass our rehoming target for the year. We have set a target of rehoming even more dogs in 2018.

Our neutering campaign exceeded target in 2017, but following our hugely successful neutering campaign of many years we have set a more modest total for 2018.

The expansion of our Dog Schools continued throughout 2017 and into 2018; we are targeting an almost 100% increase in the number of dogs we are able to train in the coming year.

Our Education programme continues to reach large numbers of school children across the UK and Ireland.



## CAPITAL EXPENDITURE

Work on refurbishing our Evesham and Newbury centres has been completed (Newbury in early 2018), while our Darlington and Canterbury centres will begin refurbishment in 2018.

## FINANCIAL POSITION AT YEAR END

Net assets are now £169 million compared to £157 million in 2016 due to surplus achieved in 2017. See the reserves policy below for details of how we plan to use these funds.

## PERFORMANCE OF SUBSIDIARIES

Both Dogs Trust Limited and Dogs Trust Promotions Limited had successful years, with Dogs Trust Worldwide expanding significantly in the year as all our International grants were made from this charity. Further detail on subsidiaries is shown in note 1 to the Accounts. Dogs Trust Limited received a grant of £1m (2016: £0.2m) from the charity in support of its ongoing work.

## RESERVES POLICY

The charity's reserves policy is to maintain the following funds

- **Rehoming Centre Development Fund**

This is set aside for future capital expenditure on the charity's operations as approved by Council for the next five years. This stood at £58.3 million at 31st December 2017, inclusive of the capital commitments noted above and outlined further in note 14 of the Accounts.

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

- **Funds for Tangible Fixed Assets**

This represents the land, buildings, motor vehicles and equipment owned and used by the charity to run its centres and administer the organisation. At 31st December 2017 their net book value stood at £68.7 million.

- **Free reserves – Rehoming Centre base fund**

The majority of the charity's income comes from legacies and fundraising, which being uncertain sources of revenue may not always provide the funds to cover essential costs. The charity's policy is to set aside funds ("the free reserves") to cover up to a maximum of the next 2 years' planned Rehoming Centre running costs. As at 31st December 2017 the charity set aside £34.5 million representing the next 9 months planned running costs of rehoming centres.

## 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 commissioners 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 is 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 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.

## PUBLIC BENEFIT

Dogs are an important part of society, and pet dogs provide people with companionship, an impetus to take regular exercise, a good reason to talk with people they don't know, a reason to get up in the morning, physical and emotional support, and a sense of security. Dogs can be trained to provide a whole host of life-enhancing skills, including providing security, using superior tracking abilities to find explosives, missing people, or detect illegal substances, providing support for people suffering with post-traumatic stress disorder, or detect an impending epileptic seizure. While we exist to improve dogs' lives, there is no doubt that some of our charitable activities help people too. The Trustee pays due regard to the Charity Commission guidance on public benefit, and considers Dogs Trust helps people by:

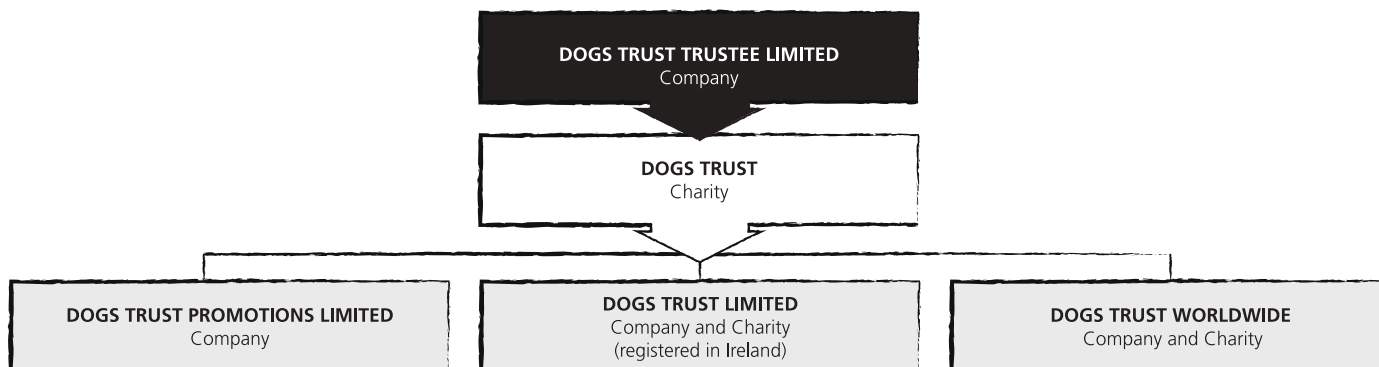
- Providing a true friend. Many people who rehome a dog from us write to tell us how much they love their new companion, with some owners staying in touch for years with regular updates on their dog's lives.
- Helping people to build up a strong and understanding friendship with their dog, through training at our Dog School classes (page 12).
- Helping people to make an informed choice about where and how to buy a puppy through our publicity campaigns and website (page 24).
- Helping children and teenagers to manage their fears about dogs, through our school workshops and our Building Confidence Around Dogs programme (page 22).
- Providing peace of mind to dog owners and their families, by promising to care for their dog in the event of their death, if they carry one of our Canine Care Cards.
- Helping dog owners to escape domestic violence, through our temporary dog fostering scheme, the Freedom Project (page 20).
- Helping homeless people, or those in temporary accommodation, to keep their dog - often their only companion - by their side, through our Hope Project (page 20).
- Enabling people who love dogs but who don't wish to own one full-time to experience the joy of dog ownership on a temporary basis, through becoming a volunteer foster carer on our Home From Home scheme (page 20), or as part of the Freedom Project.
- Assisting young offenders to learn personal responsibility, and employment skills, through our Taking the Lead programme in prisons and young offenders institutions (page 22).
- Providing free surgical and post-operative care training to veterinary professionals overseas, through our work in Dogs Trust Bosnia, Mission Rabies and the International Training Programme (page 26).

## GOVERNANCE

The charity is an unincorporated charitable association governed by a constitution embodying its rules and principles.

These consolidated accounts incorporate the entities shown below. The Charity has deemed control of all the entities other than Dogs Trust Trustee Limited. Further detail on the performance of the charity's three subsidiaries is shown in note 1 to the accounts.

The Charity has three other dormant subsidiaries (Dogs Trust Limited UK, NCDL Limited and Sponsor a Dog Limited). Dogs Trust is registered with the Office of the Scottish Charity Regulator (SC037843). Dogs Trust operates rehoming centres in Glasgow and West Calder as well as a central rehoming 'hub' in south west Scotland. Youth education programmes are run throughout Scotland and Dogs Trust receives income from Scottish supporters.



### TRUSTEE AND COUNCIL MEMBERS

The Corporate Trustee, Dogs Trust Trustee Limited, acts as the sole trustee of Dogs Trust.

Dogs Trust Trustee Limited has a board of 18 unpaid directors who are either elected by the Council or nominated to the board. All directors are also Council members.

The Council meets four times a year and acts as agent of the Charity in the management of its affairs and have powers to delegate management to officers of the Charity. Eligibility for membership of the Council is open to any duly nominated member of the Charity. Prospective Council members must be paid-up members of the Charity nominated and seconded by other Charity members and sponsored by a member of the Council. New 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.

The Finance and General Purposes Committee, which meets twice a year, and the Canine Welfare Grants Committee, which meets once a year, have terms of reference which are provided by the Council. The Council members have taken note of the new Governance Code for charities, and are in the process of considering how this can best be applied to the Charity.

## MANAGEMENT

### DIRECTORS OF DOGS TRUST TRUSTEE LIMITED

Mr G Robertson 🐾👉 (chairman)  
 Mr E Chandler BVetMB MRCVS 👉 (vice president)  
 Mrs B Woodall (vice president)  
 Miss R McIlrath BA MVB MRCVS (vice president)  
 Mr P Daubeny 🐾 (vice chairman)  
 Mr S Langton FCA 🐾 (honorary treasurer and chairman of the FGPC)  
 Prof D Argyle BVMA PhD DECVIM-CA MRCVS 👉 (chairman of the CWGC)  
 Mrs C Baldwin CBE  
 Mr J Beveridge QC  
 Mr K Butt MA VetMB MRCVS 👉  
 Mrs V Carbone  
 Mr R Colvill 🐾  
 Mrs S Murphy BVM&S MSc DECVIM-CA MRCVS 👉  
 Mr T Pearey MA ACMA 🐾  
 Mr M Radford LLB OBE  
 Mr I Rose LLB 🐾  
 Mrs N Canavan (co-opted on 17 December 2017)  
 Mrs L Allum (co-opted on 14 September 2017)

🐾 member of the Finance and General Purposes Committee (FGPC)

👉 member of the Canine Welfare Grants Committee (CWGC)

Mr P Daubeny is due to retire by rotation and is eligible to stand for re-election as vice chairman at the Annual General Meeting to be held on 28 June 2018.

Prof D Argyle, Mrs C Baldwin, Mrs V Carbone and Mrs S Murphy are due to retire by rotation and are eligible to stand for re-election at the Annual General Meeting to be held on 28 June 2018.

Mrs L. Allum and Mrs N Canavan were co-opted and are eligible to stand for election at the Annual General Meeting to be held on 28 June 2018.

Day to day management of the charity is delegated to the Executive team, as defined on page 35.

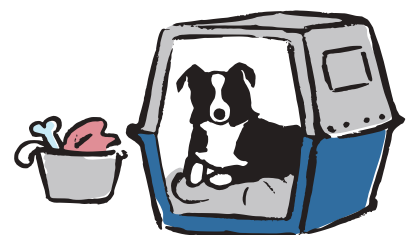
### THE TRUSTEE'S RESPONSIBILITIES REGARDING THE ACCOUNTS

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and group and of the incoming resources and application of resources of the charity and group for that period. In preparing these financial statements, the Trustee is required to:

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

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

The current 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.



## POLICIES

### RISK MANAGEMENT

The Corporate 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 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 Executive team;
- Review and assessment of key risks by directors, with regular feedback to the Executive team;
- Annual review of the risk register, and the accompanying statements, by Council.

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

Risk	Management
Compromised dog welfare at centres	Staff are vetted and trained to ensure that all the dogs in our centres receive the best possible care. The health and welfare of individual animals is regularly monitored.
Increased competition for voluntary income	<ul style="list-style-type: none"> <li>• Emphasis placed on campaigns to maintain and increase awareness and engage with new and existing supporters.</li> <li>• Innovation around fundraising activities.</li> <li>• Regular financial planning, annual budget and 5 year business plan.</li> </ul>
Loss of key fundraising supplier	Focus on fundraising diversification
Events that could impact upon our reputation	Senior (Trustee and Council) engagement in monitoring, with professional advice on significant issues.
Data security	Policies in place to ensure compliance with best practice. External, professional advice and audits are sought as required. Training procedures to ensure staff are equipped.
Fraud and misappropriation of funds	Documented policies and procedures coupled with management review.
Financial risks. The charity's principal financial assets are subject to market movements. The charity's activities also expose it to foreign exchange fluctuations	<ul style="list-style-type: none"> <li>• Detailed annual budget and five year business plan, monthly comparison of actual results with budget, previous years and forecasts.</li> <li>• An Investment policy focussed on capital preservation and liquidity.</li> <li>• Foreign exchange exposures are monitored and forward exchange contracts used where appropriate.</li> </ul>
Service continuity	Our Business continuity planning was updated in 2017.

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

## REMUNERATION POLICY

### Governance of pay at Dogs Trust

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

The F&GP oversees administration of Dogs Trust's pay policy, evaluates executive performance and decides on any changes to executive pay. The committee meets twice a year. The committee may take external counsel as well as recommendations from the Chief Executive, the deputy Chief Executive and the Head of HR.

### 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 strategy is to ensure that Dogs Trust can attract and retain the right people with the right skills to deliver its work. The strategy also ensures that the Chief Executive, Executive 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 complementary 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 Executive Team and the Chief Executive;
- All national pay standards are met, including the National Living Wage.

## EXECUTIVE PAY IN 2017

The total remuneration of the executive team in 2017 (as defined on below) was: £1,090,000 (the comparable team, with two less directors in 2016 received £930,000). This includes salary and benefits in kind. The team also received pension contributions totalling £108,000 (2016: £116,000).

### Executive team in 2017

Name	Role
Adrian Burder	Chief Executive
Paula Boyden	Veterinary Director
Suzie Carley	Executive director of Dogs Trust Ireland
Rachel Casey	Director of Canine Behaviour and Research
Adam Clowes	Director of Operations (from 5 March 2018)
Jeremy Cooper	Interim Director of Operations (from 31 July 2017 to 28 February 2018)
Nick Daniel	Director of Marketing
Jim Monteith	Director of Finance (and deputy Chief Executive)
Karen Reed	Executive director of Dogs Trust Worldwide (from 18 April 2017)
Emma Sheppard	Director of Communications (from 18 April 2017)
Matthew Taylor	Director of Property
Giles Webber	Director of Operations (resigned 28 July 2017)

## GRANT EXPENDITURE POLICY

We award grants to partner organisations 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 2017 we spent £2.9m (2016: £2.4m) in grants to partner organisations in relation to our International work, and £3.2m (2016: £2.3m) in relation to our Veterinary 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, we are reliant on income given voluntarily by supporters. Our supporters 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 voluntarily subscribes to 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 [www.fundraisingregulator.org.uk](http://www.fundraisingregulator.org.uk)

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 a network of charity shops;
- Raising funds through the selling goods and services that may also be purchased through our Rehoming Centres, website or catalogue;
- Raising funds through the promotion of raffles;
- Raising funds through local community fundraising;
- Promoting the supporting of Dogs Trust through gifts in wills ;
- Raising funds via other sources such as charitable trusts, foundations or companies.

We are always looking for ways to improve our activity and find new ways to engage the public with our work. Therefore, over time this list of activity 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. New Data Protection legislation comes into force in May 2018 and full details of our policies can be found on our website [www.DogsTrust.org.uk](http://www.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 their work on our behalf;
- Where possible every new supporter receives a courtesy call soon after signing up to check that they were happy with the way in which 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 2017, we received a total of 73 complaints about our fundraising, this represents 1 complaint for every 150,000 supporter dealings but we are always striving to reduce these numbers further. During 2017, none of these complaints required any action by the Fundraising Regulator.

Signed on behalf of the Trustee by:



**Graeme Robertson**  
Chairman  
Date: 19 April 2018





Mason, rehomed by Carolyn and Ian from Dogs Trust West London Photo: Steven Dunham Photography

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF DOGS TRUST

### OPINION

We have audited the financial statements of Dogs Trust ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2017 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent 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).

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 2017 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.

### 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### OTHER INFORMATION

The other information comprises the information included in the Trustee's Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Strategic Report. The Trustee is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 require 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 THE 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 under section 151 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.

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

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.

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.

### Don Bawtree (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor  
Gatwick  
19 April 2018

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)..



## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31st December 2017

	Notes	2017 £000's	2016 £000's
<b>Income from:</b>			
Donations and legacies	2	95,841	89,164
Other trading activities	3	6,911	5,723
Investments	4	1,848	1,804
<b>Charitable activities</b>			
Adoption fees		1,684	1,685
Other		162	19
<b>Total income</b>		<b>106,446</b>	98,395
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Donations and legacies	6	22,789	20,671
Other trading activities	6	5,099	4,189
Investments	6	202	173
		<b>28,090</b>	25,033
<b>Charitable activities</b>			
Rehoming centres	6	55,286	46,125
Preventative work	6	6,541	7,094
International	6	6,455	4,805
Publicity and information	6	3,152	3,023
		<b>71,434</b>	61,047
<b>Total expenditure</b>	6	<b>99,524</b>	86,080
<b>Net income before gains on investments and exceptional income</b>		<b>6,922</b>	12,315
Net gains on investments		4,460	2,647
Exceptional item	18	0	1,726
<b>Net income</b>		<b>11,382</b>	16,688
Other recognised gains		12	56
<b>Net movement in funds</b>		<b>11,394</b>	16,744
Funds brought forward 1 January	12	157,378	140,634
<b>Funds carried forward 31 December</b>	12	<b>168,772</b>	157,378

£6,611,000 (2016: £4,346,000) of donations and legacies income related to restricted funds. £6,165,000 (2016: £3,993,000) of rehoming centre expenditure related to restricted funds. See note 12 for a breakdown of restricted funds.

All amounts relate to continuing activities.

The notes on pages 46 to 59 form part of the financial statements.

**BALANCE SHEETS** as at 31st December 2017

	Notes	Consolidated		Charity	
		2017 £000's	2016 £000's	2017 £000's	2016 £000's
<b>Fixed Assets</b>					
Tangible fixed assets	8	<b>68,743</b>	54,112	<b>62,298</b>	48,509
Investments	9	<b>89,786</b>	93,742	<b>89,786</b>	93,742
		<b>158,529</b>	147,854	<b>152,084</b>	142,251
<b>Current Assets</b>					
Stock		<b>545</b>	440	<b>540</b>	434
Debtors	10	<b>22,340</b>	13,457	<b>28,050</b>	19,205
Cash at bank and in hand		<b>1,123</b>	5,904	<b>830</b>	5,026
		<b>24,008</b>	19,801	<b>29,420</b>	24,665
<b>Creditors:</b> amounts falling due within one year	11	<b>(13,765)</b>	(10,277)	<b>(13,420)</b>	(9,846)
<b>Net Current Assets</b>		<b>10,243</b>	9,524	<b>16,000</b>	14,819
<b>Net Assets</b>		<b>168,772</b>	157,378	<b>168,084</b>	157,070
<b>The Funds of the Charity</b>					
<b>Unrestricted funds</b>					
Revaluation reserve	12	<b>5,572</b>	5,817	<b>5,572</b>	5,817
Designated reserves	12	<b>127,071</b>	110,657	<b>127,071</b>	110,657
Free reserves - Rehoming Centre base fund	12	<b>34,526</b>	40,310	<b>33,838</b>	40,002
<b>Total unrestricted funds</b>		<b>167,169</b>	156,784	<b>166,481</b>	156,476
<b>Restricted income funds</b>	12	<b>1,361</b>	352	<b>1,361</b>	352
<b>Endowment funds</b>	12	<b>242</b>	242	<b>242</b>	242
<b>Total Charity Funds</b>		<b>168,772</b>	157,378	<b>168,084</b>	157,070

The financial statements were approved by the Council members and authorised for issue on 19th April 2018:



**G. Robertson**  
Chairman of the Council



**R. Colvill**  
Council member

The notes on pages 46 to 59 form part of the financial statements.



**CONSOLIDATED CASHFLOW STATEMENT** for the year ended 31st December 2017

	2017		2016 As restated	
	£000's	£000's	£000's	£000's
<b>Net cash provided by operating activities</b>		<b>6,710</b>		16,905
<b>Cash flow from investing activities</b>				
Dividends, interest and rents from investments	<b>1,848</b>		1,804	
Purchase of property, plant and equipment	<b>(21,928)</b>		(12,029)	
Proceeds from the sale of property, plant and equipment	<b>162</b>		26	
Purchase of investments	<b>(33,433)</b>		(13,615)	
Proceeds from sale of investments	<b>41,848</b>		8,002	
<b>Net cash used in investing activities</b>		<b>(11,503)</b>		(15,812)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(4,793)</b>		1,093
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>5,904</b>		4,755
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>12</b>		56
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,123</b>		5,904

All amounts relate to continuing activities.

The notes on pages 46 to 59 form part of the financial statements.

**RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017		2016	
	£000's	£000's	£000's	£000's
<b>Net income for the reporting period (as per the statement of financial activities)</b>		<b>11,382</b>		16,688
Adjustments for:				
Depreciation charges	<b>7,604</b>		7,555	
Impairment charge	<b>925</b>		-	
Impairment write back	<b>(1,231)</b>			
Gains on investments	<b>(4,460)</b>		(2,647)	
Dividends, interest and rents from investments	<b>(1,848)</b>		(1,804)	
Profit on sale of fixed assets	<b>(162)</b>		(19)	
Increase in stocks	<b>(105)</b>		(148)	
Increase in debtors	<b>(8,883)</b>		(636)	
Increase/(decrease) in creditors	<b>3,488</b>		(2,084)	
<b>Net cash flow from operating activities</b>		<b>6,710</b>		16,905

**ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £000's	2016 £000's
Cash in hand	<b>1,123</b>	5,904
Total cash and cash equivalents	<b>1,123</b>	5,904

The comparative figures for 2016 have been restated to correct the analysis of cashflows used in investing activities.



Lola at Dogs Trust Shoreham. Photo: Ella Bowden-Williams

## ACCOUNTING POLICIES

### ACCOUNTING BASIS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS102 - 'Accounting and Reporting by Charities' published in 2015, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and applicable accounting standards.

There are no material uncertainties about the charity's ability to continue as a going concern.

### GROUP FINANCIAL STATEMENTS

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiaries, Dogs Trust Promotions Limited, Dogs Trust Limited and Dogs Trust Worldwide. The results of the subsidiaries are consolidated on a line by line basis. The charity's gross income was £101 million (2016: £93 million) and net income was £11.0 million (2016: £16.5 million).

Dogs Trust Limited is treated as a subsidiary company because all its members are Council members or senior managers of Dogs Trust and therefore the charity retains a dominant influence.

Dogs Trust Worldwide is treated as a subsidiary company because three of its directors are appointed by Dogs Trust and therefore the charity retains a dominant influence.

### 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.

### 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.

#### Voluntary income

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 on or before the year end;
- For pecuniary legacy interests, notification has been received from the executor by year end. For residuary legacy interests, we have received the confirmation of sufficient assets in the estate by the date of signing the accounts and there are no known outstanding disputes. For all other types of legacy interest, we have a reasonable estimate of the amount due;
- 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;
- 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 historic trends as a basis for measurement. This does not apply to larger legacies which are measured on a case by case basis.

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

### Other trading activities

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

### 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. Where costs cannot be directly attributed to an activity or function they have been allocated on a usage basis or on the basis of head count. Support costs, such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated in this way.

### GRANTS

Grants payable are accounted for as expenditure in the year in which an irreversible binding commitment to make payment is entered into.

### IRRECOVERABLE VAT

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

### FIXED ASSETS

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

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

Depreciation is provided on the following basis:

Freehold Land	Land is not depreciated and is tested for impairment
Freehold Buildings	Over fifteen years straight line
Motor Vehicles	Over three years straight line
Equipment & fittings	Over four years straight line

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

## INVESTMENTS

Listed investments are included in the balance sheet at 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.

## 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.

## OPERATING LEASES

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

## FOREIGN CURRENCY

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

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

## PENSION COSTS

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

## 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.

## FUNDS POLICY

### 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 income. Any capital gains or losses arising on the investments form part of the fund.

### Restricted funds

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

### Designated funds

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

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

### Free reserves – Rehoming Centre base fund

The majority of the charity's income comes from legacies and fundraising, which being uncertain sources of revenue, may not always provide the funds to cover these essential costs. The Trustees' policy is to set aside funds to cover up to a maximum of the next 2 years' planned Rehoming Centre running costs.



**NOTES TO THE ACCOUNTS** for the year ended 31st December 2017**1 RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES**

The Charity has three subsidiary companies. Dogs Trust Promotions Limited (Company number 00963277) is incorporated in the UK and its primary activity is to sell gifts and Christmas cards. Dogs Trust Limited 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 Worldwide is a charity 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. A summary of their trading results is shown below (the figures include intercompany trading).

	Dogs Trust Limited		Dogs Trust Promotions Limited		Dogs Trust Worldwide	
	2017 £000's	2016 £000's	2017 £000's	2016 £000's	2017 £000's	2016 £000's
<b>Incoming resources</b>						
Donations	3,760	3,340	-	-	-	-
Legacies	126	63	-	-	-	-
Merchandising	-	-	1,406	1,245	-	-
Grant from Dogs Trust	975	229	-	-	3,668	102
Sale of dogs and neuter income	1,258	1,289	-	-	-	-
Interest received	11	-	-	-	-	-
<b>Total incoming resources</b>	<b>6,130</b>	<b>4,921</b>	<b>1,406</b>	<b>1,245</b>	<b>3,668</b>	<b>102</b>
<b>Total costs</b>	<b>(7,024)</b>	<b>(5,564)</b>	<b>(1,202)</b>	<b>(1,083)</b>	<b>(3,261)</b>	<b>(396)</b>
<b>Net movement for the year</b>	<b>(894)</b>	<b>(643)</b>	<b>204</b>	<b>162</b>	<b>407</b>	<b>(294)</b>
Qualifying charitable contribution	-	-	(204)	(135)	-	-
Exceptional item	-	1,158	-	-	-	-
<b>Retained profit/(loss) for the year</b>	<b>(894)</b>	<b>515</b>	<b>-</b>	<b>27</b>	<b>407</b>	<b>(294)</b>
Funds bought forward 1 January	1,405	742	28	1	(294)	-
Exchange gain on opening net assets	34	148	-	-	-	-
<b>Funds carried forward 31 December</b>	<b>545</b>	<b>1,405</b>	<b>28</b>	<b>28</b>	<b>113</b>	<b>(294)</b>
<b>Total assets</b>	<b>6,750</b>	<b>7,664</b>	<b>229</b>	<b>205</b>	<b>196</b>	<b>10</b>
<b>Total liabilities</b>	<b>(6,205)</b>	<b>(6,259)</b>	<b>(201)</b>	<b>(177)</b>	<b>(83)</b>	<b>(304)</b>
<b>Total funds</b>	<b>545</b>	<b>1,405</b>	<b>28</b>	<b>28</b>	<b>113</b>	<b>(294)</b>

**2 DONATIONS AND LEGACIES**

	2017 £000's	2016 £000's
Donations	60,184	58,166
Legacies	34,919	30,395
Membership fees	738	603
	<b>95,841</b>	<b>89,164</b>

£6,611,000 (2016: £4,346,000) of the total donations and legacies income above related to restricted funds.



**3 OTHER TRADING ACTIVITIES**

	<b>2017</b> <b>£000's</b>	2016 £000's
Sale of goods	<b>5,495</b>	4,491
Fundraising events	<b>229</b>	215
Raffles	<b>1,187</b>	1,017
	<b>6,911</b>	5,723

**4 INVESTMENTS**

	<b>2017</b> <b>£000's</b>	2016 £000's
Interest received	<b>447</b>	559
Dividends received	<b>1,401</b>	1,245
	<b>1,848</b>	1,804

**5 COUNCIL MEMBERS' REMUNERATION AND EXPENSES**

No Council member or any person connected with them received any remuneration during the year. Thirteen Council members were reimbursed for expenses totalling £8,277 (2016: £6,984) 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, 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	<b>2017</b> <b>Total</b> <b>£000's</b>	2016 Total £000's
<b>Raising funds</b>					
Donations and legacies	-	22,267	522	<b>22,789</b>	20,671
Other trading activities	-	4,662	437	<b>5,099</b>	4,189
Investments	-	202	-	<b>202</b>	173
	-	<b>27,131</b>	<b>959</b>	<b>28,090</b>	25,033
<b>Charitable activities</b>					
Rehoming centres	2,958	46,675	5,653	<b>55,286</b>	46,125
Preventative work	-	6,033	508	<b>6,541</b>	7,094
International	2,940	3,380	135	<b>6,455</b>	4,805
Publicity	-	3,040	112	<b>3,152</b>	3,023
	<b>6,098</b>	<b>59,128</b>	<b>6,408</b>	<b>71,434</b>	61,047
<b>Total</b>	<b>6,098</b>	<b>86,259</b>	<b>7,367</b>	<b>99,524</b>	86,080

Voluntary income is mainly generated by donors who sponsor dogs.

Support costs totalling £7,367,000 (2016 - £4,728,000) have been allocated across the activities. These include costs associated with IT, HR, finance, property and other central services to the charity's staff and rehoming centres across the group. The costs have been allocated based on time spent by departments supporting the various activities.

Of the total rehoming centre expenditure above £5,602,000 (2016: £3,994,000) related to restricted funds. See note 12 for a breakdown of this expenditure.

**NOTES TO THE ACCOUNTS CONTINUED** for the year ended 31st December 2017**6 ANALYSIS OF EXPENDITURE CONTINUED**

Included within support costs are governance costs of £524,000 (2016: £396,000), these include the following amounts:

	2017 £000's	2016 £000's
<b>Group auditor's remuneration</b>		
Audit	64	58
Other assurance services	8	8
Tax and advisory	4	10
	<b>76</b>	<b>76</b>

Total irrecoverable VAT was £2,091,000 (2016: £1,131,000).

A grant of £975,000 was made to Dogs Trust Limited (2016: £214,000) for its loss for 2017.

During the year ended 31 December 2017, the Charity made grants to partner organisations carrying out work to improve the lives of dogs in the UK and around the world.

Grants payable to partner organisations 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 that support long-term benefits for dogs, which are monitored by the charity.

**International projects:**

Grants were made to the following organisations detailed below:

Organisation/Project	Delivery country (Unless UK)	2017 £000's	2016 £000's
WVS - Mission Rabies	India & Malawi	870	971
Dogstar Foundation	Sri Lanka	398	127
WVS - International Training Centre	India	282	100
Aware Trust	Zimbabwe	204	4
SPCA Malta	Malta	109	138
Forgotten Animals	Russia	101	-
WVS	Thailand	100	200
The Pets Second Home	Latvia	80	-
Animal Refuge Kansai	Japan	75	75
Blue Paw Trust	Sri Lanka	70	-
Save the Dogs	Romania	59	124
Mayhew Animal Home	Afghanistan	50	-
Help In Suffering	India	38	15
Lanta Animal Welfare	Thailand	37	-
BAWA	Indonesia	36	-
Pomujre SPA	Slovenia	30	15
Wisconsin Humane Society	USA	28	-
Undrunga Pobjede	Croatia	25	1
Clean Futures Fund	Ukraine	22	-
International Registration Systems	Ukraine	22	-
Animal Rights Protection Organisation Lithuania (ARPOL)	Lithuania	16	48
The Big Fix	Uganda	-	48
Mdzananda Animal Clinic	South Africa	-	46
Coco's Animal Welfare	Mexico	-	30
Royal School of Veterinary Studies	India	-	29
Romania Animal Rescue	Romania	-	26
GAAP	Chile	-	22
Other International grants		<b>288</b>	<b>396</b>
		<b>2,940</b>	<b>2,415</b>

**6 ANALYSIS OF EXPENDITURE CONTINUED**

	2017 £000's	2016 £000's
<b>Research grants:</b>		
Grants were made to individuals at the following institutions to support research work:		
University of Bristol	316	69
University of Edinburgh	125	111
University of Cambridge	109	21
Royal Veterinary College	92	-
Animal Health Trust	29	-
University of Nottingham	27	-
University of Lincoln	19	-
University of Liverpool	16	11
	<b>733</b>	212
<b>Other grants:</b>		
Shared adoption scheme grants	2,180	2,098
Emergency help grants	45	37
	<b>2,225</b>	2,135
<b>Total grants</b>	<b>5,898</b>	4,762

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.

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.



**NOTES TO THE ACCOUNTS CONTINUED** for the year ended 31st December 2017**7 STAFF NUMBERS AND EMOLUMENTS**

The average monthly number of employees (full time equivalent) analysed by function was:

	<b>2017 number</b>	2016 number
Rehoming centres	<b>808</b>	719
Fundraising, campaigns and publicity	<b>242</b>	193
Management and administration	<b>60</b>	49
	<b>1,110</b>	961

The average monthly number of employees (headcount) analysed by function was:

	<b>2017 number</b>	2016 number
Rehoming centres	<b>897</b>	800
Fundraising, campaigns and publicity	<b>273</b>	220
Management and administration	<b>61</b>	51
	<b>1,231</b>	1,071

	<b>2017 £000's</b>	2016 £000's
<b>Their aggregate emoluments were as follows:</b>		
Wages and salaries	<b>27,678</b>	23,681
Social security costs	<b>2,383</b>	1,947
Pension costs	<b>2,062</b>	1,699
	<b>32,123</b>	27,327

Number of employees of the group who earned from:

£60,001 to £70,000	<b>4</b>	<b>2</b>
£70,001 to £80,000	<b>6</b>	<b>4</b>
£80,001 to £90,000	<b>2</b>	<b>2</b>
£90,001 to £100,000	<b>2</b>	<b>2</b>
£100,001 to £110,000	<b>-</b>	<b>1</b>
£110,001 to £120,000	<b>2</b>	<b>2</b>
£130,001 to £140,000	<b>1</b>	<b>1</b>
£150,001 to £160,000*	<b>1</b>	<b>1</b>
	<b>18</b>	15

\* this band contains the earnings of the Chief Executive

	<b>2017 £000's</b>	2016 £000's
Employer pension contributions for all above employees	<b>189</b>	203

Key management employees - as defined in the Report of the Trustee - received salary and benefits of £1,090,000 (2016: £930,000) and pension contributions of £108,000 (2016: £116,000) in the year.



Watson, rehomed from Dogs Trust Bridgend, among the pumpkins. Photo: Gareth Everett at Huw Evans Agency

## NOTES TO THE ACCOUNTS CONTINUED for the year ended 31st December 2017

## 8 TANGIBLE ASSETS

Group	Freehold Land & Buildings £000's	Motor Vehicles £000's	Equipment & Fittings £000's	Total £000's
<b>Cost</b>				
Balance at 1 January 2017	104,806	4,488	5,818	115,112
Additions	19,623	979	1,138	21,740
Disposals	-	(151)	(550)	(701)
Foreign exchange movement	374	8	4	386
<b>Balance at 31 December 2017</b>	<b>124,803</b>	<b>5,324</b>	<b>6,410</b>	<b>136,537</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2017	52,952	3,492	4,556	61,000
Depreciation charge for year	6,381	584	639	7,604
Impairment charge for year	925	-	-	925
Impairment write back for year	(1,231)	-	-	(1,231)
Disposals	-	(151)	(550)	(701)
Foreign exchange rate movement	187	7	3	197
<b>Balance at 31 December 2017</b>	<b>59,214</b>	<b>3,932</b>	<b>4,648</b>	<b>67,794</b>
<b>Net book value at 31 December 2017</b>	<b>65,589</b>	<b>1,392</b>	<b>1,762</b>	<b>68,743</b>
Net book value at 31 December 2016	51,854	996	1,262	54,112

Freehold land and buildings includes freehold land of £18.9 million (2016 - £13.7 million) that is not depreciated.

Charity	Freehold Land & Buildings £000's	Motor Vehicles £000's	Equipment & Fittings £000's	Total £000's
<b>Cost</b>				
Balance at 1 January 2017	93,755	4,234	5,568	103,557
Additions	19,623	936	1,075	21,634
Disposals	-	(110)	(536)	(646)
<b>Balance at 31 December 2017</b>	<b>113,378</b>	<b>5,060</b>	<b>6,107</b>	<b>124,545</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2017	47,428	3,271	4,349	55,048
Depreciation charge for year	5,768	548	604	6,920
Impairment charge for year	925	-	-	925
Disposals	-	(110)	(536)	(646)
<b>Balance at 31 December 2017</b>	<b>54,121</b>	<b>3,709</b>	<b>4,417</b>	<b>62,247</b>
<b>Net book value at 31 December 2017</b>	<b>59,257</b>	<b>1,351</b>	<b>1,690</b>	<b>62,298</b>
Net book value at 31 December 2016	46,327	963	1,219	48,509

Freehold land and buildings includes freehold land of £17.2 million (2016 - £8.7 million) that is not depreciated.

**9 FIXED ASSET INVESTMENTS**

	<b>2017</b>	2016 As restated
	<b>£000's</b>	£000's
Market value at 1 January	<b>40,859</b>	37,155
Investment cash at 1 January	<b>52,883</b>	48,328
	<b>93,742</b>	85,483
Less: Disposals at market value	<b>(30,950)</b>	(14,916)
Add: Acquisitions at cost	<b>33,433</b>	13,615
Investment cash	<b>(10,899)</b>	6,913
Net realised and unrealised gains	<b>4,460</b>	2,647
<b>Market value at 31 December</b>	<b>89,786</b>	93,742

**Investments at market value compromised:**

	<b>2017</b>	2016 As restated
	<b>£000's</b>	£000's
UK fixed interest securities	<b>7,079</b>	6,223
UK equities	<b>36,247</b>	30,308
Other investments	<b>6,934</b>	4,328
Cash	<b>39,526</b>	52,883
	<b>89,786</b>	93,742
The historical cost of investment held at 31 December was	<b>84,209</b>	87,925

No investment (other than cash) represented more than 5% of the portfolio valuation at 31st December 2017 or 31 December 2016. The comparative figures for 2016 have been restated to correct the analysis of investments at market value.

**10 DEBTORS' ANALYSIS**

	Group		Charity	
	<b>2017</b> <b>£000's</b>	2016 £000's	<b>2017</b> <b>£000's</b>	2016 £000's
Trade debtors	<b>52</b>	34	<b>20</b>	9
Other debtors	<b>892</b>	879	<b>893</b>	873
VAT Claim	<b>4,267</b>	1,539	<b>4,121</b>	1,424
Amount owed by subsidiary companies	<b>-</b>	-	<b>5,983</b>	5,934
Prepayments & accrued income	<b>17,129</b>	11,005	<b>17,033</b>	10,965
<b>Total</b>	<b>22,340</b>	13,457	<b>28,050</b>	19,205

**NOTES TO THE ACCOUNTS CONTINUED** for the year ended 31st December 2017**11 CREDITORS' ANALYSIS**

	Group		Charity	
	<b>2017</b> <b>£000's</b>	2016 £000's	<b>2017</b> <b>£000's</b>	2016 £000's
Trade creditors	<b>6,000</b>	3,117	<b>5,918</b>	2,901
Other creditors	<b>517</b>	793	<b>457</b>	726
Accruals & deferred income	<b>7,248</b>	6,367	<b>7,045</b>	6,219
<b>Total</b>	<b>13,765</b>	10,277	<b>13,420</b>	9,846

	Group		Charity	
	<b>2017</b> <b>£000's</b>	2016 £000's	<b>2017</b> <b>£000's</b>	2016 £000's
Movement in deferred income				
Balance at 1st January	<b>330</b>	296	<b>330</b>	296
Utilised in the year	<b>(330)</b>	(296)	<b>(330)</b>	(296)
Deferred income in the year	<b>331</b>	330	<b>331</b>	330
Balance at 31st December	<b>331</b>	330	<b>331</b>	330

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





Eric checks out the indoor playground, Dogs Trust Manchester. Photo: Richard Murgatroyd Photography

## NOTES TO THE ACCOUNTS CONTINUED for the year ended 31st December 2017

## 12 TOTAL FUNDS

	Movement in Funds in 2017				Balance 31 December 2017
	Balance 1 January 2017	Income	Expenditure	Gains, Revaluations & Transfers	
<b>Unrestricted funds</b>					
Revaluation reserve	5,817	-	-	(245)	5,572
<b>Designated funds</b>					
Rehoming Centre Development Fund	56,545	-	-	1,783	58,328
Fund for Fixed Assets	54,112	-	-	14,631	68,743
<b>Total designated funds</b>	<b>110,657</b>	<b>-</b>	<b>-</b>	<b>16,414</b>	<b>127,071</b>
<b>Free reserves - Rehoming Centre base fund</b>	<b>40,310</b>	<b>99,835</b>	<b>(93,922)</b>	<b>(11,697)</b>	<b>34,526</b>
<b>Total Unrestricted Funds</b>	<b>156,784</b>	<b>99,835</b>	<b>(93,922)</b>	<b>4,472</b>	<b>167,169</b>
<b>Restricted income funds</b>					
Freedom	-	25	(25)	-	-
Hope	-	40	(40)	-	-
Ballymena	-	514	(514)	-	-
Basildon	-	131	(131)	-	-
Bridgend	-	492	(492)	-	-
Canterbury	-	206	(206)	-	-
Darlington	-	778	(778)	-	-
Dumfries	-	-	-	-	-
Evesham	-	1,220	(657)	-	563
Glasgow	-	161	(161)	-	-
Ilfracombe	-	263	(263)	-	-
Kenilworth	-	99	(99)	-	-
Leeds	-	210	(210)	-	-
London	-	51	(51)	-	-
Loughborough	-	55	(55)	-	-
Manchester	-	43	(43)	-	-
Merseyside	-	161	(161)	-	-
Newbury	-	54	(54)	-	-
Salisbury	-	81	(81)	-	-
Shoreham	352	1,353	(907)	-	798
Shrewsbury	-	156	(156)	-	-
Snetterton	-	67	(67)	-	-
West Calder	-	368	(368)	-	-
Dog School	-	72	(72)	-	-
Other	-	11	(11)	-	-
<b>Total Restricted income funds</b>	<b>352</b>	<b>6,611</b>	<b>(5,602)</b>	<b>-</b>	<b>1,361</b>
<b>Endowment funds</b>					
Gertrude R Clarke	242	-	-	-	242
<b>Total Endowment funds</b>	<b>242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242</b>
<b>Total Funds</b>	<b>157,378</b>	<b>106,446</b>	<b>(99,524)</b>	<b>4,472</b>	<b>168,772</b>

Donations for Evesham included a transfer of assets totalling £933,328 from The Frank Goddard Jackson Charitable Trust, a fund originally settled by the late Arthur Francis Goddard Jackson. The donation financed the building of the Frank Goddard Jackson Veterinary Suite, with the balance invested to contribute towards the maintenance of the Suite in future years.

## 12 TOTAL FUNDS CONTINUED

	Movement in Funds in 2016					Balance 31 December 2016
	Balance 1 January 2016	Income	Expenditure	Exceptional item	Gains, Revaluations & Transfers	
<b>Unrestricted funds</b>						
<b>Revaluation reserve</b>	<b>2,945</b>	-	-	-	<b>2,872</b>	<b>5,817</b>
<b>Designated funds</b>						
Rehoming Centre Development Fund	39,916	-	-	-	16,629	56,545
Fund for Fixed Assets	49,645	-	-	-	4,467	54,112
<b>Total designated funds</b>	<b>89,561</b>	-	-	-	<b>21,096</b>	<b>110,657</b>
<b>Free reserves - Rehoming Centre base fund</b>	<b>47,886</b>	<b>94,049</b>	<b>(82,086)</b>	<b>1,727</b>	<b>(21,266)</b>	<b>40,310</b>
<b>Total Unrestricted funds</b>	<b>140,392</b>	<b>94,049</b>	<b>(82,086)</b>	<b>1,727</b>	<b>2,702</b>	<b>156,784</b>
<b>Restricted income funds</b>						
Ballymena	-	350	(350)	-	-	-
Basildon	-	22	(22)	-	-	-
Bridgend	-	41	(41)	-	-	-
Canterbury	-	136	(136)	-	-	-
Darlington	-	420	(420)	-	-	-
Dumfries	-	1	(1)	-	-	-
Evesham	-	89	(89)	-	-	-
Glasgow	-	528	(528)	-	-	-
Ilfracombe	-	219	(219)	-	-	-
Kenilworth	-	108	(108)	-	-	-
Leeds	-	82	(82)	-	-	-
London	-	73	(73)	-	-	-
Loughborough	-	3	(3)	-	-	-
Manchester	-	79	(79)	-	-	-
Merseyside	-	213	(213)	-	-	-
Newbury	-	26	(26)	-	-	-
Salisbury	-	157	(157)	-	-	-
Shoreham	-	1,133	(781)	-	-	352
Shrewsbury	-	405	(405)	-	-	-
Snetterton	-	114	(114)	-	-	-
West Calder	-	115	(115)	-	-	-
Dog School	-	23	(23)	-	-	-
Other	-	9	(9)	-	-	-
<b>Total Restricted income funds</b>	<b>-</b>	<b>4,346</b>	<b>(3,994)</b>	<b>-</b>	<b>-</b>	<b>352</b>
<b>Endowment funds</b>						
Gertrude R Clarke	242	-	-	-	-	242
<b>Total Endowment funds</b>	<b>242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242</b>
<b>Total Funds</b>	<b>140,634</b>	<b>98,395</b>	<b>(86,080)</b>	<b>1,727</b>	<b>2,702</b>	<b>157,378</b>

Details of funds are included in the Report of the Trustee. The charity's Fund for Fixed Assets includes the amount owed by Dogs Trust Limited which is represented by our Dublin Centre.

**NOTES TO THE ACCOUNTS CONTINUED** for the year ended 31st December 2017**13 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted £000's	Restricted £000's	Endowment £000's	Total £000's
Represented in 2017 by:				
Tangible fixed assets	68,743	-	-	68,743
Investments	89,786	-	-	89,786
Stock	545	-	-	545
Debtors	20,737	1,361	242	22,340
Cash at bank and in hand	1,123	-	-	1,123
Current liabilities	(13,765)	-	-	(13,765)
<b>Total Net assets</b>	<b>167,169</b>	<b>1,361</b>	<b>242</b>	<b>168,772</b>

	Unrestricted £000's	Restricted £000's	Endowment £000's	Total £000's
Represented in 2016 by:				
Tangible fixed assets	54,112	-	-	54,112
Investments	93,742	-	-	93,742
Stock	440	-	-	440
Debtors	13,215	-	242	13,457
Cash at bank and in hand	5,552	352	-	5,904
Current liabilities	(10,277)	-	-	(10,277)
<b>Total Net assets</b>	<b>156,784</b>	<b>352</b>	<b>242</b>	<b>157,378</b>

**14 CAPITAL COMMITMENTS**

Council have authorised the following capital expenditure over next 5 years:

	Darlington Redevelopment £000's	Canterbury Redevelopment £000's	Cardiff Development £000's	Glasgow Redevelopment £000's	Other Redevelopment £000's	Total £000's
Authorised and contracted	-	4,149	-	-	3,093	7,242
Authorised not contracted	12,907	-	15,538	1,221	21,420	51,086
	<b>12,907</b>	<b>4,149</b>	<b>15,538</b>	<b>1,221</b>	<b>24,513</b>	<b>58,328</b>

**15 CONTINGENT LIABILITIES**

The Charity has given an indemnity to repay £2.3m (2016: £2.4m) related to legacy bequests, should the relevant estates be claimed against.

**16 FORWARD CURRENCY CONTRACTS**

The Charity had outstanding forward currency commitments of €6.5m at average rate of €1.13 to £1 as at 31st December 2017 (2016: €2.1m).

**17 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 £948,000 (2016: £1,040,000) for rehoming services provided by Dogs Trust Limited, a subsidiary of the charity. Of this amount £323,000 (2016: £266,000) was outstanding at the year end.

During the year the charity provided £975,000 (2016: £240,000) to Dogs Trust Limited to support its work. A balance of £5,835,000 (2016: £5,792,000) was owed to the Charity from Dogs Trust Limited at the year end.

The charity invoiced £10,000 (2016: £10,000) for office services provided to Dogs Trust Promotions Limited, a subsidiary of the charity. The Charity owed £23,000 to (2016: was owed £22,000 by) Dogs Trust Promotions Limited at the the year end.

The charity invoiced £322,000 (2016: £92,000) for office services provided to Dogs Trust Worldwide, a subsidiary of the charity. During the year the charity provided £3,668,000 (2016: £102,000) to Dogs Trust Worldwide to support its work. The Charity owed £147,000 (2016: £nil) to Dogs Trust Worldwide at the the year end.

Grants totalling £870,000 (2016: £971,000) 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.

**18 EXCEPTIONAL ITEM**

During 2016 a review of the VAT recovery methodology of the Dogs Trust Limited was carried out. As a result the Charity recovered VAT relating to amounts previously deemed irrecoverable in the periods from 2012 to 2016. This item was outside of the normal activities of the Charity and therefore was classified as an exceptional item.

**19 CONTINGENT LEGACY INCOME**

In addition to the legacy income recognised in the SOFA, on the 31 December 2017 the Charity had been notified of 314 residuary legacies (2016: 280 residuary legacies) with a total estimated value of £21,059,000 (2016: £12,879,000). 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.

**20 FINANCIAL INSTRUMENTS**

The Charity financial instruments comprise fixed asset investments measured at fair value through profit or loss and other financial assets which comprise cash, trade debtors and other debtors and financial liabilities which comprise trade creditors and other creditors, measured at amortised cost.



**WE WOULD LIKE TO THANK:**

Players of People’s Postcode Lottery, staff and customers of HSBC UK, Petplan®, Radley London, Chestertons, cottages.com & Hoseasons. Special thanks to the VIP Club members of Pets at Home and their Lifelines for feeding our dogs Wainwright’s dry food at our 20 UK rehoming centres for the fifth consecutive year.

**EXTERNAL ADVISORS:**

**Auditors**

BDO LLP, 55 Baker Street, London W1U 7EU

**Investment advisors**

Sarasin and Partners LLP, Juxon House, 100 St Paul’s Churchyard, London EC4M 5P

**Solicitors**

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

**REGISTERED ADDRESS:**

Clarissa Baldwin House  
17 Wakley Street  
London EC1V 7RQ

Registered charity no: 227523 (England and Wales)  
SCO87843 (Scotland)  
20057978 (Ireland)

**WHERE TO FIND US:**

To find opening times and directions for any of our Rehoming Centres please visit: [www.dogtrust.org.uk/our-centres/](http://www.dogtrust.org.uk/our-centres/)



**IMAGE CREDITS:**

---

Page 2	Richard Murgatroyd Photography
Page 3	Richard Murgatroyd Photography
Page 14	Top: Richard Murgatroyd Photography
Page 14	Bottom: Andy Catterall Photography
Page 15	Top: Clare Rooney
Page 15	Bottom: Neil Pugh Photography
Page 17	Top: Beth Walsh Photography
Page 17	Bottom: Richard Murgatroyd Photography
Page 19	Top: Beth Walsh Photography
Page 19	Bottom: Beth Walsh Photography
Page 24	Top: Stuart Lanham
	Middle: Francesca Gent
	Bottom: Richard Murgatroyd Photography
Page 25	Top: Rebecca Eighteen Photography
	Middle: Pete Cartwright
	Bottom: Larrie Barlow Photography
Page 27	Top: Richard Murgatroyd Photography
	Bottom: Rebecca Baker
Page 37	Steven Dunham Photography
Page 43	Ella Bowden-Williams

---

Concept and copy by Deana Selby

Illustration by [www.happyappledesign.co.uk](http://www.happyappledesign.co.uk)

Design by Anna Mackee  
[www.annamackee.com](http://www.annamackee.com)

**REGISTERED ADDRESS**

Clarissa Baldwin House, 17 Wakley Street, London EC1V 7RQ

☎ 020 7837 0006

🌐 [www.dogstrust.org.uk](http://www.dogstrust.org.uk)

✉ [information@dogstrust.org.uk](mailto:information@dogstrust.org.uk)

🐦 [@dogstrust](https://twitter.com/dogstrust)

📷 [@dogstrust](https://www.instagram.com/dogstrust)

📘 [facebook.com/dogstrust](https://www.facebook.com/dogstrust)

📺 [youtube/dogstrust](https://www.youtube.com/dogstrust)

Registered charity no: 227523 (England and Wales)

SCO37843 (Scotland)

20057978 (Ireland)