

# Medical Detection Dogs

Patron: HRH The Duchess of Cornwall

Report of the Trustees and Financial Statements

# 2020



# Report of the Trustees and Financial Statements 2020

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## Report of the Trustees for the year ended 31st March 2020

### Message from the Chairman, Betsy Duncan Smith and the Chief Executive, Dr Claire Guest

Welcome to our twelfth annual report.

The year under review saw the continued progress of our work to improve understanding of the potential of canine olfactory diagnostics, and to help save more lives with our medical alert dogs. It ended in the shadow of the coronavirus pandemic, which we know will have a major impact on the Charity. The pandemic presents huge challenges for Medical Detection Dogs, but also a great opportunity to harness the ability of dogs to detect the odour of Covid-19 and help in the fight against the pandemic. The increased media interest in our Covid-19 research project, which is well advanced at the time of writing, also gives us an opportunity to inform a much wider audience about the potential for dogs to help improve the diagnosis of human disease. We hope that increased awareness brings with it much needed financial support.

The pandemic has made an already difficult fundraising climate much more challenging and we are conscious of the risk that we will have to reduce our activities because of a fall in income. We are not alone in this, and years of prudent financial management and a sensible reserves policy mean we are in a better position than many other charities to meet those challenges. However, we know that the coronavirus restrictions will have a significant impact on our ability to raise funds for the foreseeable future and that our income will be adversely affected for some time. We therefore anticipate having to draw on reserves, which will in due course need to be restored. We therefore continue to believe it is important to invest in our fundraising team and to focus on engaging with our growing supporter network, many of whom have been very generous in response to our recent appeals for help. We are very grateful to the many individuals and charitable trusts who have shown their support for Medical Detection Dogs over the past year and are reliant on their continued support.

It has also impacted on many of our collaborators, particularly the NHS Trusts with which we work on our Bio Detection research, whose recent focus has understandably been Covid-19. We do not yet know how this will affect our research, but it is certain that it will delay most projects by at least six months because sample collection activities by those Trusts have been put on hold.

Our commitment to expanding the evidence base to demonstrate the potential of canine olfaction as a diagnostic tool continues. During the year there were a further two peer reviewed publications of our work, as well as a joint editorial by Claire Guest and Cindy Otto of the Penn Vet Working Dog Centre in the United States for the Frontiers in Veterinary Science research topic on Canine Olfactory Detection. Of the other publications one in the Lancet Infectious Diseases about how we trained dogs to identify people with malaria parasites by their odour and another in the European Respiratory Journal detailed the first stage of our collaboration with Imperial College investigating the ability of dogs to differentiate *Pseudomonas aeruginosa* from other cystic fibrosis bacterial pathogens. There is huge potential for both these areas of our work, and we hope to be moving them, as well as our cancer and Parkinson's disease studies forward again soon. Publishing the results of our studies continues to be a priority for us and we expect there to be more ground-breaking papers in the coming year.

The next year will be a challenging time for Medical Detection Dogs. We are confident that thanks to the hard work and dedication of our staff and volunteers, as well as to those who give us their support, we can rise to those challenges and move closer to a reality where millions of lives will be saved thanks to canine informed diagnostics.

*Betsy Duncan Smith*  
Chairman of Trustees

*Claire Guest,*  
Chief Executive and Chief Scientific Officer

## Report of the Trustees for the year ended 31st March 2020

### Medical Detection Dogs

Patron: HRH The Duchess of Cornwall



## We're proud to say that ...

We began a world-leading project to train dogs to detect the odour of COVID-19

**0.5** of a second the time it would take for one of our dogs to detect the odour of COVID-19 on a human



**84**

Medical Alert Assistance Dogs saving the lives of clients all day, every day



There was a **25%** increase in the size of our volunteer family



**5 million+**



the number of people who watched our live demonstration in the Crufts main ring at this year's show

We published **3** peer reviewed research papers, including the ground-breaking study proving our dogs proved they can detect the odour of pseudomonas bacteria

## Report of the Trustees for the year ended 31st March 2020

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of 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 January 2019).

### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company number**

6399500 (England and Wales)

**Registered Charity numbers**

1124533 (England and Wales)

SC044434 (Scotland)

**Registered office**

Unit 3, Millfield  
Greenway Business Park  
Winslow Road  
Great Horwood  
Milton Keynes, MK17 0NP

**Trustees**

The Hon. Lady Duncan Smith (Chairman)  
Clive Everest MA, FCA\*  
Dr Victoria Hordern BSc, MBBS, MD, FRCP  
Andrew Keegan ACMA, CGMA\*  
Dr Alan Makepeace BSc, MBBS, FRCR, FRCS(Eng), FRCS(Edin)\*  
Paul Steckler BSc (Hons) (appointed March 2020)

\*Members of the Audit and Risk Committee.

**Honorary Treasurer**

Andrew Keegan ACMA, CGMA

**Chief Executive and Chief Scientific Officer**

Dr Claire Guest BSc (Hons), MSc HonDSc, DHP, BCAh, FRSA

**Company Secretary**

Andrew Whitby-Collins BA (Hons), FRSA

**Independent Auditor**

Ashby's Chartered Accountants  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone, LU7 9GY

**Bankers**

|                      |                |
|----------------------|----------------|
| CAF Bank Limited     | HSBC Bank plc  |
| 25 Kings Hill Avenue | 22 West Street |
| Kings Hill           | Dunstable      |
| West Malling         | Bedfordshire   |
| Kent, ME19 4JQ       | LU6 1SY        |

## Report of the Trustees for the year ended 31st March 2020

### COMMENCEMENT OF ACTIVITIES

The charitable company was incorporated on 15th October 2007 and commenced charitable activities immediately. It obtained registration with the Charity Commission on 17 June 2008

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing Document

The Charity is controlled by its governing document, the amended Memorandum and Articles of Association dated 11 October 2013. It is a company limited by guarantee as defined by the Companies Act 2006.

#### Recruitment and Appointment of New Trustees

New Trustees may be appointed by the Charity at a general meeting or by the Board of Trustees. The Trustees review regularly the balance of skills, competencies and experience which are needed on the Board to ensure that the Charity continues to meet its aims and fulfil its charitable objects. Historically potential new Trustees known to be highly supportive of the Charity and who possess the experience, skills and attributes that the Board has determined are necessary for the effective oversight and governance of the Charity are approached with a view to joining the Board. More recently, in order to attract people who might not have previously heard of the Charity, the Trustees have advertised vacancies, which is a practice that will continue.

The policies and procedures for the induction and training of a new Trustee are that, before appointment, the person is invited to meet with Trustees and senior staff and given an opportunity to become fully familiar with the Charity's work, staff etc. The potential Trustee discusses the factors involved in becoming a Trustee and is supplied with any documents requested. At the end of that process (if s/he confirms a willingness to serve) a decision concerning his/her appointment is made. The Declaration of Eligibility etc. are then completed before the appointment takes effect. The Charity ensures that the new Trustee has access to a copy of the Memorandum and Articles of Association and previous Reports and Accounts and that s/he has read Charity Commission guidance regarding the duties of trustees.

#### Governance

The Trustees have commenced an exercise to develop and improve further the governance of the charity to meet the demands arising from the Charity's growth and increasing organisational maturity. They are making use of the Charity Code of Governance to do so and have made progress in assessing their current compliance with this guidance. An Audit and Risk Committee was established in 2019 as a sub-committee of the Board to oversee this process and facilitate continuing improvements in the Charity's governance, risk management and internal controls.

As detailed below, the Trustees have reviewed and refreshed the Charity's risk management process and identification of key risks and are developing the processes to obtain assurance over the key risks and associated actions to mitigate these.

The COVID crisis has inevitably diverted resources from the review and development of our governance arrangements and delayed our planned progress, but the Trustees remain committed to seeking to continually improve in line with best practice and the demands of a growing and maturing charity.

During the year an additional Trustee, Paul Steckler, joined the Board. He has a long association with the Charity and brings with him relevant experience in the development of research results into practical solutions which the Trustees believe will be instrumental in helping the Charity grow and take advantage of the opportunities available to it.

In line with good governance practice the Trustees periodically review the provision of external audit services and propose to put that out to tender again during 2020/21.



## Report of the Trustees for the year ended 31st March 2020

### Structure and Management.

The Charity is divided into two arms 1) Bio Detection Disease Research and 2) Medical Alert Assistance Dogs. Details of the work done by these two arms are given in the performance section below. The other three areas of charitable activity, dog training, education and awareness raising, and volunteer support are all carried out in support of, and to enable the delivery of the activities of those two arms. All policy decisions are taken by the Trustees and day-to-day management decisions are taken by the Chief Executive and Company Secretary, supported by the Senior Leadership Team. Sometimes ad hoc panels of Trustees are appointed to take specific decisions.

### Remuneration Policy for Senior Staff

Remuneration for the Chief Executive and senior staff is reviewed by the Trustees. The review will take into account any general pay increase to staff, benchmarking of similar roles in similar charity organisations and pre-agreed performance criteria. Trustees do not receive any remuneration and give their time freely.

### Risk Management

The Trustees are in the process of reviewing and improving our risk identification and management processes. We started that process by revisiting our main strategic risks and reviewing the key controls to mitigate these. The process has been delayed by the need to respond to the COVID crisis, but the key risks to the Charity are considered to be:

- the loss of key personnel, as the Charity relies heavily on a small number of specialist staff, including the Chief Executive, who it is very difficult to replace;
- a downturn in fundraising which it is predicted will be negatively impacted by the coronavirus pandemic;
- potential failures in safeguarding;
- threats from fraud or cyber security; and
- damage to the Charity's reputation which might compromise its ability to further its charitable aims.

Since the year end the COVID pandemic has resulted in two further related strategic risks being added:

- i) the impact of COVID on our operations, people and financial sustainability; and
- ii) in relation to the COVID project itself, a failure to deliver effectively both credible research and effective roll out in a timely manner.

With regard to i) the financial sustainability risk is perceived as significantly more severe, and is dependent on success of the COVID project and related funding.

The Charity is seeking to take appropriate steps to mitigate and address these issues in a rapidly changing environment.

### Related Party Transactions

With regard to related party transactions, a register of Trustees' interests is kept. Trustee meeting agendas include a standing item for declaration of any interests which those attending may have in connection with a particular item to be discussed. In such cases where a potential conflict of interests arises for a particular member present, they will retire from the meeting whilst that discussion takes place. Similar arrangements exist for managing transactions with related parties of senior executives, whereby potential related parties are identified through annual declarations and the relevant executive takes no part in Charity decisions for those parties over recruitment, remuneration or performance.

## Report of the Trustees for the year ended 31st March 2020

### CHARITABLE OBJECTS AND ACTIVITIES

The Charity's objects, as set out in its governing document, are:

- i) To conduct research into the detection, recognition and diagnosis of diseases and medical conditions by the use of dogs and other animals trained in the recognition of relevant stimuli, and the publication of such research for the public benefit; and
- ii) The relief of sickness and the protection of health for the public benefit, by the detection, recognition and diagnosis of diseases and medical conditions, by the use of dogs trained in the recognition of relevant stimuli.

Our mission is to save and enhance lives using our specially trained dogs' extraordinary sense of smell.

We seek to do this in two main ways which we believe provide a benefit to the public, i) by conducting research into the early diagnosis of cancer, neurological, bacterial and other human diseases, which since March 2020 has included a focus on COVID-19 and research into dogs' ability to detect the odour of the disease so that we can help play a part in the fight against the pandemic and ii) by training life-saving medical alert assistance dogs which help their human partners avoid the often catastrophic effects of their conditions, saving and improving their lives on a daily basis.

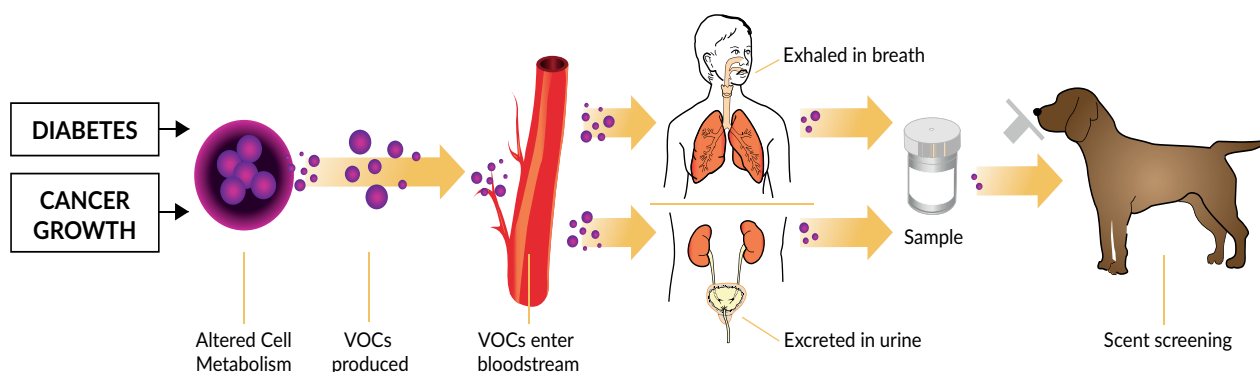
During the year under review we have published another two peer reviewed research papers, trained more medical alert assistance dogs and expanded the range of conditions we are able to train dogs to alert to and continued to progress our project to train dogs to work in hospital settings.

A more detailed update on each of these areas, which we believe demonstrates their benefit to the public follows, but by way of introduction to our work each section begins with an explanation of what we are training the dogs to do.

### BIO DETECTION RESEARCH

#### An explanation of our Bio Detection work

During the normal processes of the body, metabolic changes occur constantly, however during disease development, these metabolic processes are altered. This generates volatile organic compounds (VOCs), such as alkanes and alkenes that diffuse into the bloodstream and are then excreted in the breath or in the urine and are detectable by dogs.



VOCs = volatile organic compounds

Our research is aimed at improving the ability to diagnose cancer and other life-threatening human diseases at an early stage. As most will know from experiences with family and friends, timely diagnosis of cancer, particularly in the UK, remains frighteningly poor and 1 in 2 people born in the UK after 1960 will be diagnosed with cancer.



## Report of the Trustees for the year ended 31st March 2020

Tens of millions of pounds has been spent trying to develop better methods but for many cancers there is no real evidence of improved screening. Take the example of prostate cancer, a major killer in men. If a man's prostate is found to be enlarged (easily discovered by a GP) the only diagnostic test a doctor can recommend is the PSA blood test. However, this test has significant limitations, as identified by the National Cancer Institute:

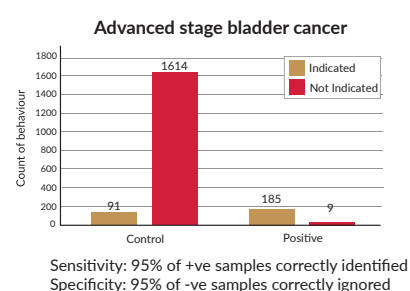
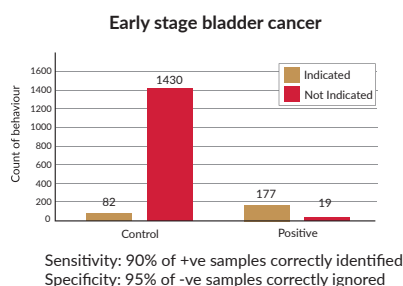
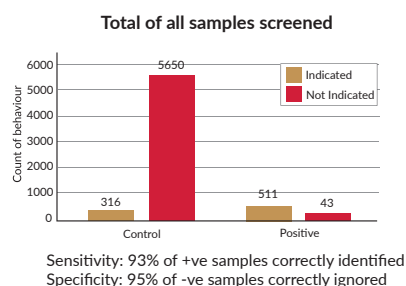
'False-positive tests: False-positive test results (also called false positives) occur when the PSA level is elevated but no cancer is actually present. False positives may lead to additional medical procedures that have potential risks and significant financial costs and can create anxiety for the patient and his family. Most men with an elevated PSA test result turn out not to have cancer; only 25 to 35 per cent of men who have a biopsy due to an elevated PSA level actually have prostate cancer.'

In other words, the PSA test leads to countless unnecessary and potentially damaging procedures. There is an urgent need for a more reliable test for prostate cancer, as well as for many other life-threatening diseases.

We are making significant progress in our bio detection research. Our team have proved that dogs can detect bladder cancer by sniffing a urine sample (BMJ September 2004). In 2011, we completed a further study entitled 'Volatile organic compounds as biomarkers of bladder cancer: sensitivity and specificity using trained sniffer dogs', which was published in Cancer Biomarkers (2011). As with our 2004 study, this was carried out under robust double-blind conditions (i.e. the dog handlers had no idea themselves which samples were controls). Although unfortunately it became apparent during the trial that the constraints of the trial structure imposed by our funder were having an adverse behavioural effect on the dogs' performance as the trial progressed, nevertheless the trial demonstrated that our specialist cancer dogs as a group could correctly distinguish a cancer sample from a control 64% of the time: the best dogs managed 73%. One dog managed a detection rate of 100% (on grade one stage one tumours) albeit there were some false positives.



The photograph left shows Daisy, one the pioneers of our work screening bladder cancer samples by smell. The overall sensitivity (i.e. sick people correctly diagnosed as sick) and specificity (i.e. healthy people correctly identified as healthy) scores were very high (>90% each); the sensitivity score achieved by Daisy working on advanced cancers was greater than that for screening early cancers, whereas the specificity score was the same for both groups. These figures were calculated using results from both training and testing and may represent some repeated samples. However, these results showed the huge potential of this work. Although a perfect predictor would be described as 100% sensitive (i.e. predicting all people from the sick group as being sick) and 100% specific (i.e. not predicting anyone from the healthy group as being sick) no one diagnostic test currently achieves this level of accuracy.



## Report of the Trustees for the year ended 31st March 2020

### Bio Detection: Project Update

#### Cancer

##### Urological (prostate, bladder and kidney) cancers

This study will compare accuracy in detection of positive samples against control samples. Prior to the COVID-19 lockdown the dogs were in advanced training and the double-blind testing was planned for the end of 2020. The study has recently been expanded to include a novel GCMS (gas chromatography-mass spectrometry) analysis tool pioneered by a new collaborator at the University of Texas, El Paso. This will provide comparative data at this pivotal time in the advancement of the VOC detection of prostate cancer. Ethics have been amended to reflect this change and retrospective consent is being sought where required by our collaborators at Milton Keynes University Hospital (MKUH)). COVID-19 has halted work on this post year end at MKUH and training has therefore been delayed because of this and the focus on our COVID-19 project. We hope that this project will be delayed by no more than 6 months.

Following the completion of this research, the longitudinal analysis of the test results from patients with repeat samples will be carried out to correlate them with clinical diagnoses that may change over time in the same patient. The accuracy of the dog to correctly indicate early undiagnosed prostate cancer can therefore be assessed should the patient progress to prostate cancer at a later stage. To the best of our knowledge no longitudinal study with urine samples from patients with urological cancers has previously been undertaken. The development of this project will also help with our understanding of the viability of an electronic analysis tool.

##### Prostate cancer

Analysis of the data collected from the dogs identifying prostate cancer positive samples and correctly ignoring samples from individuals with Benign Prostatic Hyperplasia (BPH) is now complete and the research paper has been submitted for peer review. This is a ground-breaking piece of research in collaboration with MIT, Johns Hopkins University, the University of Texas, El Paso and other pioneering artificial intelligence (AI) experts, and we hope that, once published, funding will be forthcoming for a 3-year continuation study.

##### Colorectal cancer – collaboration with Hull University Teaching Hospitals

We have started to receive samples but collection by the clinical team at Hull has again been halted because of COVID-19. We cannot start training with the dogs until we have a sufficient number of samples to ensure training is not interrupted and so the project is on hold until Hull are able to re-start collection. We hope that training will now be able to start in Spring 2021.

##### Canine cancer

This project is nearly complete. Three dogs were successfully transferred from detection of human bladder cancer to canine bladder cancer during training and the data collected during the double-blind trial is now being analysed. Once that is complete a paper will be written for publication and we will investigate what the next steps might be.

#### Neurological Diseases

##### Parkinson's disease

The research paper which covers the results gathered in this project so far is in the final stages of drafting prior to peer review. The protocols and ethics approval application for the next phase of this research are well advanced, but further work has been put on hold because of the impact of COVID-19 on our NHS collaborators and we hope it will restart in 2021.

##### Bacteria – Pseudomonas

This is a two year project, the first results of which were encouraging and were published in November 2019. Double-blind testing for the second phase of the work was due to take place in June 2020, but COVID-19 has delayed sample collection by our NHS partner. The study is therefore on hold until sample collection can begin again. We do not yet have a date for when the project will re-start, but it is unlikely to be before 2021.

# Report of the Trustees for the year ended 31st March 2020

### **Malaria**

This project was successfully completed in November 2018 and there was a very positive reaction to the peer reviewed research paper. Our partners in Africa have successfully secured funding for sample collection and we are currently awaiting the result of a funding application submitted with our UK partners. There is no date for when or if this project will continue.

### **Canine Sensory Interface Research**

This project, in collaboration with the Open University, seeks to develop new technology to better record and understand what the dog can tell us and communicate about an odour. This work is vital to the possible future development of electronic devices for the detection of disease. The first stages of the work were encouraging, and the stands, which are used to present samples to the dogs, now have the ability to record a wider range of indicators of the dog's reaction to the sample. The project had moved forward from looking at the dog's interactions with training odour to working on pseudomonas and Parkinson's disease projects. This takes us closer to using the interactive stands for all our projects. Together with the Open University we are preparing an application for the funding needed to develop this work. No further progress is expected before 2021.

### **Clinical Assistance Dogs**

Last year we reported on our plans to train a hospital detection dog. This project will harness the different ways of working in our bio detection and medical alert assistance dog team, and demonstrates the versatility of our approach, to look at dogs' ability to detect the bacteria which cause urinary tract infections (UTI's). These can be complicated and life threatening if left untreated, especially for individuals with neurological conditions such as spinal cord injuries, who are at greater risk of developing complications. Training has started and the project dogs are now able to detect E-Coli bacteria (a common cause of UTI's) on simulated urine and two of them have also undertaken a programme of socialisation training within the hospital environment and have learnt the task work that will support patient therapy. We are finalising the protocol, questionnaires and recruitment materials for all participants of the study and hope to have this submitted to the NHS Ethics Board soon.

### **COVID-19**

In February 2020, as the implications of the coronavirus SARS-CoV-2 became clearer we began to investigate whether it would be possible to train dogs to detect the odour of the resulting disease, COVID-19. We believed that trained dogs would be able to play a role in combatting the pandemic by providing a rapid indication using trained COVID-19 detection dogs to passive screen, i.e. without physical contact, any individual, including those who are asymptomatic, and indicate to dog handlers whether they have detected the odour of COVID-19. This would be fast, effective and non-invasive, and make sure the limited NHS testing resources are only used where they are really needed.

A study protocol was prepared after the year end in collaboration with Durham University and the London School of Hygiene and Tropical Medicine and submitted for ethics approval. A proposal was also submitted to the Department of Health and Social Care (DHSC) seeking funding for the project. We set about fundraising and were notified at the end of April 2020 that the DHSC would support the project. A number of other donors have also come forward since the year end to generously support this vital project. Progress on the project has been slower than anticipated because of delays in obtaining various regulatory and ethical approvals, and the fall in the infection rate over the summer which, whilst welcome, had a significant adverse impact on the collection of samples needed to train the dogs. At the time of writing we had collected sufficient samples for phase 1 of the study and training of the dogs has started, with encouraging early signs.

## Report of the Trustees for the year ended 31st March 2020

### MEDICAL ALERT ASSISTANCE DOGS

#### An explanation of our medical alert assistance work

Our assistance dogs help people living with a number of complex and life-threatening health conditions to live more independently and with a reduced need for medical interventions and hospitalisations. We started training dogs to identify changes in the blood glucose levels of people suffering from aggressive diabetes and/or poor awareness of dangerously low blood sugar (hypoglycaemia). The dogs are trained to be highly sensitive to glucose levels, they warn the client when levels deviate from the normal range and can indicate changes within one or two millimoles of blood sugar. Normally the dogs are trained to alert to blood sugar levels below 4.5 but above 3 (millimoles per litre) and also alert to high blood sugars at the level chosen by the client (normally above 10 to 12 millimoles per litre).

Diabetes and its complications currently account for 10% (£9.8bn) of NHS spending. This is projected to rise to £16.9bn over the next 25 years, or 17% of the health service's funds. 10% of all admissions are diabetic related and this rises to 20% in some age groups. This equates to 80,000 bed days per year at £400 per day for the bed alone. 999 calls from diabetics cost the NHS £22 million a year. Our work therefore not only improves the well-being and quality of life of our client but also saves money for the NHS.

At present, diabetes sufferers make up the majority of our clients; however, we continue to expand the range of conditions that we are able to train dogs to help with. These include Addison's disease, Postural Tachycardia Syndrome (PoTS), Mast Cell Activation Syndrome, narcolepsy, pain seizure and idiopathic pancreatitis.

#### Medical Alert Assistance: Highlights of the past year

During the year we placed a further 14 life-saving medical alert dogs, taking the total number placed since we started to more than 160. The impact of COVID-19 has caused us to downgrade our target for 2020/21, but we still hope to place another 12 medical alert dogs in what are now likely to be challenging circumstances given the importance of face to face interaction with our clients, who are often particularly vulnerable to the virus. In order to use our limited resources to the greatest possible effect during this time we have temporarily revised our criteria to focus on people with health conditions for which we have previously trained dogs, and put on hold for now our aim to expand the number of conditions we have trained dogs to alert to. We are also reviewing the long-term implications of improvements in continuous glucose monitoring devices which could in due course reduce the number of people with type 1 diabetes who would benefit from a medical alert assistance dog.

#### PoTS dogs

We also took the opportunity to assess the impact of our medical alert assistance dogs partnered with people who have PoTS (Postural Tachycardia Syndrome) and it showed some outstanding results. Many of these clients have an associated condition called Ehlers Danlos Syndrome which makes their joints extremely weak and vulnerable to dislocation. During a PoTS episode, the client loses consciousness for a brief period of time, and if not already sitting or lying down, will fall to the floor, causing frequent and debilitating injuries such as dislocated shoulder, hip and knee.

Our research has shown that before a client received their medical alert assistance dog, they were experiencing an episode which resulted in a significant injury on average once every six episodes. Following the placement of a medical alert assistance dog, who can provide a few minutes warning to allow the client to sit or lie down before they collapse and lose consciousness, they experienced an episode resulting in injury once every 151 episodes. This is an 87% reduction in significant injury that has not only a major positive impact on the person concerned but will also reduce costs to the NHS.

# Report of the Trustees for the year ended 31st March 2020

## Medical Detection Dogs

Patron: HRH The Duchess of Cornwall

## Medical Alert Assistance Dogs

Statistics April 2019 - March 2020



**Over  
730**  
enquiries

**32%** enquiries related  
to blood glucose alert dogs

**11%** for PoTS dogs

**79**  
applications received

**21**  
interviews  
carried out

**163**  
dogs placed since  
we started

**84**  
client partnerships

**14**  
dog placements  
during the year

**87%**  
reduction in injuries  
for our PoTS clients

**66%** **11%** **70%** **30%**

BG alert  
dogs

PoTS  
dogs

MDD  
dogs

own  
dogs

**80%**  
adult clients

**20%**  
child clients





## Report of the Trustees for the year ended 31st March 2020

During this audit phase, the dogs involved were accurate 97% of the time and missed very few episodes. Interestingly the number of episodes the clients suffered increased, however on being interviewed they believed this to be due to the fact that they were now going out more and doing more things as they felt safer doing so, rather than staying at home. Quality of life increased following the placement of their trained medical alert assistance dog and this is not just related to the presence of a dog in general, but also in specific health measures as well. PoTS continues to be the condition for which we place the second largest number of dogs and the number of active PoTS partnerships has increased very slightly to 11% of the total at the end of this year. You can read more about the impact of one of our medical alert assistance dogs that is helping someone with PoTS below.

### Louise & Mercedes



The missing piece of her jigsaw is how Louise describes her Medical Alert Assistant Dog, 2-year-old Labrador Mercedes. Louise is liable to faint without warning at any time because she suffers from Postural Tachycardia Syndrome, known as PoTS for short.

Formerly a nursing sister on a respiratory ward, Louise had to retire because of her health issues. Unable to go out alone for fear of fainting and ending up in an A&E ward she found her life becoming increasingly restricted. "I could not go out without worrying about passing out", Louise explains.

Although not convinced that she was unwell enough to be considered for a Medical Detection Dog, she felt she had nothing to lose from applying for help.

"I was really surprised to be invited to an awareness day and following an interview I was told I could come to a handling day" says Louise. "It felt surreal".

However, the journey Louise began with MDD was not to be straightforward. The first dog match was unsuccessful and the second dog she was matched with unfortunately developed allergies and had to withdraw from the programme. However, it was third time lucky with Mercedes, who Louise describes as both her companion and partner in crime. "She is someone I can look after and she does the same in return. She is like my shadow and we do everything together".

Fate intervened again when Louise developed breast cancer. She describes the support she received from the charity through this difficult period as "fantastic". Mercedes gave her something to focus on whilst having surgery and treatment. "It feels like I not only have a superhero dog but a family in Medical Detection Dogs", she says.

When Mercedes alerts Louise she has time to sit or lie down, wherever she is, without risk of injury and because Mercedes is clearly identifiable as an Assistance Dog, she acts as a visual aid to strangers. "With her by my side I have been able to go out for longer alone and to different places. She has given me my confidence back. I am no longer bothered about embarrassing myself and my family are less worried about me".

Louise is now able to go to the gym unsupervised, use public transport and be a lot more sociable. She describes Mercedes as a dog version of herself. "We tend to mirror each other and are usually tired or have energy at the same time. Even on down days, I have to walk her which perks me up. Just being around her makes me smile".

And to anyone thinking about approaching the charity for help she would definitely encourage them. It is hard work, there are emotional ups and downs, but it is all well worth it, according to Louise, who describes the bond with a Medical Alert Assistance Dog as both life changing and enhancing.

"I am a happier and much better person because of Mercedes and I can't begin to thank MDD enough".



## Report of the Trustees for the year ended 31st March 2020

### A successor story

We have also accredited our first MDD bred successor dog partnership during the year, matching Elsie with Eileen, who was one of our early clients and whose first medical alert dog, Eddie, sadly passed away in August 2018.

The majority of our assistance dogs are still placed with people, like Eileen, who have Type 1 diabetes and hypo or hyper-unawareness, although we anticipate that people with this condition will continue to represent a smaller percentage of new partnerships as glucose monitoring technology improves, and given the working life of a Medical Alert Dog we are planning our future placements accordingly. We wanted to share with you the story of Eileen, and her successor Medical Alert Dog Elsie, who were accredited during the year.

### Eileen & Elsie

Have you ever wondered what happens when a Medical Alert Assistance Dog dies? How does their partner cope? Will they get another dog? We treat every situation individually and assess whether a new dog would be the right thing for the person concerned. It isn't always, which could be for a number of reasons, but it was in the case of Eileen from Exmouth, Devon following the death of her first assistance dog, Eddie, who she had been partnered with back in 2011. "He was a wonderful little dog. He would not give up trying to help me even if I had passed out. He would bark until someone came to help" says Eileen.

When Eddie died in August 2018 after suffering liver problems, Eileen did not know what to do. She explains, "I was grieving so much for Eddie. Life was very difficult without him". Eileen, who has had Type 1 diabetes since the age of 12, also suffers from mobility problems. "I used to take Eddie out while on my mobility scooter and people would stop and chat. It was usually other dog walkers but without a reason to go out, I felt less confident and stayed at home".



She decided she had to have another dog but when 18-month-old youngster, Elsie, a Poodle Yorkshire Terrier cross showed up in January 2019, she worried it wasn't fair that she couldn't get up and play with her. Happily, her grandchildren who live next door were more than willing to fill the role of playmates and Elsie is taken twice a week for free runs by a dog walker as well as getting out with Eileen on her scooter.

Eileen describes both her dogs as being "absolute lifelines". When her husband, Terry, was alive he could help when her blood sugar levels dipped. But Eileen who has little hypo awareness has had many A & E department admissions after falling into comas and hurting herself. On one occasion she even suffered a broken leg. She contacted Medical Detection Dogs after losing Terry in 2009, having been made aware of the charity by another organisation.

Eileen loves the tenacity of Elsie, who will not stop demanding her attention if she detects a low blood sugar level and insists that Eileen takes action. But she also recognises that the little dog has filled a void in her life. "She keeps me entertained and goes everywhere with me. She comes to the Doctors, the Dentist and the Chiropodist. She has alerted when we've been at an appointment and she loves the fuss people make over her.

"She may be small, but she is very good at her job and brings me joy", concludes Eileen.

## Report of the Trustees for the year ended 31st March 2020

### New approaches

The past year has been significant for the number of accreditations which are the result of a new approach to our training, or conditions which we haven't previously trained dogs to alert to.

#### Jamie & Richmond

The partnership between Jamie and Richmond was the first time we had tried placing a younger dog with an applicant so that they could take on the role of socialising the dog, with the hope that the dog may go onto become their Medical Alert Assistance Dog. Jamie and his Mum, Naomi, took on the role of socialising Richmond. The idea was to allow Jamie to spend time with the puppy in a relaxed way and to see if they could learn together.

Although there was no guarantee of success, the first introduction went well, and Jamie found bouncy puppy Richmond funny. When they took Richmond home, they were accompanied by an MDD trainer, who helped the puppy settle in his new home and by the time the trainer left, Jamie was laughing as Richmond settled in beside him. Jamie loved training with Richmond, and this was taken at a pace that did not put pressure on him. Jamie and Richmond have gone on to become a fully accredited Medical Alert Assistance Dog Partnership. Jamie's Mum says 'Jamie has grown in confidence with his best friend beside him. He laughs more, he's relaxed and when he's upset his best friend is there to lick him. Richmond is our hero.'



#### Geoff & Charlie

When Geoff first approached us to see if we could assist him we were all unsure of how we could do this, but we knew we wanted to help.

Geoff suffers with severe complex PTSD, which had impacted his life in every way. He found it almost impossible to go shopping, see his grandchildren or even go for a walk. Geoff's condition manifests itself in such a way that he can dissociate, trying to escape the environment and often has no memory of what has happened. On several occasions Geoff has been found by others, in a state of shock and often with other injuries where he has fled. Geoff's main trigger is the smell of meat, for example a burger van.

Our first attempt at training a dog for Geoff wasn't quite right. Our aim was to teach a dog to detect the smell of meat from a certain distance, giving Geoff time to get away safely before being exposed to the trigger. We learnt that this wasn't practical. But, when Geoff met Charlie they immediately understood one another. Charlie was trained by one of our instructors, Andy, who he lived with for over 6 months. During this time, we taught him to respond to the odour change produced by an increase in Geoff's adrenalin levels, so he could warn him and offer calming focus behaviours. A key part of how Charlie helps Geoff is by interrupting his night terrors by waking Geoff when his adrenalin levels rise during sleep.

This partnership has gone from strength to strength. Since having Charlie Geoff has been able to work, travel, meet friends, walk and spend time with his grandchildren. He also now lives on his own, having moved out of sheltered accommodation. Geoff is almost unrecognisable as the person we met before Charlie was placed with him. We once witnessed Geoff having a dissociative episode, his raw fear and panic was shocking to see. Since this partnership was accredited Geoff has not reported any dissociative episodes. Charlie alerts Geoff early on, giving him the chance of living a normal life once again.

## Report of the Trustees for the year ended 31st March 2020

### Kia, Nial & Ally

Imagine caring for your two young children who both suffer from a rare genetic condition which causes non – diabetic hypoglycaemia and knowing that the current medical equipment is too slow to detect falling blood glucose levels. Debbie faced this problem everyday with her now 5-year-old daughter Kia and son Nial who is four.

“Because Kia’s issues with blood glucose levels are non- symptomatic,” explains Debbie, “we had no idea when an attack would or was taking place. We would have had to test her blood every five minutes which is not viable for any sort of living”. The situation was made worse as the current medical testing equipment can take up to 15 minutes to alert. Something quicker and more accurate was needed.

Kia had been in Sheffield Children’s hospital for over 9 months as medical staff struggled to help her, when a consultant suggested Debbie contact Medical Detection Dogs. After reading everything she could about the charity she called and was amazed at the immediate support she received. The formal application for a medical alert assistance dog for Kia began in May 2017. The process seemed to be progressing quickly but unfortunately in 2018 Kia’s brother Nial was also diagnosed with the same genetic condition - Mitochondrial Depletion Syndrome - which means the children cannot absorb food by mouth and do not grow as other children do. Nial had already spent many months in hospital when the charity agreed to try to help both children, then aged four and three.

This was new territory for Medical Detection Dogs who had not worked with young siblings before. Special arrangements had to be made to help the children at home as they are both non-mobile and non-verbal. Staff worked with the family planning visits around their busy schedule of hospital appointments.

The first visit to their home by prospective dog, Ally, was a success. “She was a perfect match”, says Debbie. “She walked in like she had always been here, and straightaway was so gentle with the children”.

Training Ally a 3-year-old chocolate Labrador, went well and Debbie found with the support from the Medical Detection Dogs Centre it was a very enjoyable process. “It is great seeing Ally try so hard to walk nicely and receive comments from the public about how good her behaviour is. She is a real pleasure to have as a medical alert assistance dog and as a companion for Kia and Nial. It’s like she was meant for us.

Because she can detect sugar levels going down in the children as it happens, we feel more relaxed. Medical Detection Dogs have literally changed our lives by giving us Ally.”

Ally was trained to detect the two different scents exhibited from Kia and Nial as their blood glucose levels dip. When either child has a low blood glucose level she will sit near the child and a change in her behaviour will alert Debbie and let her know that she needs to take action. “She gets very excited when she sees the blood sugar machine,” says Debbie. “When she correctly identifies a low blood glucose level she is given a special treat from the side of the child, so it looks like the child is giving the treat to say thank you and she knows she has done a great job.

Now that Kia has a speaking computer, she can communicate with Ally herself and Ally’s response to it is amazing. It is just as if Kia was actually talking to her.”



## Report of the Trustees for the year ended 31st March 2020

Debbie, speaking of Medical Detection Dogs, says “It’s amazing to be part of such a special community. I can’t thank them enough. Just because your situation might not fall into the normal criteria, doesn’t mean that Medical Detection Dogs won’t work for you. They are willing to work in any way they can and they give you the opportunity to live a normal life, with a lifelong companion at your side.

My children will always have their condition, but with Ally walking side by side with them both, they have never looked back and while we have her, we are going to make the most of living and enjoying every moment”.

### **Increased demand and future plans**

Last year the number of enquiries was up by more than 12% on the year before and demand for our service continues. We are monitoring the impact of COVID-19 on our operations but have taken the decision to pause temporarily the training of dogs to alert to conditions we have not previously trained a dog to recognise, in order to maximise the number of new placements in the 2020/21 year.

In this we are greatly helped by our relationship with the People’s Postcode Lottery, which continues to go from strength to strength and we remain incredibly grateful for their continued support for our Regional Support Instructors. The team has grown to three strong during the year under review and brings us closer to our long-term aim of all clients being no more than an hour from appropriate support.

We will continue to adapt our services to meet the challenges of COVID-19 so that we can provide ongoing high quality support to our existing clients, and help applicants through the process to get a medical alert assistance dog, while growing our reach with our regional team.



## Report of the Trustees for the year ended 31st March 2020

### CELEBRATING OUR VOLUNTEERS

Volunteers are vital to Medical Detection Dogs and without them we would not be able to provide the same level of life-saving services or carry out nearly as much ground-breaking research into early disease detection. Over the year we have seen a 25% increase in the number of active volunteers, which at the end of the year under review stood at 560.

Our volunteers perform a wide variety of roles, as puppy socialisers and bio detection fosterers, which is so important to help support our commitment to the highest welfare standards, as dog walkers, as vital fundraisers and as Trustees.

We asked Cindy, one of our Puppy Socialisers, to tell us in her own words why she volunteers for Medical Detection Dogs:

*"At the beginning of 2017 I had recently moved to Milton Keynes to be nearer to my daughters. I had retired and one of my daughters clearly thought I needed to do something useful with my time, so she signposted me in the direction of Medical Detection Dogs. I was keen to hear more so I signed myself up to an information session to see if the charity was the place for me. I took away an application form and gave myself a little time to consider whether I was making the right decision. Thankfully I decided I was and 4 weeks later I found myself sharing my home with an MDD dog! I have since had two long term MDD dogs and given short term holiday cover to many more.*

*"When asked what I get out of my role as a socialiser the first thing that comes to mind is the friendships I have made. I find a happy camaraderie amongst the socialisers who are all there to support each other, enjoy walks together and share stories at training sessions. I also value the positive relationships I enjoy with the trainers and staff at the MDD Centre in Milton Keynes. I have certainly learned a great deal about dogs from the MDD trainers. In the 3 years I have been a socialiser I have attended many training classes, but I still feel that I learn something new every time.*

*"I also support MDD by attending fundraising events around Milton Keynes. I love turning up at an event to find out which other volunteers or MDD staff are there too. It is like the first day after school holidays and I get such pleasure from seeing friendly faces again. When out walking with my MDD dog I will very often wear my MDD branded clothing. I am so proud to represent the charity. People will often stop and ask me questions about our dogs, but I never tire of telling everyone about our amazing and life changing work.*

*"The dogs I socialise always remain an MDD Dog. One question I am often asked is how difficult is it to give a dog back? I explain that I didn't go into it to get a dog of my own. I went into it to give a dog a happy home whilst training it to go on to make such a difference to someone's life. When I see a dog progress I feel so good about the impact I have had on it. It is a huge commitment and takes up a great deal of my time but the joy I get both from the companionship of a beautiful dog and knowing what the dog will go on to do is incredibly rewarding.*

*"Having the responsibility of an MDD dog is at times a challenge but it has taught me patience, kept me fit and given me such a feel-good factor. On consideration of all the positives I get from being an MDD socialiser I look forward to all the future dogs that I will get to know and play a part in developing them into a dog that will save someone's life. I can think of no better way to spend my time."*



## Report of the Trustees for the year ended 31st March 2020

### Adjusting to the challenge of COVID-19

We are incredibly grateful for the time, commitment and support we receive from our volunteer family, which is indispensable to the Charity. As the year under review drew to a close we had started to see the effects of the coronavirus pandemic and restrictions on some of the fundraising activities traditionally carried out by our volunteers. It was also clear that some of our volunteers were feeling the effects of social isolation caused by the lockdown and so we increased our communication with volunteers and set up a buddy system so that those who wanted to take part had other MDD volunteers, doing different roles and living in different parts of the country, to talk to. It had the added benefit of helping our volunteer family to learn about different roles within the Charity and build their understanding of what we do at the same time as making friends.

### One of our longer serving volunteers, Wendy, had this to say:

*"The Charity had the wonderful idea of a buddy scheme where volunteers could talk to each other, via zoom, and learn about each other's roles within the Charity. My allocated buddies were a puppy socialiser and a first-time speaker with much technical expertise. We agreed to chat, on a weekly basis, which works very well, and I always look forward to our 'catch ups'."*

*"When Marion's first puppy was due to leave for advanced training I was able to share my own experiences of puppies' leaving. I hope it helped as I had had similar concerns to her. Marion also sat in on my first zoom talk and it was helpful to talk to her afterwards to discuss ways of improving future presentations."*

*"Our other buddy, Kris, has been helpful over technical aspects of setting up zoom calls. He loves photography and always has different photos for us to admire each week. Marion and I have tried to give him more background information on the dogs used by MDD and their socialising and training."*

*"All in all, a very successful idea, and I am delighted to be part of the buddy scheme."*

### Regional Growth

The plan to develop more regional groups across the UK continues to be a focus and is possible thanks to the players of the People's Postcode Lottery who have continued their funding of our new Regional Volunteer & Fundraising Coordinators. The priority for the volunteers within the groups are to fundraise, raise the profile of MDD and represent the Charity wherever needed. During 2019/20 we established new groups in:

- Buckingham;
- Manchester;
- Peterborough;
- Dorset;
- Hampshire; and
- Warwickshire

All our volunteers have faced challenges as a consequence of the coronavirus restrictions, particularly with regard to in-person fundraising activities and talks, which are an important way of raising awareness of our work. Many of those activities have been curtailed since March 2020, although volunteers continue to find creative ways to raise both funds and awareness including virtual fundraising events and online talks.

We continue to benefit hugely from the contribution made by our volunteers across all areas of the Charity's work. We could not do it without them, and we are incredibly grateful for their contribution.



## Report of the Trustees for the year ended 31st March 2020

### OUR INTERNATIONAL WORK

We continue to be invited to advise and collaborate with a range of international organisations, which we expect to expand further as a consequence of our COVID-19 research. There are a number of international efforts to explore the potential of dogs to detect COVID-19 and we are committed to contributing, within the constraints of the resources available to us, to the success of these efforts whilst maintaining the rigorous scientific approach we adopt in all our work.

The proof of principle stage of our prostate cancer collaboration with MIT and Johns Hopkins University has reached a conclusion and we are now waiting for publication of what will be a ground-breaking paper in this field. We look forward to sharing the paper during the year, and to reporting on it in next year's annual report.

Dr Guest continues to support the wider development of assistance dogs through her membership of the board of Assistance Dogs EU, the European chapter of Assistance Dogs International, which is dedicated to supporting the work of assistance dog programmes across Europe. In this role she helps to maintain high standards of welfare and help to coordinate best practice in assistance dog training.

### PUBLIC AWARENESS

We were very pleased in March 2020 to be asked to give our first demonstration in the main ring at Crufts, and grateful to our new Ambassador, Dr Christian Jessen, for acting as compere. We took the opportunity to inform the public, both those in the arena and watching at home, about the breadth of our work, its impact on the lives of our medical alert assistance dog clients, and the huge potential of our bio detection research to improve disease diagnosis. Our demonstration was very well received, and we hope to have future opportunities to demonstrate our work and raise public awareness of how we could help them.

There continued to be considerable media interest in our work throughout the year, but in particular at the end of the year under review and in the following months because of the impact of our COVID-19 detection dogs project.

Throughout the year we had coverage both regionally, nationally and internationally including The Telegraph, The Mirror, The Sun, The Daily Mail, The Daily Express, the BBC, ABC in the United States, the Northern Echo, East Anglia Daily Times and many other local and regional outlets.

We have continued to focus efforts on our social media engagement, with positive results on Facebook, Twitter and Instagram where we have increased our number of followers and their engagement with us and are reaching new audiences, generating much interest in our work.

### Fundraising

The fundraising climate for all charities in the UK became no less challenging during the year under review, and has since worsened with the impact of COVID-19 now looming over us. As we reported last year, the intention was to continue to strengthen the fundraising team and we were pleased to recruit a new supporter engagement manager, who joined us in October 2019. This new role will help us better engage with our growing community of supporters, with the aim of improving the depth and breadth of individual giving. We have temporarily put on hold plans to grow the team further until there is more clarity about the impact of COVID-19, but that remains the aim as the continued demand for our medical alert assistance dogs as well as the potential of our bio detection research means that the Charity must continue to grow to meet that need.

As mentioned above, the continued support of the People's Postcode Lottery for our Regional Volunteer & Fundraising coordinators is vital to the regional growth of the Charity and to our aim that anyone who wants to should have the opportunity to volunteer for us. This activity will be affected by COVID-19, but the team has already started adapting to those challenges and we are confident that nationwide awareness of our work will continue to grow.

We are members of the Fundraising Regulator and take our responsibilities towards our donors very seriously. The Charity seeks to apply best practice to protect the personal data of its donors, never sells or swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own activities

## Report of the Trustees for the year ended 31st March 2020

in respect to raising funds and does not employ the services of external professional fundraisers. The Charity is mindful of its responsibilities to vulnerable people and undertakes to react to and investigate any complaints regarding its activities for raising funds and to learn from them and improve its service. During the year the Charity received no formal complaints about its activities for raising funds.

### Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and believe that the highlights of the past year detailed above demonstrate that the Charity's activities provide benefit to the public. It remains the case that in the most direct way the people who benefit are those who have been partnered with life-saving medical alert assistance dogs. We also consider that there is a significant wider public benefit from the impact our dogs have by enabling many of our clients to return to work or study, reducing the burden of constant worry on family members and improving the mental health of all concerned.

We also continue to believe that there is significant public benefit from the greater understanding of canine olfaction which has resulted from our research, and that the potential of early diagnosis of many fatal and non-fatal diseases has the potential to revolutionise disease detection globally.

### FUTURE PLANS AND POST BALANCE SHEET EVENTS

#### Adapting to the coronavirus

The coronavirus has had a significant impact on the Charity post year end, both in terms of income generation and on our operational activity.

In terms of operational activity, as large parts of our work are done in person the restrictions meant that much of this was curtailed, although we adapted to online provision of training and services where possible.

The risks that the interruption to activity pose include the possibility that dogs in training may not be able to be placed in time and need to be rehomed, rather than fulfil their intended purpose as medical alert assistance or bio detection dogs. We have taken steps to mitigate this risk by slowing puppy acquisition and adapting training and placement activities in a COVID safe way to maximise the number of dogs we can place, although we expect that number to be lower than last year. Thereafter recovery will not necessarily be immediate as there are very few puppies being born this year and this has already resulted in a shortage around the UK. This will influence our work in 18 months to two years' time. We are therefore putting in preparation plans to breed a couple of in-house litters and working towards a small and well researched breeding scheme for the future.

We found it necessary to take advantage of the government's coronavirus job retention scheme, and in the early part of the scheme's period of operation nearly half of the Charity's staff were furloughed. Many were quickly brought back, especially as our COVID-19 detection project grew, and we have continued to use the replacement coronavirus job support scheme only for a small percentage of staff.

In terms of fundraising and awareness raising, many events and fundraising activities were cancelled or postponed, including a large proportion of talks given by volunteer speakers to third party groups which are a key part of our efforts to spread awareness of our work and attract new supporters. We have sought to adapt to the new environment, with some creative solutions from our volunteers and supporters. However, many of our traditional income streams have been affected by the coronavirus, including events and community income, and especially that from talks. We have seen a fantastic response from our supporters and the general public to appeals for support for the COVID-19 detection project, but our long-term financial position remains uncertain given there is likely to be a significant economic impact of the coronavirus which will affect fundraising for some time. Although we have a strong reserves position we are keeping our income and expenditure under close review with the aim of avoiding any further cutbacks in our service provision.

We are committed to keeping our people and clients safe, helping as many people as possible during this difficult time and making sure the Charity overall stays in a sound financial position.

## Report of the Trustees for the year ended 31st March 2020

### Developing our research

The COVID-19 detection project, which has generated considerable worldwide interest from the media and organisations affected by the coronavirus which are interested in its potential, will continue to be a focus of our work for the foreseeable future. We were pleased to get government support for the project, and recognition of the potential of canine olfactory detection to play a part in the response to the pandemic. We are hopeful that further funding will be forthcoming, although the position is still uncertain. We are also hopeful that this project will help reinforce the credibility of our research and help us realise our aim to translate the dogs' ability into an effective diagnostic resource that has a beneficial impact for human healthcare.

We expect the impact of the coronavirus to delay our other bio detection research because of the challenges faced by our NHS collaborators collecting samples. We will continue to progress these projects as best we can until normal hospital activities resume and seek opportunities to develop our research.

One area of our research which we do expect to progress in the coming year is the Clinical Assistance Dog project, which was outlined above, and we hope to be able to have positive progress to report on next year.

We will also continue to publish the results of our work, with at least a further two papers expected in the coming year.

### FINANCIAL REVIEW

#### Outcome 2019/20

The charity's charitable activities rely on grants from trusts and foundations, corporate donations, and donations from individual members of the public. Both general and donor-restricted funds are utilised for the Charity's objectives namely detection, recognition and diagnosis of disease and medical conditions; and the training and placing medical assistance alert dogs with clients who suffer from life-limiting or life-threatening medical conditions.

The charity's total income of £1,657,352 (2018-19: £2,378,050) includes legacies of £166,741 (2018-19: £674,352). Net deficit for the year amounted to £378,960 (2018-19: surplus £486,126) after expenditure of £2,036,312 (2018-19: £1,891,924).

The majority of the reduction in income was anticipated and related to legacy income. Legacy income for the year was approximately £508,000 lower than the figure for the previous year which included a welcome but unusually large single legacy of £495,000. Although this legacy was recognised in income in the prior year in line with charity accounting rules, £250,000 of the sum expected was only received during 2019/20, and the majority of the balance expected was received by the time these accounts were approved. The cash received during the year has helped to finance the planned increased expenditure as part of our strategy to develop our education and awareness and volunteer liaison activities, which accounts for the majority of the increase in expenditure between the two years.

Financial year 2018/19 saw the final phase of fundraising for the new building project when £228,000 was raised. There were no similar capital project funding activities undertaken during the year to 31 March 2020 as reflected by the decrease in restricted donations.

Shortly before the financial year end, the training centre roof sustained significant damage caused by the gale-force winds of Storm Ciara. Immediate temporary work, costing £2,786, was undertaken to make the building weather-proof, the cost of which, less the policy excess of £500 was reimbursed by the Charity's insurers. Following inspection prior to the year-end by the insurer repair works were authorised to be carried out, the cost of which will be £208,233. The first stage of this work, together with the cost of the temporary repairs was paid for just prior to the year-end, with the balance of £185,233 carried over to the following financial year. Up to the date of this report most of the agreed works have been completed and underwritten by the insurance company in full. Receipts from the insurance company after the financial year end to date have been £178,018.

## Report of the Trustees for the year ended 31st March 2020

At the end of the year, the Charity's net current assets amounted to £1.9m (2019 - £ 2.0m) of which £1.3m was held in cash and bank deposits (2019 - £1.5m).

### Future Financial Plans

The Charity will now have to face new challenges as the financial consequences of the global pandemic start to take effect on the national economy. We expect this to have a significant negative impact on many areas of our fundraising activity. Trusts & Foundations have seen increased demand and more applications meaning more competition for funding. Social distancing has meant that some planned fundraising events have had to be curtailed or cancelled, although new opportunities are opening up through the means of "virtual" personal challenge events combined with greater use of digital giving. We are actively seeking new sources of funding and working hard to maintain our existing relationships.

The new activity of COVID-19 detection, which has been generously supported by the UK government and private donors provides an opportunity to raise awareness of our work to an international audience and showcase the potential of canine olfactory diagnostics, which we hope will lead to the investment needed to develop our research into practical solutions for improved disease diagnosis.

### Reserves Policy

Unrestricted funds are those funds that the Charity can use for any activity that meets its charitable objects. Freely available reserves are funds which are unrestricted and not invested in or committed to spend on operational assets. In this context free reserves therefore excludes the value of fixed assets in the accounts, capital commitments or obligations, and outstanding commitments on leased assets. The Trustees' policy is to maintain freely available reserves equivalent to between six and nine months' forecast total expenditure. The Trustees review the reserves held against our policy criteria periodically.

The Charity holds freely available reserves to mitigate for fluctuations in future income levels whilst at the same time committing to expenditure over the medium to longer term, to support the needs of its vulnerable clients in partnership with their medical alert assistance dogs, and to extend that service to potential clients.

At 31 March 2020 the Charity held freely available reserves of £1,378,452 equivalent to 12 months of budget expenditure for the forthcoming year (31 March 2019 - £1,576,885 - 8 months). This level of reserves exceeds the target range (of between 6 and 9 months of expenditure), but it is expected that free reserves will decrease to a level within the target range by March 2022. Further commentary on the impact of the coronavirus pandemic on the Charity's future financial position and our assessment of going concern is covered elsewhere in this report and in note 22 to the Accounts.

Restricted funds are unexpended funds that have been donated to the Charity with specific conditions attached to their use. At 31 March 2020 these funds totalled £301,810 (31 March 2019: £381,888). The majority of these funds relate to a grant received from the Postcode Animal Trust in December 2019. The grant was originally restricted to be used for the cost of expansion of the Charity's regional network. In March 2020, in light of the coronavirus pandemic the grant maker generously agreed to relax that restriction to cover the work of the Charity more generally, but with the remaining proviso that it should not be spent on bio detection work.

## Report of the Trustees for the year ended 31st March 2020

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Medical Detection Dogs for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Betsy Duncan Smith - Chairman of Trustees

12 February 2021

## Report of the Independent Auditors to the Members and Trustees of Medical Detection Dogs (Registered Number: 06399500)

### Opinion

We have audited the financial statements of Medical Detection Dogs (the 'charitable company') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31st March 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are 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 relating 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. 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.



# Report of the Independent Auditors to the Members and Trustees of Medical Detection Dogs (Registered Number: 06399500)

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees (incorporating the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

## Responsibilities of Trustees

As explained more fully in the Trustees' Responsibility Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are 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 Trustees determine 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 a Report of the Independent Auditors 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 on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## Report of the Independent Auditors to the Members and Trustees of Medical Detection Dogs (Registered Number: 06399500)

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditors' 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 charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jill Andrews (Senior Statutory Auditor)  
for and on behalf of Ashbys Chartered Accountants  
Statutory Auditor  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone  
LU7 9GY

12 February 2021

# Statement of Financial Activities

(Incorporating an Income and Expenditure Account) for the year ended 31st March 2020

|  |       | Unrestricted<br>fund    | Restricted<br>funds   | 2020<br>Total funds     | 2019<br>Total funds<br>Restated* |
|--|-------|-------------------------|-----------------------|-------------------------|----------------------------------|
|  | Notes | £                       | £                     | £                       | £                                |
| <b>INCOME AND ENDOWMENTS FROM</b>                  |       |                         |                       |                         |                                  |
| Donations and legacies                             | 3     | 1,059,542               | 483,242               | 1,542,784               | 2,226,811                        |
| Other trading activities                           | 4     | 110,384                 | -                     | 110,384                 | 147,469                          |
| Investment income                                  | 5     | <u>4,184</u>            | <u>-</u>              | <u>4,184</u>            | <u>3,770</u>                     |
| <b>Total</b>                                       |       | <b>1,174,110</b>        | <b>483,242</b>        | <b>1,657,352</b>        | <b>2,378,050</b>                 |
| <b>EXPENDITURE ON</b>                              |       |                         |                       |                         |                                  |
| Raising funds                                      | 6     | 118,538                 | -                     | 118,538                 | 143,248*                         |
| <b>Charitable activities</b>                       | 7     |                         |                       |                         |                                  |
| Dog training                                       |       | 305,427                 | 121,450               | 426,877                 | 428,774*                         |
| Assistance dog placement and aftercare             |       | 382,677                 | 309,925               | 692,602                 | 647,134*                         |
| Bio Detection research projects                    |       | 299,900                 | 120,293               | 420,193                 | 430,288*                         |
| Education and awareness                            |       | 175,845                 | -                     | 175,845                 | 129,243*                         |
| Volunteer liaison                                  |       | <u>190,605</u>          | <u>11,652</u>         | <u>202,257</u>          | <u>113,237*</u>                  |
| <b>Total</b>                                       |       | <b>1,472,992</b>        | <b>563,320</b>        | <b>2,036,312</b>        | <b>1,891,924</b>                 |
| <b>NET INCOME</b>                                  |       | <b>(298,882)</b>        | <b>(80,078)</b>       | <b>(378,960)</b>        | <b>486,126</b>                   |
| <b>Transfers between funds</b>                     | 19    | <u>-</u>                | <u>-</u>              | <u>-</u>                | <u>-</u>                         |
| <b>Net movement in funds</b>                       |       | <b>(298,882)</b>        | <b>(80,078)</b>       | <b>(378,960)</b>        | <b>486,126</b>                   |
| <b>RECONCILIATION OF FUNDS</b>                     |       |                         |                       |                         |                                  |
| Total funds brought forward as previously reported |       | 3,497,966               | 381,888               | 3,879,854               | 3,393,728                        |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                 |       | <b><u>3,199,084</u></b> | <b><u>301,810</u></b> | <b><u>3,500,894</u></b> | <b><u>3,879,854</u></b>          |

\* Comparative figures for expenditure in 2019 have been reclassified as explained further in Note 13. There has been no change to the total expenditure reported.

# Balance Sheet

## At 31st March 2020

|  |       | Unrestricted<br>fund | Restricted<br>funds | 2020<br>Total funds | 2019<br>Total funds |
|--|-------|----------------------|---------------------|---------------------|---------------------|
|  | Notes | £                    | £                   | £                   | £                   |
| <b>FIXED ASSETS</b>                          |       |                      |                     |                     |                     |
| Tangible assets                              | 14    | 1,605,006            | -                   | 1,605,006           | 1,874,083           |
| <b>CURRENT ASSETS</b>                        |       |                      |                     |                     |                     |
| Stocks                                       | 15    | 9,575                | -                   | 9,575               | 11,805              |
| Debtors                                      | 16    | 725,298              | -                   | 725,298             | 624,903             |
| Cash at bank and in hand                     |       | <u>1,012,438</u>     | <u>301,810</u>      | <u>1,314,248</u>    | <u>1,530,598</u>    |
|  |       | 1,747,311            | 301,810             | 2,049,121           | 2,167,306           |
| <b>CREDITORS</b>                             |       |                      |                     |                     |                     |
| Amounts falling due within one year          | 17    | (153,233)            | -                   | (153,233)           | (161,535)           |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,594,078</u>     | <u>301,810</u>      | <u>1,895,888</u>    | <u>2,005,771</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>3,199,084</u>     | <u>301,810</u>      | <u>3,500,894</u>    | <u>3,879,854</u>    |
| <b>NET ASSETS</b>                            |       | <u>3,199,084</u>     | <u>301,810</u>      | <u>3,500,894</u>    | <u>3,879,854</u>    |
| <b>FUNDS</b>                                 | 19    |                      |                     |                     |                     |
| Unrestricted funds                           |       |                      |                     | 3,199,084           | 3,497,966           |
| Restricted funds                             |       |                      |                     | <u>301,810</u>      | <u>381,888</u>      |
| <b>TOTAL FUNDS</b>                           |       |                      |                     | <u>3,500,894</u>    | <u>3,879,854</u>    |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 12 February 2021 and were signed on its behalf by:

A Keegan -Trustee

E Duncan Smith -Trustee

The notes form part of these financial statements

# Cash Flow Statement

## for the year ended 31st March 2020

|   |       | 2020             | 2019             |
|---|-------|------------------|------------------|
|   | Notes | £                | £                |
| <b>Cash flows from operating activities:</b>                              |       |                  |                  |
| Cash generated from operations  | A     | <u>(200,596)</u> | <u>255,787</u>   |
| <b>Net cash provided by (used in) operating activities</b>                |       | (200,596)        | 255,787          |
| <b>Cash flows from investing activities:</b>                              |       |                  |                  |
| Purchase of tangible fixed assets   |       | (19,938)         | (898,024)        |
| Interest received   |       | <u>4,184</u>     | <u>3,770</u>     |
| <b>Net cash (used in) investing activities</b>                            |       | <u>(15,754)</u>  | <u>(894,254)</u> |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | (216,350)        | (638,467)        |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>1,530,598</u> | <u>2,169,065</u> |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u>1,314,248</u> | <u>1,530,598</u> |

# Notes to the Cash Flow Statement for the year ended 31st March 2020

## A. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

|   | 2020             | 2019             |
|---|------------------|------------------|
|   | £                | £                |
| <b>Net income for the reporting period (as per the statement of financial activities)</b> | (378,960)        | 486,126          |
| <b>Adjustments for:</b>   |                  |                  |
| Depreciation charges  | 74,078           | 86,149           |
| Impairment of fixed assets  | 185,233          | -                |
| Interest received   | (4,184)          | (3,770)          |
| Decrease in stocks  | 2,230            | 795              |
| (Increase) in debtors   | (100,395)        | (96,906)         |
| Increase / (decrease) in creditors  | <u>21,402</u>    | <u>(216,607)</u> |
| <b>Net cash (used in) provided by operating activities</b>                                | <u>(200,596)</u> | <u>255,787</u>   |

## B. RECONCILIATION OF NET DEBT

2020

|                          | As at<br>1/4/2019 | Cashflow         | As at<br>31/3/20 |
|--------------------------|-------------------|------------------|------------------|
| Cash at bank and in hand | 1,530,598         | (216,350)        | 1,314,248        |
| <b>TOTAL</b>             | <u>1,530,598</u>  | <u>(216,350)</u> | <u>1,314,248</u> |

2019

|                          | As at<br>1/4/2018 | Cashflow         | As at<br>31/3/19 |
|--------------------------|-------------------|------------------|------------------|
| Cash at bank and in hand | 2,169,065         | (638,467)        | 1,530,598        |
| <b>TOTAL</b>             | <u>2,169,065</u>  | <u>(638,467)</u> | <u>1,530,598</u> |



# Notes to the Financial Statements for the year ended 31st March 2020

## 1. CHARITY INFORMATION

Medical Detection Dogs is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 3, Millfield, Greenway Business Park, Winslow Road, Great Horwood, Milton Keynes, MK17 0NP. The Charity is a public benefit entity.

## 2. ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements of the charitable company, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the Charity. Monetary amounts have been rounded to the nearest £.

The Charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

### Going Concern

The Trustees have considered the Charity's financial position, its reserves and forecast expenditure for the twelve months following the date the accounts are expected to be approved and have concluded that there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern.

The Trustees are of the opinion that the Charity has adequate resources to continue to operate for the foreseeable future, being not less than one year from the date of approval of these financial statements. For this reason, the Trustees believe it is appropriate to prepare the financial statements on a going concern basis.

### Preparation of consolidated financial statements

The financial statements contain information about Medical Detection Dogs as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity's subsidiary has net assets amounting to £1, has never traded and has therefore been excluded from consolidation on the grounds of immateriality in accordance with Section 405(2) of the Companies Act 2006.

### Critical accounting judgements and key sources of estimation uncertainty

Judgement has been applied in recognising income from legacies gifted to the Charity. Legacies are recognised when their value is known with reasonable certainty and receipt is probable, which is determined from a review of a number of criteria including grant of probate, sufficiency of assets and the existence of any conditions to be met.

## Notes to the Financial Statements - continued for the year ended 31st March 2020

### 2. ACCOUNTING POLICIES - continued

#### Income

All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

#### Donations

Cash donations are brought into the financial statements when the asset is deposited into the bank. The gift aid tax which is claimable on these donations is recognised upon receipt of the donation.

Gifts in kind donated are included at the valuation at the time of the gift.

#### Legacies

Incoming resources are included gross in the Statement of Financial Activities when the Charity is entitled to the income at the date of probate (having considered factors such as legal challenges, the sufficiency of assets belonging to the estate and the existence of any conditions to be met under the terms of the will), provided that sufficient information has been received to value the Charity's entitlement. Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. Residuary legacies are recognised as receivable once probate has been granted and they can be valued with reasonable certainty.

#### Volunteers

The Charity benefits greatly from the involvement and support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not however recognised in the accounts, on the basis that the financial value of their support cannot be reliably ascertained.

#### Expenditure

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

#### Allocation and apportionment of costs

Support costs are allocated to the Charity's principal charitable activities. As explained further in Note 13, charitable activities from this year have been categorised under the five headings of: dog training, assistance dog placement and aftercare, bio detection research, education and awareness and volunteer liaison.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                       |                              |
|-----------------------|------------------------------|
| Freehold property     | - 2% on cost                 |
| Fixtures and fittings | - Straight line over 3 years |
| Motor vehicles        | - Straight line over 3 years |

Just prior to the end of the reporting period, the Charity's training centre sustained significant damage after a severe storm. At the time of publishing this report, costs of repairs approved by the Charity's insurance loss adjusters carried out after the year-end amounted to £185,233. This impairment as at 31 March 2020 has been reflected in the carrying value of the Freehold Property. No adjustment has been made to the depreciation charge for the year on the revised value since the incident giving rise to the impairment took place close to the end of the reporting period.

## Notes to the Financial Statements - continued for the year ended 31st March 2020

### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

### **Taxation**

The Charity is exempt from corporation tax on its charitable activities.

## Notes to the Financial Statements - continued for the year ended 31st March 2020

### 2. ACCOUNTING POLICIES - continued

#### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Cash at bank and in hand

Cash at bank and in hand includes cash held in short term deposit accounts or accounts with instant access.

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### Hire purchase and leasing commitments

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

### 3. DONATIONS AND LEGACIES

|           | 2020             | 2019             |
|-----------|------------------|------------------|
|           | £                | £                |
| Donations | 1,376,043        | 1,552,459        |
| Legacies  | <u>166,741</u>   | <u>674,352</u>   |
|           | <u>1,542,784</u> | <u>2,226,811</u> |

Income from donations includes donated dog food and dogs. The value of these donations to the Charity is estimated at £35,764 (2019 - £69,857) and is recognised within incoming resources as a donation and an equivalent charge is included in charitable activities.

At the year-end the charity was aware that it was a beneficiary of one legacy (2019 - Nil) which did not yet meet the recognition criteria detailed in the accounting policies under note 2. This is generally because either probate has not been granted and so it was not certain that the legacy would be received, or the value could not be reliably measured. The current estimate of the total amount concerned is £100,000 (2019: £ Nil)

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 4. OTHER TRADING ACTIVITIES

|                                      | 2020           | 2019           |
|--------------------------------------|----------------|----------------|
|                                      | £              | £              |
| Fundraising events                   | 54,645         | 115,086        |
| Christmas card and merchandise sales | 27,346         | 27,174         |
| Consultancy                          | <u>28,393</u>  | <u>5,209</u>   |
|                                      | <u>110,384</u> | <u>147,469</u> |



# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 5. INVESTMENT INCOME

|                          | 2020         | 2019         |
|--------------------------|--------------|--------------|
|                          | £            | £            |
| Deposit account interest | <u>4,184</u> | <u>3,770</u> |

## 6. RAISING FUNDS

### Raising donations and legacies

|  | 2020           | 2019<br>as restated*<br>(Note 13) |
|--|----------------|-----------------------------------|
|  | £              | £                                 |
| Wages  | 83,563         | 75,886*                           |
| Event costs                                      | 2,570          | 15,325                            |
| Travel   | 1,125          | 4,742*                            |
| Online giving admin fees                         | 3,676          | 3,209                             |
| Printing   | 3,624          | 17,235*                           |
| Equipment under £1,000                           | 594            | -                                 |
| Direct overheads – Deprecation Freehold Property | <u>5,698</u>   | <u>5,663</u>                      |
|  | <u>100,850</u> | <u>122,060</u>                    |

### Other trading activities

|                               | 2020           | 2019           |
|-------------------------------|----------------|----------------|
|                               | £              | £              |
| Purchases of goods for resale | <u>17,688</u>  | <u>21,188</u>  |
| Aggregate amounts             | <u>118,538</u> | <u>143,248</u> |

# Notes to the Financial Statements - continued

## for the year ended 31st March 2020

### 7. CHARITABLE ACTIVITIES COSTS

|   | Direct<br>Costs  | Support<br>costs | 2020 Totals      |
|---|------------------|------------------|------------------|
|   | £                | £                | £                |
| Dog training                              | 314,830          | 112,047          | 426,877          |
| Assistance dog placement and<br>aftercare | 509,254          | 183,348          | 692,602          |
| Bio Detection research projects           | 308,146          | 112,047          | 420,193          |
| Education and awareness                   | 130,009          | 45,836           | 175,845          |
| Volunteer liaison                         | 146,233          | 56,024           | 202,257          |
|   | <u>1,408,472</u> | <u>509,302</u>   | <u>1,917,774</u> |

### 8. SUPPORT COSTS

|                         | Management     | Finance      | Governance<br>costs | 2020<br>Totals |
|-------------------------|----------------|--------------|---------------------|----------------|
|                         | £              | £            | £                   | £              |
| Dog training            | 107,910        | 323          | 3,814               | 112,047        |
| Assistance dogs         | 176,579        | 529          | 6,240               | 183,348        |
| Bio Detection research  | 107,910        | 323          | 3,814               | 112,047        |
| Education and awareness | 44,144         | 132          | 1,560               | 45,836         |
| Volunteer liaison       | <u>53,955</u>  | <u>162</u>   | <u>1,907</u>        | <u>56,024</u>  |
|                         | <u>490,498</u> | <u>1,469</u> | <u>17,335</u>       | <u>509,302</u> |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 8. SUPPORT COSTS (continued)

Support costs, included in the above, are as follows:

| Management                            | Dog training | Assistance dog placement | Bio Detection research | Education and awareness | Volunteer liaison | 2020 Total Activities | 2019 Total Activities as restated (*Note13) |
|---------------------------------------|--------------|--------------------------|------------------------|-------------------------|-------------------|-----------------------|---|
|                                       | £            | £                        | £                      | £                       | £                 | £                     | £   |
| Rent and rates                        | 2,426        | 3,970                    | 2,426                  | 992                     | 1,213             | 11,027                | 10,920                                      |
| Insurance                             | 6,032        | 9,871                    | 6,032                  | 2,468                   | 3,016             | 27,419                | 24,870                                      |
| Water and electricity                 | 6,175        | 10,104                   | 6,175                  | 2,526                   | 3,087             | 28,067                | 21,251                                      |
| Telephone                             | 379          | 621                      | 379                    | 155                     | 190               | 1,724                 | 4,990                                       |
| Postage and stationery                | 3,904        | 6,389                    | 3,904                  | 1,597                   | 1,952             | 17,746                | 25,667                                      |
| Sundries                              | 873          | 1,428                    | 873                    | 357                     | 436               | 3,967                 | 7,270                                       |
| Repairs                               | 8,826        | 14,442                   | 8,826                  | 3,610                   | 4,413             | 40,117                | 28,524                                      |
| Travel                                | 525          | 860                      | 525                    | 215                     | 263               | 2,388                 | 1,733                                       |
| Legal and professional                | 2,056        | 3,364                    | 2,056                  | 841                     | 1,028             | 9,345                 | 14,440                                      |
| Recruitment                           | 882          | 1,444                    | 882                    | 361                     | 441               | 4,010                 | 9,306                                       |
| Consultants' fees                     | 14,963       | 24,486                   | 14,963                 | 6,121                   | 7,482             | 68,015                | 94,148                                      |
| Information technology                | 3,617        | 5,918                    | 3,617                  | 1,480                   | 1,808             | 16,440                | 20,525                                      |
| Administration salaries               | 48,619       | 79,558                   | 48,619                 | 19,889                  | 24,309            | 220,994               | 198,137                                     |
| Depreciation of tangible fixed assets | 7,010        | 11,471                   | 7,010                  | 2,868                   | 3,505             | 31,864                | 37,383                                      |
| Staff training                        | 1,121        | 1,835                    | 1,121                  | 459                     | 561               | 5,097                 | 11,042                                      |
| Equipment (not capitalised)           | 502          | 818                      | 502                    | 205                     | 251               | 2,278                 | 843   |
| Total                                 | 107,910      | 176,579                  | 107,910                | 44,144                  | 53,955            | 490,498               | 511,049*                                    |

# Notes to the Financial Statements - continued

## for the year ended 31st March 2020

| <b>Finance</b> | Dog training | Assistance dog placement | Bio Detection research | Education and awareness | Volunteer liaison | 2020 Total Activities | 2019 Total Activities |
|----------------|--------------|--------------------------|------------------------|-------------------------|-------------------|-----------------------|-----------------------|
|                | £            | £                        | £                      | £                       | £                 | £                     | £                     |
| Bank Charges   | 323          | 529                      | 323                    | 132                     | 162               | 1,469                 | 3,356                 |
| <b>Total</b>   | <b>323</b>   | <b>529</b>               | <b>323</b>             | <b>132</b>              | <b>162</b>        | <b>1,469</b>          | <b>3,356</b>          |

| <b>Governance</b>                  | Dog training | Assistance dog placement | Bio Detection research | Education and awareness | Volunteer liaison | 2020 Total Activities | 2019 Total Activities |
|------------------------------------|--------------|--------------------------|------------------------|-------------------------|-------------------|-----------------------|-----------------------|
|                                    | £            | £                        | £                      | £                       | £                 | £                     | £                     |
| Auditors' remuneration - Audit     | 2,640        | 4,320                    | 2,640                  | 1,080                   | 1,320             | 12,000                | 2,884                 |
| Auditors' remuneration – non Audit | 1,085        | 1,775                    | 1,085                  | 443                     | 542               | 4,930                 | 2,500                 |
| DBS checks                         | 83           | 136                      | 83                     | 35                      | 42                | 379                   | 1,266                 |
| Board meeting costs                | 6            | 9                        | 6                      | 2                       | 3                 | 26                    | -                     |
| <b>Total</b>                       | <b>3,814</b> | <b>6,240</b>             | <b>3,814</b>           | <b>1,560</b>            | <b>1,907</b>      | <b>17,335</b>         | <b>6,650</b>          |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

|  | 2020   | 2019   |
|--|--------|--------|
|  | £      | £      |
| Auditors' remuneration   | 12,000 | 2,884  |
| Auditors' remuneration for non audit work (accountancy services) | 4,930  | 2,500  |
| Depreciation - owned assets                                      | 74,078 | 86,150 |

Depreciation was directly allocated to activities as follows:

|  | 2020   | 2019   |
|--|--------|--------|
|  | £      | £      |
| Raising donations and legacies         | 5,698  | 5,663  |
| Dog training                           | 16,358 | 19,664 |
| Assistance dog placement and aftercare | 16,358 | 19,664 |
| Education and awareness                | 1,899  | 1,888  |
| Volunteer liaison                      | 1,899  | 1,888  |
| Management                             | 31,866 | 37,383 |
|  | 74,078 | 86,150 |

## 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31st March 2020 nor for the year ended 31st March 2019.

### Trustees' expenses

There were no Trustees' expenses paid for the year ended 31st March 2020 nor for the year ended 31st March 2019.

# Notes to the Financial Statements - continued

## for the year ended 31st March 2020

### 11. STAFF COSTS

|                       | 2020<br>£        | 2019<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,138,969        | 955,707          |
| Social security costs | 94,591           | 77,461           |
| Pension costs         | <u>74,596</u>    | <u>68,235</u>    |
|                       | <u>1,308,156</u> | <u>1,101,403</u> |

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was 35 (2019 - 37). Pension costs are allocated to activities and between restricted and unrestricted funds in proportion to the related staffing costs incurred.

The average monthly number of employees during the year was as follows:

|  | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------|
| Raising funds                          | 3           | 3           |
| Dog training                           | 10          | 11          |
| Assistance dog placement and aftercare | 13          | 11          |
| Bio Detection research projects        | 7           | 9           |
| Education and awareness                | 3           | 1           |
| Volunteer liaison                      | 6           | 2           |
| Executive                              | 2           | 1           |
| Facilities                             | 3           | 3           |
| Finance                                | 4           | 3           |
| Human resources                        | <u>2</u>    | <u>3</u>    |
|  | <u>53</u>   | <u>47</u>   |

The Executive Team of the Charity are the Chief Executive Officer (CEO) and the Chief Operating Officer (COO). The Executive Team received total remuneration including pension contributions and benefits in kind of £112,650 (2019: £100,467). In addition, as disclosed in Note 21, the Charity made payments of £69,824 (2019: £74,285) in respect of the provision of key management personnel services of the COO to a related party, Auxilium Advisers Limited. With effect from 1<sup>st</sup> February 2020, the Chief Operating Officer was directly employed by the Charity.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                   | 2020 | 2019 |
|-------------------|------|------|
| £80,001 - £90,000 | 1    | 1    |



# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|  | Unrestricted<br>fund | Restricted<br>funds | Total funds<br>as restated<br>(Note 13)* |
|--|----------------------|---------------------|--|
|  | £                    | £                   | £  |
| <b>INCOME AND ENDOWMENTS FROM</b>      |                      |                     |  |
| Donations and legacies                 | 1,502,063            | 724,748             | 2,226,811                                |
| Other trading activities               | 147,469              | -                   | 147,469                                  |
| Investment income                      | 3,770                | -                   | 3,770                                    |
| <b>Total</b>                           | 1,653,302            | 724,748             | 2,378,050                                |
| <b>EXPENDITURE ON</b>                  |                      |                     |  |
| Raising funds                          | 143,248              | -                   | 143,248*                                 |
| <b>Charitable activities</b>           |                      |                     |  |
| Dog training                           | 196,726              | 232,048             | 428,774*                                 |
| Assistance dog placement and aftercare | 643,558              | 3,576               | 647,134*                                 |
| Bio Detection research projects        | 424,297              | 5,991               | 430,288*                                 |
| Education and awareness                | 129,243              | -                   | 129,243*                                 |
| Volunteer liaison                      | 113,237              | -                   | 113,237*                                 |
| <b>Total</b>                           | 1,650,309            | 241,615             | 1,891,924                                |
| <b>NET INCOME</b>                      | 2,993                | 483,133             | 486,126                                  |
| <b>Transfers between funds</b>         | 776,808              | (776,808)           | -  |
| <b>Net movement in funds</b>           | 779,801              | (293,675)           | 486,126                                  |
| <b>RECONCILIATION OF FUNDS</b>         |                      |                     |  |
| <b>Total funds brought forward</b>     | 2,718,165            | 675,563             | 3,393,728                                |
| <b>TOTAL FUNDS CARRIED FORWARD</b>     | 3,497,966            | 381,888             | 3,879,854                                |

# Notes to the Financial Statements - continued

## for the year ended 31st March 2020

### 13. RECLASSIFICATION OF EXPENDITURE

During the year, the Charity conducted a review of management reporting with the aim of making the analysis of activity costs more transparent for budgetary control purposes and to be more in line with the way in which the Charity manages its activities.

As result of that exercise, certain expense lines have been redefined or regrouped within the headings of charitable activities, costs of generating funds and support costs. This has resulted in expanding the list of distinctive areas of charitable activity from three to five. The comparative figures for the prior year have therefore been reclassified in these accounts to aid comparability. The net outturn for the year ended 31 March 2019 as previously reported, remains unchanged.

| 2019 Expenditure as shown in the SOFA              | Originally stated<br>£ | Restated<br>£    |
|--|------------------------|------------------|
| Raising funds                                      | 232,286                | 143,248          |
| Charitable expenditure                             |                        |                  |
| Dog training                                       | 552,983                | 428,774          |
| Assistance dog placement and aftercare             | 557,220                | 647,134          |
| Bio detection research                             | 549,435                | 430,288          |
| Education and awareness                            | -                      | 129,243          |
| Volunteer liaison                                  | -                      | 113,237          |
|  | <u>1,891,924</u>       | <u>1,891,924</u> |
|  | Originally stated<br>£ | Restated<br>£    |
| As disclosed in Note 6 Raising funds               |                        |                  |
| Raising donations and legacies                     | 211,098                | 122,060          |
| Other trading activities                           | 21,188                 | 21,188           |
|  | <u>232,286</u>         | <u>143,248</u>   |
| As disclosed in Note 7 Charitable Activities Costs |                        |                  |
| <b>Direct costs</b>                                |                        |                  |
| Dog training                                       | 384,027                | 314,144          |
| Assistance dog placement and aftercare             | 382,914                | 459,554          |
| Bio detection research                             | 404,726                | 315,657          |
| Education and awareness                            | -                      | 82,349           |
| Volunteer liaison                                  | -                      | 55,291           |
|  | <u>1,171,667</u>       | <u>1,227,625</u> |
| <b>Support costs</b>                               |                        |                  |
| Dog training                                       | 168,956                | 114,630          |
| Assistance dog placement and aftercare             | 174,306                | 187,580          |
| Bio detection research                             | 144,709                | 114,631          |
| Education and awareness                            | -                      | 46,894           |
| Volunteer liaison                                  | -                      | 57,316           |
|  | <u>487,971</u>         | <u>521,051</u>   |
| Total expenditure                                  | <u>1,891,924</u>       | <u>1,181,924</u> |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 14. TANGIBLE FIXED ASSETS

|                                | Freehold<br>property | Fixtures<br>and fittings | Motor<br>vehicles | Totals    |
|--------------------------------|----------------------|--------------------------|-------------------|-----------|
| <b>COST</b>                    |                      |                          |                   |           |
| At 1 <sup>st</sup> April 2019  | 1,917,478            | 150,756                  | 50,023            | 2,118,527 |
| Additions                      | 11,538               | 1,200                    | 7,200             | 19,938    |
| Disposals                      | (29,704)             | -                        | -                 | (29,704)  |
| Impairment adjustment          | (185,233)            | -                        | -                 | (185,233) |
| At 31 <sup>st</sup> March 2020 | 1,714,079            | 151,956                  | 57,223            | 1,923,258 |
| <b>DEPRECIATION</b>            |                      |                          |                   |           |
| At 1 <sup>st</sup> April 2019  | 97,786               | 106,395                  | 39,993            | 244,174   |
| Charge for the year            | 37,986               | 26,167                   | 9,925             | 74,078    |
| Disposals                      | -                    | -                        | -                 | -         |
| At 31 <sup>st</sup> March 2020 | 135,772              | 132,562                  | 49,918            | 318,252   |
| <b>NET BOOK VALUE</b>          |                      |                          |                   |           |
| At 31 <sup>st</sup> March 2020 | 1,578,307            | 19,394                   | 7,305             | 1,605,006 |
| At 31 <sup>st</sup> March 2019 | 1,819,692            | 44,361                   | 10,030            | 1,874,083 |

Shortly before the 2020 year-end, the training centre roof sustained significant damage caused by the gale-force winds of Storm Ciara. The impairment adjustment to the carrying value of Freehold Buildings of £185,233 represents the costs of remedial works agreed with the Charity's insurers post balance sheet date to restore the roof to its initial condition.

## 15. STOCKS

|        | 2020              | 2019               |
|--------|-------------------|--------------------|
| Stocks | £<br><u>9,575</u> | £<br><u>11,805</u> |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 16. DEBTORS

|   | 2020<br>£      | 2019<br>£      |
|---|----------------|----------------|
| Amounts falling due within one year:          |                |                |
| Legacy debtors                                | 359,568        | 557,468        |
| Insurance recovery – buildings damage         | 210,519        | -              |
| Prepayments and accrued income                | 113,740        | 46,555         |
| Other debtors                                 | <u>41,471</u>  | <u>20,370</u>  |
|   | <u>725,298</u> | <u>624,393</u> |
| Amounts falling due after more than one year: |                |                |
| Other debtors                                 | <u>-</u>       | <u>510</u>     |
| Aggregate amounts                             | <u>725,298</u> | <u>624,903</u> |

Shortly before the 2020 year-end, the training centre roof sustained significant damage caused by the gale-force winds of Storm Ciara. The total cost of remedial works, including initial weatherproofing, amounting to £210,519, after deducting a policy excess of £500, is covered by the Charity's insurance policy. The insurance debtor at the year-end amounted to £210,519 of which £203,304 has been received post year end.

## 17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2020<br>£      | 2019<br>£      |
|---------------------------------|----------------|----------------|
| Trade creditors                 | 90,858         | 73,696         |
| Social security and other taxes | 30,750         | 21,032         |
| Accruals and deferred income    | <u>31,625</u>  | <u>66,807</u>  |
|                                 | <u>153,233</u> | <u>161,535</u> |

Included in accruals is an amount of £NIL relating to capital works (2019: £29,704).

## 18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 2020<br>£     | 2019<br>£     |
|----------------------------|---------------|---------------|
| Within one year            | 13,573        | 16,605        |
| Between one and five years | <u>16,820</u> | <u>30,393</u> |
|                            | <u>30,393</u> | <u>46,998</u> |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 19. MOVEMENT IN FUNDS

|                               | At 1/4/19<br>£   | Net movement<br>in funds<br>£ | Transfers<br>between funds<br>£ | At 31/3/20<br>£  |
|-------------------------------|------------------|-------------------------------|---------------------------------|------------------|
| <b>Unrestricted funds</b>     |                  |                               |                                 |                  |
| General fund                  | 3,497,966        | (298,882)                     | -                               | 3,199,084        |
| <b>Restricted funds</b>       |                  |                               |                                 |                  |
| Cancer studies                | 40,667           | (27,914)                      | -                               | 12,753           |
| Name a puppy                  | 3,070            |                               | -                               | 3,070            |
| Medical alert assistance dogs | 47,815           | 31,216                        | -                               | 79,031           |
| Bio Detection                 | 28,603           | (28,603)                      | -                               | -                |
| Equipment                     | 14,308           | (8,652)                       | -                               | 5,656            |
| Bio Lab refurbishment         |                  | 13,800                        | -                               | 13,800           |
| Regional development          | 247,425          | (59,925)                      | -                               | 187,500          |
|                               | 381,888          | (80,078)                      | -                               | 301,810          |
| <b>TOTAL FUNDS</b>            | <b>3,879,854</b> | <b>(378,960)</b>              | <b>-</b>                        | <b>3,500,894</b> |

Net movement in funds, included in the above are as follows:

|                               | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Net Movement<br>in funds<br>£ |
|-------------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Unrestricted funds</b>     |                            |                            |                               |
| General fund                  | 1,174,110                  | (1,472,992)                | (298,882)                     |
| <b>Restricted funds</b>       |                            |                            |                               |
| Cancer Studies                | -                          | (27,914)                   | (27,914)                      |
| Medical Alert Assistance Dogs | 117,320                    | (86,104)                   | 31,216                        |
| Bio Detection                 | 91,690                     | (120,293)                  | (28,603)                      |
| Equipment Fund                | 3,000                      | (11,652)                   | (8,652)                       |
| Bio Lab refurbishment         | 16,232                     | (2,432)                    | 13,800                        |
| Parkinson's Disease Study     | 5,000                      | (5,000)                    | -                             |
| Regional Development Fund     | 250,000                    | (309,925)                  | (59,925)                      |
|                               | 483,242                    | (563,320)                  | (80,078)                      |
| <b>TOTAL FUNDS</b>            | <b>1,657,352</b>           | <b>(2,036,312)</b>         | <b>(378,960)</b>              |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 19. MOVEMENT IN FUNDS - continued

### Comparatives for movement in funds

|                               | At 1/4/18<br>£   | Net<br>movement in<br>funds<br>£ | Transfers<br>between<br>funds<br>£ | At 31/3/19<br>£  |
|-------------------------------|------------------|----------------------------------|------------------------------------|------------------|
| <b>Unrestricted Funds</b>     |                  |                                  |                                    |                  |
| General fund                  | <u>2,718,165</u> | <u>2,993</u>                     | <u>776,808</u>                     | <u>3,497,966</u> |
| <b>Restricted Funds</b>       |                  |                                  |                                    |                  |
| Cancer Studies                | 17,500           | 23,167                           | -                                  | 40,667           |
| Name a Puppy                  | 52,600           | (49,530)                         | -                                  | 3,070            |
| Medical Alert Assistance Dogs | 33,304           | 14,511                           | -                                  | 47,815           |
| Bio Detection                 | 11,213           | 17,390                           | -                                  | 28,603           |
| Equipment Fund                | 11,808           | -                                | -                                  | 11,808           |
| Speaker and Volunteer Packs   | -                | 2,500                            | -                                  | 2,500            |
| New Build Project             | 549,138          | 227,670                          | (776,808)                          | -                |
| Regional Development Fund     | <u>-</u>         | <u>247,425</u>                   | <u>-</u>                           | <u>247,425</u>   |
|                               | <u>675,563</u>   | <u>483,133</u>                   | <u>(776,808)</u>                   | <u>381,888</u>   |
| <b>TOTAL FUNDS</b>            | <u>3,393,728</u> | <u>486,126</u>                   | <u>-</u>                           | <u>3,879,854</u> |

Comparative net movement in funds, included in the above are as follows:

|                               | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Net Movement<br>in funds<br>£ |
|-------------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Unrestricted funds</b>     |                            |                            |                               |
| General fund                  | <u>1,653,302</u>           | <u>(1,650,309)</u>         | <u>2,993</u>                  |
| <b>Restricted funds</b>       |                            |                            |                               |
| Cancer Studies                | 54,172                     | (31,005)                   | 23,167                        |
| Name a Puppy                  | (3,450)                    | (46,080)                   | (49,530)                      |
| Medical Alert Assistance Dogs | 101,224                    | (86,713)                   | 14,511                        |
| Bio Detection                 | 50,583                     | (33,193)                   | 17,390                        |
| Equipment Fund                | 1,146                      | (1,146)                    | -                             |
| New Build Project             | 227,670                    | -                          | 227,670                       |
| Malaria Study                 | 1,233                      | (1,233)                    | -                             |
| Parkinson's Disease Study     | 39,670                     | (39,670)                   | -                             |
| Speaker and Volunteer Packs   | 2,500                      | -                          | 2,500                         |
| Regional Development Fund     | <u>250,000</u>             | <u>(2,575)</u>             | <u>247,425</u>                |
|                               | <u>724,748</u>             | <u>(241,615)</u>           | <u>483,133</u>                |
|                               | <u>2,378,050</u>           | <u>(1,891,924)</u>         | <u>486,126</u>                |



# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 19. MOVEMENT IN FUNDS - continued

The Cancer Studies Fund is restricted to expenditure relating to cancer research.

The Name a Puppy Fund is restricted to expenditure relating to the training of named medical alert assistance dogs or cancer research dogs.

The Medical Alert Assistance Dog Fund is restricted to expenditure on training and placement of medical alert assistance dogs in specific circumstances.

The Equipment Fund receives donations for and meets the cost of specific items of equipment, highlighted in fundraising campaigns.

The Speaker and Volunteer Packs Fund is restricted to the provision of equipment for regional support groups.

The Regional Development Fund receives grants from the Postcode Animal Trust. The grants received during the year were intended by the donor to be put towards expenditure on the establishment and ongoing support of local volunteer-led community support groups throughout the UK including the costs of regional support instructors employed by the Charity. During March 2020 the Trust agreed to the relaxation of the stipulations for the use of the grant, which now can be used to support the work of the Charity more generally, with the exception that grants may not be applied towards work on bio detection.

## 20. CAPITAL COMMITMENTS

|   | 2020 | 2019 |
|---|------|------|
|   | £    | £    |
| Contracted but not provided for in the financial statements | -    | -    |

# Notes to the Financial Statements - continued for the year ended 31st March 2020

## 21. RELATED PARTY DISCLOSURES

The key management personnel of the Charity are the Chief Executive Officer (CEO) and the Chief Operating Officer (COO). The Charity contracted with Auxilium Advisers Limited (Company number 09705627) to act as COO. This contract for the provision of the services of the COO came to an end on 31<sup>st</sup> January 2020 and from 1<sup>st</sup> February 2020 the COO was directly employed by the Charity.

Payments in respect of the provision of key management personnel services comprised £69,824 (2019: £74,285) to Auxilium Advisers Limited.

An interest free loan of £12,000 was made to the Chief Executive Officer in 2017 for the purchase of a car. The balance owed to the Charity as at 31 March 2020 was £290 (2019 - £3,990).

The aggregate amount of donations received by the Charity from Trustees or their close relatives or related parties amounted to £3,144 (2019 - £2,200).

## 22. GOING CONCERN AND POST BALANCE SHEET EVENTS

The worldwide outbreak of COVID-19 is having, and will continue to have, a significant effect on the activities and financial position of the Charity. In common with most charities, donations from community fundraising have fallen due to national COVID restrictions. A number of our bio detection projects have also slowed or been delayed due to COVID-driven operational constraints, either at the Charity, our research partners or with funders, resulting in a reduction in related income post year end.

The Charity has however concentrated on shifting its bio detection skills and efforts to explore the important potential of COVID-19 detection, where we are grateful to be supported by a number of restricted donations to explore this important opportunity.

Appropriate steps have also been taken where possible to mitigate the detrimental financial impact of this health crisis by reducing costs within the Charity.

The Trustees do not believe the outbreak has had any material effect on any of the carrying values of the Charity's assets and liabilities. The Charity's investments are held in cash and cash equivalents and therefore have not been subjected to loss or ongoing stock market volatility.

The Trustees have considered the above impacts and future uncertainties in considering the Charity's financial position, its reserves and forecast expenditure for the twelve months following the date the accounts are expected to be approved and have concluded that there are no material matters relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern.

The Trustees are therefore of the opinion that the Charity has adequate resources to continue to operate for the foreseeable future, being not less than one year from the date of approval of these financial statements. For this reason, the Trustees believe it is appropriate to prepare the financial statements on a going concern basis.

## 23. COMPANY LIMITED BY GUARANTEE

The liability of each member is limited to £10 by guarantee

# Medical Detection Dogs

3 Millfield, Greenway Business Park, Winslow Road,  
Great Horwood, Milton Keynes, MK17 0NP

[operations@medicaldetectiondogs.org.uk](mailto:operations@medicaldetectiondogs.org.uk)  
[www.medicaldetectiondogs.org.uk](http://www.medicaldetectiondogs.org.uk) | 01296 655888



Registered Charity in England and Wales No. 1124533 and in Scotland No. SC044434



**Assistance Dogs**  
INTERNATIONAL  
EUROPE (ADEu)



**Assistance Dogs**  
INTERNATIONAL



Registered with  
**FUNDRAISING  
REGULATOR**