

Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)



## **ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



## The Trustee Report

### Greyhound Trust Objectives and Activities

The Greyhound Trust was established as an independent charity by the greyhound racing industry in 1975 to home retired racing greyhounds. Since its formation, the charity has homed well over 120,000 retired racing greyhounds and currently consistently home circa 3,500 annually.

The Greyhound Trust vision is “a day when all racing greyhounds retire to loving homes and are treated with compassion and kindness”.

We are active members of the UK Greyhound and International Greyhound Welfare Forum. In addition, we provide briefings to the All Party Parliamentary Greyhound Group. All of these provide opportunities to engage with relevant stakeholders and contribute to the development of relevant policy, in line with our objectives.

The Greyhound Trust operates an inclusive approach and we work with a wide group of stakeholders; including welfare charities, homing organisations and those involved with and representing the greyhound racing industry. We believe that this inclusive approach maximises the positive impact for the greyhounds that we seek to help.

Our mission is to provide bright futures and loving homes for retired racing greyhounds, by:

- Helping greyhounds transition from racing and matching them to homes where they will thrive in their retirement, and;
- Caring for and re-homing other greyhounds in need, and;
- Providing post adoption support to maximise the success of each greyhound homed

We further our charitable objectives and ensure our direct public benefit by:

- Facilitating the homing of retired greyhounds via our National branch network
- Raising the profile of greyhounds retiring from racing and promoting their suitability as pets and companions
- Working with other charitable organisations to promote greyhound welfare and find suitable homes for greyhounds
- Facilitating positive human impacts by facilitating volunteering, educational and therapeutic outreach using greyhounds suitable for experiences with children, the elderly, those with additional / special needs and those who are unwell and terminally ill

Public benefit underpins the Charity’s work and all charitable Directors have due regard to the Charity Commission’s public benefit guidance when they exercise relevant powers and duties.

## **Charity Structure, Governance and Management**

The governing document of the charity is the Deed of Trust, which was signed on 5 June 1975, which formed the 'Retired Greyhound Trust' as an unincorporated charity, the Greyhound Trust has charitable status in both England & Wales (charity number 269228) and Scotland (charity number SC044047). The Greyhound Trust moved to a Corporate Trustee governance structure on 21 June 2018; as such the Directors of Greyhound Trust Trustee Limited (the Corporate Trustee) make decisions on behalf of the Corporate Trustee. All references to Directors refer to Directors of the Corporate Trustee. All references to Trustees refer to the Corporate Trustee.

The day to day management of the Greyhound Trust is delegated to the Chief Executive, Lisa Morris and through her to the Senior Management Team. The Chair of Directors and key Officers support the Chief Executive, which forms the link with the Board of Directors and ultimately the Corporate Trustee body.

The Board of Charity Directors is required to conduct the affairs and the general business of the Greyhound Trust on behalf of the Corporate Trustee and meets quarterly. The Directors review financial and operational trends measured against the annually approved budget. Key Performance Indicators (KPIs) are in place to assist this process of reporting by the Executive and monitoring by the Directors.

Directors review areas of risk across the whole range of the charity's activities and there is an active and regularly reviewed risk register. The annual budget and business planning processes include reviews and assessment of the possible risks to the charity, the consequences of those risks and plans to mitigate their effects on delivery of the charitable objectives. Any significant changes in risk are discussed by the Directors and appropriate risk mitigation agreed, recorded and monitored as part of the risk management process.

A series of procedures and controls are maintained to reduce risk to the charity, with comprehensive Director and professional indemnity, public liability and employer liability insurances in place.

**The Board is supported in its role by key Sub Committees:** Finance & Investment, Remuneration, and the Veterinary and Welfare Committee.

In accordance with good practice, new members of the Board are appointed by Directors to maintain or augment the range of skills and experience appropriate to the needs and activities of the Charity and are appointed by way of majority vote by existing Board Members, on behalf of the Corporate Trustee.

New Directors are inducted by the Chairman and Chief Executive and are encouraged to visit the National Support Centre and a Branch(es) in order to gain a good understanding of the structure of the charity and how day to day operations are conducted.

Greyhound Trust operates a wholly owned trading subsidiary named Greyhound Events Ltd, which is a limited company registered with Companies House and which has its own Board of Directors including an Independent Director, which meet regularly throughout the year. Its business is presented to the Board of Directors as an information item throughout the year.



## **Greyhound Trust Achievements and Performance in 2019**

The Trust homed 3500 retired racing greyhounds through our branch network of 48 homing Branches, supported by around 1000 volunteers and two awareness and fundraising Branches. This equates to almost ten greyhounds finding a home each and every day throughout 2019.

The Greyhound Trust is registered in England and Wales. Since 2013 the Trust has also been registered with the Office of the Scottish Charity Regulator (OSCR) and in 2019 operated a network of five branches in Scotland. These branches collectively homed 411 greyhounds in 2019 (2018:372).

The homing success of 2019 was possible only because of the commitment and contribution of the remarkable Greyhound Trust volunteers, the continued generosity of our supporters and the hard work and diligence of our national support team.

The Founders Award for 2019 was awarded to Kath Armitage from our West Yorkshire Branch for her outstanding service to retired racing greyhounds.

## **Financial Review 2019**

As a charity we are entirely dependent on voluntary contributions to cover the cost of all the activities of the Greyhound Trust, and are extremely grateful to the many thousands of individuals that supported our vital work in 2019, by making a donation, pledging a legacy, homing a greyhound or helping us raise awareness that greyhounds make great pets. The charity also received significant income from the British Greyhound Racing Fund in 2019.

The closing financial position of 2019 will support our strategic plan to deliver the National Support and Homing Centre in 2020.

A summary of the results for the year and the resources deployed at 31 December 2019 is as follows:

	2019 £	2018 £
Total Income	3,477,863	3,867,838
Charitable activities	3,182,301	2,979,235
Cost of generating funds	137,800	233,228
Net movement of funds	157,762	655,375
(Decrease)/Increase in value of investments	45,847	(15,731)
Total funds at 1 January 2019	4,430,905	3,791,261
Net increase in funds	203,609	639,644
Total funds at 31 December 2019	4,634,514	4,430,905

## **Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)**

Overall expenditure for the year including all overheads was £3.32m, which facilitated the homing of 3,500 retired racing greyhounds. It is very difficult for the Trust to estimate the cost of homing a greyhound as costs can vary significantly depending on the greyhounds medical, wellbeing and behaviour needs. The crude average of £948 per dog (£3.32m divided by the 3,500 dogs homed) reflects the complexity of the activities of the Greyhound Trust where some dogs can stay in kennels for over six months and others may need expensive medical treatment.

The Fund balance at 31st December 2019 stood at £4,634,514 (2018: £4,430,905) consisting of unrestricted funds (non branch) £3,973,267, branch unrestricted funds £460,196 and restricted funds £201,051. The £3,973,267 unrestricted funds includes fixed assets of £2,958,733, with the remainder £1,014,534 being other central unrestricted funds.

The Trust's wholly owned trading subsidiary: Greyhound Events Ltd was able to gift £21,532 to the Trust compared with £17,706 in 2018.

### **Reserves and investment policy**

The Trustee sets a reserves and investment policy and review it annually, as per Charity Commission guidance, and manage the dynamic fluctuations of the charity by adhering to the guidance to "regularly monitor and review the effectiveness of the policy in the light of the changing funding and financial climate and other risks". This means that decisions around the reserve levels are reviewed and adapted in line with the charity's needs, having assessed risks and benefits of different courses of action.

The Charity's reserves and investment policy (reviewed in 2019) is to hold the equivalent of six months planned expenditure (based on previous years submitted accounts), but take into account the Charity Commission guidance in respect of managing the dynamic fluctuations and needs of the charity. This contingency is not intended to solely be a pot of money that allows the Greyhound Trust to survive a funding crisis for 6 months. It is to provide a financial buffer that permits the Board to pay outstanding debts, assess the current circumstances and decide upon the best strategy going forward, which may be business as usual, or may include changes to operating models and cost base.

### **Looking Forward**

This annual report is being written at a time when the Trust, like many organisations, is being impacted by the COVID-19 pandemic and is likely to be impacted also in the future, although to an uncertain degree at this stage. In addition, the pandemic has precipitated changes in the funding received historically from the British Greyhound Racing Fund. All of this will create a challenging environment for the Trust going forward.

The Trust's primary objectives for 2020 are therefore based on the Directors' desire to ensure that the Charity is able to develop in line with demand for its services and ensure its sustainability into the future.

In addition to day to day work of homing greyhounds, promoting the suitability of greyhounds as pets, raising public awareness of the work of the Greyhound Trust and developing new homing opportunities, the charity will focus on these key areas as the country moves into recovery post Covid-19:

1. To complete the 'Great Greyhound Build' and open the Greyhound Trust National Support and Homing Centre



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2. To transition to an adjusted Greyhound Trust operating model, which effectively manages the impact of Covid-19 on income, and allows us to maximise homing within whatever social distancing parameters remain in force

We anticipate that a clear focus on these two key areas will both enable the charity to survive and adapt given short and medium-term uncertainties and also provide the foundations for the longer-term sustainability of the charity.

## **Reference and Administrative Details**

**The Directors of Greyhound Trust Trustee Limited (the Corporate Trustee) for the 2019 reporting year:**

Professor Steven Dean BVetMed, MRCVS, DVR	Chairman of Directors
Mr M J J Scanlon	Vice Chairman (resigned 14/08/2019)
Mrs Jackie Dunn	Honorary Treasurer
Mr Antony Collins	Director
Mr Nathan Evans	Director (resigned 27/06/2019)
Mr Clive Feltham	Director (resigned 14/08/2019)
Dr Mandy Glew	Director (appointed 04/10/2019)
Mr Simon Gray	Director (resigned 14/08/2019)
Mr Ray Harding	Director (appointed 05/03/2020) – in post for signing of accounts, but not for the reporting year
Mr J Haynes	Director (resigned 08/04/2019)
Mr George Stanley Lee	Director (appointed 28/08/2019)
Mr J Simpson	Director
Mrs Melanie Stanley	Director (appointed 28/08/2019)

**Committee Membership for the 2019 reporting year:**

### **Finance and Investment Committee**

Professor Steven Dean BVetMed, MRCVS, DVR	Chairman of Directors
Mr M J J Scanlon	Vice Chairman (resigned 14/08/2019)
Mrs Jackie Dunn	Honorary Treasurer and Member of Officer Group
Mr George Stanley Lee	Director (appointed 28/08/2019)
Mr Clive Feltham	Director (resigned 14/08/2019)

### Remuneration Committee

Professor Steven Dean BVetMed, MRCVS, DVR	Chairman of Directors
Mr M J J Scanlon	Vice Chairman (resigned 14/08/2019)
Mrs Jackie Dunn	Honorary Treasurer
Mr George Stanley Lee	Director (appointed 28/08/2019)
Mr Clive Feltham	Director (resigned 14/08/2019)

### Veterinary and Welfare Committee

Professor Steven Dean BVetMed, MRCVS, DVR	Chairman of Directors
Mr Antony Collins	Director
Mr Simon Gray	Director (resigned 14/08/2019)

### Principal Address of the charity

Greyhound Trust  
'Wings'  
Horley  
RH6 9SX

### Bankers (Primary)

Lloyds Bank  
Threadneedle Street  
PO Box 1000  
BX1 1LT

### Auditors

Haines Watts (City ) LLP  
Chartered Accountants and Statutory Auditors  
69-73 Theobald's Road  
London  
WC1X 8TA

### Solicitors

Bristows  
100 Victoria Embankment  
London  
EC4Y 0DH

### Exemptions from Disclosure

No exemptions from disclosure have been exercised in this Report.

### Funds held as custodian on behalf of others

No funds are held as custodian on behalf of others (other than Greyhound Trust branches).

### **Trustee responsibilities and declaration**

The law applicable to charities requires that the Trustee prepares accounts for each financial year, which give a true and fair view of the affairs of the charity and to the surplus or deficit for that period. The Trustee has agreed to adopt the Statement of Recommended Practice – Accounting and Reporting by Charities SORP (FRS 102). In preparing the accounts, the Trustee follows best practice and:

- Selects suitable accounting policies and apply them consistently
- Makes judgements and estimates that are reasonable and prudent
- States whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepares the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the accounts comply with the applicable law. It is also responsible for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

The Trustee has confirmed that as far as it is aware, there is no relevant audit information of which the charities auditors, Gallagher Partnership LLP are unaware. It also confirms that it has taken all appropriate steps to make itself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### **Auditors:**

Haines Watts ( City) LLP succeeded Gallaghers as auditors following a corporate restructure and will seek re-appointment as auditors for 2020.

**By order of Greyhound Trust Trustee Limited, through its Board of Directors**



**Professor Steven Dean  
Chairman of Directors  
On behalf of Greyhound Trust Trustee Limited (Corporate Trustee)**

**Date: 14 July 2020**



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF GREYHOUND TRUST**

We have audited the financial statements of the Greyhound Trust for the year ended 31 December 2019 set out pages 11 to 20. These financial statements have been prepared in accordance with the accounting policies set out therein.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and in accordance with section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Charity Trustee and Auditor**

As explained more fully in the Statement of Trustee Responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as Auditor under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. We have also been appointed as Auditor under 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors; *Scope of the audit of the financial statements*.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;

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- 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.
- Have been prepared in accordance with the requirements of 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

**Matters on which we are required to report by exception**

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

- The information given in the Trustee Annual Report is inconsistent in any material respect with the financial statements; or
- Sufficient accounting records have not been kept; or
- The 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



Samuel David Clarke (Senior Statutory Auditor)  
Haines Watts ( City ) LLP  
Chartered Accountants and Statutory Auditors  
69-73 Theobald's Road  
London WC1X 8TA

**Date: 14 July 2020**

**Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)**

**Statement of Financial Activities for the year ended 31 December 2019**

		2019 £	2019 £ Restricted	2019 £	2018 £
	Note	Unrestricted		Total	
<b>Income from</b>					
Donations and legacies	2	1,325,388	123,974	1,449,362	1,878,504
Grant from BGRF		1,300,000	0	1,300,000	1,400,000
Donation from Greyhound Events Limited		21,532	0	21,532	17,706
Branch Income		706,969	0	706,969	544,882
Investment Income		0	0	0	26,746
<b>Total Income</b>		<b>3,353,889</b>	<b>123,974</b>	<b>3,477,863</b>	<b>3,867,838</b>
<b>Expenditure on</b>					
<b>Charitable activities</b>					
Branch expenditure		843,926	0	843,926	616,364
Kennel charges		1,163,860	188,647	1,352,507	1,385,175
Veterinary fees		745,151	0	745,151	676,858
Hardship expenditure		5,158	0	5,158	6,008
Homefinding expenses		56,081	0	56,081	76,440
Education and awareness	3	179,478	0	179,478	218,390
<b>Raising Funds</b>	3	137,800	0	137,800	233,228
<b>Total Expenditure</b>		<b>3,131,454</b>	<b>188,647</b>	<b>3,320,101</b>	<b>3,212,463</b>
<b>Net Movement in Funds</b>		222,435	(64,673)	157,762	655,375
(Decrease)/ Increase in value of investments		45,847	0	45,847	(15,731)
Total funds brought forward at 1 January 2019		<b>4,165,181</b>	<b>265,724</b>	<b>4,430,905</b>	<b>3,791,261</b>
<b>Total funds carried forward at 31 December 2019</b>		<b>4,433,463</b>	<b>201,051</b>	<b>4,634,514</b>	<b>4,430,905</b>

All of the above results were derived from continuing activities. The Charity has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The notes on pages 13 to 20 form part of these accounts.



**Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)**

**Balance Sheet at 31 December 2019**

	Note	2019 £	2019 £	2018 £	2018 £
<b>FIXED ASSETS</b>					
Tangible Assets	5		2,958,733		1,496,223
<b>CURRENT ASSETS</b>					
Investments		571,986		526,062	
Debtors	6	810,556		1,109,920	
Cash at bank and in hand		481,182		1,527,866	
Branch Bank Accounts		460,196		502,870	
		<u>2,323,920</u>		<u>3,666,718</u>	
<b>CREDITORS:</b> Amounts falling due within one year	7	(243,346)		(732,036)	
Amounts Falling due over one year	8	(404,793)		0	
		<u>(648,139)</u>		<u>(732,036)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,675,781</u>		<u>2,934,682</u>
<b>NET ASSETS</b>			<u>4,634,514</u>		<u>4,430,905</u>
Unrestricted funds	9		3,973,267		3,662,311
Branch funds	9		460,196		502,870
Restricted funds			201,051		265,724
<b>TOTAL FUNDS</b>			<u>4,634,514</u>		<u>4,430,905</u>

The financial statements were approved by the Board on 30 June 2020 and signed on its behalf by:



**Professor Steven Dean**  
Chairman

**Notes to the Accounts for the year ended 31 December 2019**

**1. ACCOUNTING POLICIES**

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

**i. Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**ii. Financial reporting standard 102 - reduced disclosure exemptions**

Greyhound Trust has taken advantage of the disclosure exemption relating to the requirements of Section 7 Statement of Cash Flows in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The accounts of the charity's trading subsidiary, Greyhound Events Limited (formerly Retired Greyhound Events Limited) are not consolidated with these accounts. The trading company's balance sheet comprises primarily the stock it holds, cash at bank and the intercompany account with the Trust. The charity has dispensed with preparing consolidated accounts by including a summary of the trading company at note 10. The charity has taken the option under section 139 of the Charities Act 2011 not to prepare consolidated Financial Statements.

**iii. Income**

Income is recognised when the charity can measure the amount that it is entitled to and that it is more than likely that the income will come to the charity.

Legacies are included as income when it is probable that a legacy will be received.

**iv. Tangible Fixed Assets**

Tangible fixed assets represents property, computers and equipment. Depreciation is not provided on property assets. All computers and equipment with an expected life of more than one year are included at cost and depreciated over 3 or 5 years.

**v. Expenditure**

Expenditure is charged to the revenue account on an accruals basis and has been classified under headings that aggregate costs related to each particular charitable activity. Support costs that relate to the delivery of our charitable work including IT, payroll, administration, health and safety, human resources, print, communications and management, have been allocated to activities on a basis consistent with the use of the resources.

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**Notes to the Accounts for the year ended 31 December 2019 (cont.)**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

**Significant judgements and estimates**

In applying the trustees' accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

**Critical judgements in applying the charity's accounting policies**

The critical judgement that the Trustees have made in the process of applying the charity's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

**(i) Assessing indicators and impairment**

In assessing whether there have been any indicators of impairment of assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators of impairments identified during the current financial year.

**Key sources of estimation uncertainty**

Due to the straightforward nature of Greyhound Trust's business, the Trustees do not believe that there are any estimation uncertainty's that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Funds Structure**

Unrestricted funds can be used for the charitable activities at the discretion of the Trustees.

Restricted funds are used for the purpose designated by the donor.

**Investment income recognition**

All Investment income is recognised in the Statement of Financial Activities in the period in which the charity is entitled to receipt.

**Provisions**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period.



**Notes to the Accounts for the year ended 31 December 2019 (cont.)**

taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

**Financial instruments**

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments which comprise cash at bank, trade and other receivables and trade and other payables.

**Financial assets - classified as basic financial instruments**

**(i) Cash at bank and in hand**

Cash at bank and in hand include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

**(ii) Trade and other receivables**

Trade and other receivables are initially recognised at the transaction price, including any transaction costs. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the company assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

**Financial Liabilities - classified as basic financial instruments**

**(iv) Trade and other payables and loans and borrowings**

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

**Going concern**

These financial statements have been prepared at a time where significant uncertainties exist related to the effects of the COVID -19 viral pandemic. The pandemic is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. As such, Greyhound Trust's going concern basis, like many other organisations, needs to be assessed in this context.

In addition, the outbreak of the pandemic and the corresponding cessation of greyhound racing precipitated significant changes to the income received from the British Greyhound Racing Fund (BGRF) which has been a major source of income to the Trust both in 2019 and prior to that. At this stage the nature and extent of future funding to replace historical levels of BGRF funding is uncertain.

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Given this uncertainty the Directors of the organisation have considered a range of financial scenarios to mitigate the anticipated reduction in income from both the impact of COVID-19 and the BGRF. These scenarios include a reduction, if necessary, in both the organisation's cost base and its levels of activity to match future income streams, when these are known with greater certainty.

Based on these financial scenarios and the capacity and capability of the organisation to respond to the commercial and social pressures driven by the COVID-19 pandemic, the Directors believe that the Greyhound Trust has adequate resources to continue to operate for the foreseeable future. For this reason, the Trustees have continued to adopt the going concern basis in preparing the financial statements.

**2. INCOME**

Included in donation and legacy income is £300,867 (2018; £950,749) of Legacy Income.

Of this £105,447 (2018; £22,009) was restricted Legacy income and is recognised when there is a clear and quantifiable entitlement.

**3. ANALYSIS OF EXPENDITURE**

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>Total £</b>	<b>2018</b>
<b>Charitable activities</b>				
Branch Expenditure	692,027	151,899	843,926	616,364
Kennel charges	1,109,068	243,439	1,352,507	1,385,175
Veterinary fees	611,031	134,120	745,151	676,858
Hardship expenses	4,230	928	5,158	6,008
Homefinding expenses	45,987	10,094	56,081	76,440
Education and awareness	147,173	32,305	179,478	218,690
Raising funds	112,997	24,803	137,800	233,228
<b>Total</b>	<b>2,722,513</b>	<b>597,588</b>	<b>3,320,101</b>	<b>3,212,463</b>

Included in support costs is £7,065 payable to the auditors for audit fees and other accounting services (2018: £3,600). Of the £7,065, £4,000 is for audit fees and £3,065 for tax services.

Support costs are apportioned to the categorised charitable activity according to level of primary expenditure.

**Notes to the Accounts for the year ended 31 December 2019 (cont.)**

**4. STAFF COSTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	415,594	294,320
Social security costs	<u>29,832</u>	<u>24,705</u>
	<u>445,426</u>	<u>319,025</u>

The average weekly number of employees (not including Trustees) engaged in the activities of the Charity during the year, was:

<b>2019</b>	<b>2018</b>
<b>Number</b>	<b>Number</b>
<u>19</u>	<u>15</u>

The number of employees is 19 equating to 15 full time equivalents. (2018 15 employees – 11 full time equivalents).

The Charity has one employee whose emoluments (including benefits in kind) was in excess of £60,000 for the year. This fell in the band of £70,000- £80,000 (2018 one employee in the band of £70,000- £80,000).

No remuneration is paid to Trustees.

Expenses of £148 were paid to Trustees during the year. (2018: £245)

Trustee indemnity insurance of £2,261 was paid on behalf of the Trustees. (2018: £1,652)



Notes to the Accounts for the year ended 31 December 2019 (cont.)

5. TANGIBLE FIXED ASSETS

	Computers And Equipment (including Trailers) £
Cost	
At 1 January 2019	270,117
Additions	2,728
Disposals	(8,252)
<b>At 31 December 2019</b>	<b><u>264,593</u></b>
Depreciation	
At 1 January 2019	219,867
Charge for the year	(13,801)
<b>At 31 December 2019</b>	<b><u>206,066</u></b>
<b>Net Book Value at 31 December 2019</b>	<b><u>58,527</u></b>
<b>Net Book Value at 31 December 2018</b>	<b><u>50,520</u></b>
	Fixed Asset properties £
Cost	
At 1 January 2019	<u>1,445,703</u>
Additions	<u>1,454,503</u>
<b>At 31 December 2019</b>	<b><u>£2,900,206</u></b>
	<b><u>£2,958,733</u></b>

Wings (National Support Centre of the charity) and Croftview (kenneling facility) were purchased in 2018.

In 2019, extensive building and development work has been carried out on the Wings site as part of the National Support and Greyhound Homing Centre Build, following on from its purchase in 2018.

Depreciation is not provided on these assets.

The value of the Wings site is based on the actual purchase cost of the site and expenditure incurred up to the 31<sup>st</sup> December 2019. The total capital spend is expected to be completed in 2020.

**Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)**

**Notes to the Accounts for the year ended 31 December 2019 (cont.)**

**6. DEBTORS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amount owed by subsidiary	70,000	134,308
Other debtors	710,738	969,875
Prepayments	18,286	5,737
	<u>799,024</u>	<u>1,109,920</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade Creditors	224,414	703,820
Accruals and other creditors	3,725	28,216
Bank loan	15,207	0
	<u>243,346</u>	<u>732,036</u>

**8. CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loan	404,793	0
	<u>404,793</u>	<u>0</u>

**9. FUNDS**

	<b>Unrestricted</b>	<b>Restrict</b>	<b>Branch</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>ed</b>	<b>£</b>	<b>Total</b>	<b>£</b>
		<b>£</b>		<b>£</b>	
Balance at 1 January 2019	3,662,311	265,724	502,870	4,430,905	3,791,261
Net movement in funds	310,956	(64,673)	(42,674)	203,609	639,644
Balance at 31 December 2019	<u>3,973,267</u>	<u>201,051</u>	<u>460,196</u>	<u>4,634,514</u>	<u>4,430,905</u>
Represented by:					
Tangible Fixed Assets	2,958,733	0	0	2,958,733	1,496,223
Other Net Assets	734,403	0	0	734,403	903,946
Cash	280,131	201,051	460,196	941,378	2,030,736
	<u>3,973,267</u>	<u>201,051</u>	<u>460,196</u>	<u>4,634,514</u>	<u>4,430,905</u>

**Greyhound Trust: 269668 (England & Wales) and SC044047 (Scotland)**

**Notes to the Accounts for the year ended 31 December 2019 (cont.)**

Restricted funds held as Cash are for use to finance specific projects. Additions to restricted funds in 2019 represent a further legacies left for a specific purpose of which £188,647 (2018: £50,000) was expended in the year.

Cash reserves include funds held on deposit and these cash holdings are used to finance the working capital requirements of the Charity.

**10. RELATED PARTY TRANSACTIONS**

The Greyhound Trust has a trading subsidiary, Greyhound Events Limited. At the year end there was a balance due to the Charity as shown in note 5. This represents the cumulative balance of transactions between the Charity and its trading subsidiary.

The summary profit and loss account of Greyhound Events Limited is as follows

	2019	2018
Turnover	300,104	276,410
Cost of sales	(243,290)	(166,050)
Administrative costs	(56,814)	(110,360)
Donation to the Greyhound Trust	(21,532)	(17,706)

Branch income and expenditure is highlighted in the SOFA and branch balances shown on the balance sheet and in note 9.

Following a fundamental business review, a decision has been made to close Greyhound Events Limited as a separate legal entity in 2020. Trading in a more limited range of greyhound products is being incorporated into the Greyhound Trust. The planned closure and transfer of trading activities has resulted in a reduction in the amount owed by the subsidiary to the Greyhound Trust in 2019 as disclosed in Note 6 above.

**11. CAPITAL COMMITMENTS**

The Trustees are aware of the following capital commitments:

£232,667 has been spent on the National Support and Greyhound Homing Centre between 1 January and 30 June 2020 on a JCT contract, and a further £160,963 is committed, which is expected to be incurred in 2020.

**12. CONTINGENT LIABILITIES**

The Trustees are not aware of any contingent liabilities