

THE KENNEL CLUB CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

REGISTERED CHARITY NO. 327802

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YEAR ENDED 31 DECEMBER 2020

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THE KENNEL CLUB CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2020

The Kennel Club Charitable Trust is a registered charity (No. 327802) and is governed by its Trust Deed dated 3 May 1988.

Patron

Her Majesty The Queen is the Trust's Patron.

Vice-President

Sir John Spurling KCVO OBE is the Trust's Vice-President.

Trustees

The following have been the Trustees throughout the period covered by the attached financial statements (except where stated):

Revd W King (Chairman)
Mrs J Millard (nee Fairhall)
Professor M Herrtage
Dr A Higgins
Mr G Hill
Mrs R Smart

The Trustees met on four occasions during the year to consider the business of the Trust and the making of grants. The Trustees receive no remuneration or benefits from their position, but their expenses connected with the Trust are reimbursed by the Kennel Club Limited (see Note 3).

Ambassadors

The following have been Ambassadors for the Trust throughout the year (except where stated):

Mr R Morland	East Anglia
The Late Mrs I E Terry	South East
Mr M L Vines	Gloucestershire/Avon
Mr A R J Morgan	South Wales
Mr S Jones	North Wales
Mrs M Hennis	Scotland

When called upon, the Ambassadors (like the Trustees) represent the Trust whenever appropriate (for example, ceremonially accepting donations to the Trust or inspecting applicants for grants who are unknown to the Trustees). In these ways the existence and Objects of the Trust can be made known to a wider audience, and the reputation of the Trust can be protected.

The Trustees also wish to note with sadness the passing of Mrs I E Terry who passed away in 2022 and wish to record their thanks for all the support Mrs I E Terry provided over the years to the Charity as an ambassador.

THE KENNEL CLUB CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2020

Administration Details

The Principal Office of the Trust is:

The Kennel Club Limited
10 Clarges Street
Piccadilly
London W1J 8AB

Bankers:

Barclays Bank plc
Barnet and Hampstead Business Centre
London N20 0WE

Metro Bank plc
One Southampton Row
London
WC1B 5HA

Auditors:

BDO LLP
55 Baker Street
London
W1U 7EU

Investment Advisors:

CCLA Investment Management Ltd
80 Cheapside
London EC2V 6DZ

THE KENNEL CLUB CHARITABLE TRUST

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

Charitable Objectives

The Objects of the charity can be summarised as being:

1. To promote the advancement of education and science by furthering research into canine diseases and hereditary disorders of dogs.
2. To promote the quality of life of human beings by promoting dogs as therapeutic and practical aids to humans.
3. To promote the relief of suffering of dogs which are in need of care and attention.

These Objects have applied since the foundation of the Trust in 1988.

Financial statements

The accompanying financial statements cover the year ended 31 December 2020.

The Trustees consider that, in the context of the substantial liquid assets available to the charity in the form of cash and investments, the going concern basis, on which the accounts are prepared, is appropriate and that applicable accounting standards and statements of recommended practice have been followed.

Review of the year and future developments

The Trust's total outgoings for 2020 were £721K (2019 - £656K). Of these amounts £622K (2019 - £625K) represented grants made by the Trust.

The Trust's income is mostly provided by the Kennel Club Limited and by Agria Pet Insurance, but also by numerous individual supporters and a number of canine show societies. In 2020 the Kennel Club made two substantial donations totalling £519K, the first a restricted donation of £269K to support the funding of research at the University of Cambridge into Brachycephalic Obstructive Airway Syndrome (BOAS) and the second being an unrestricted donation of £250K. Total income was £899K compared with £297K in 2019. Thus, together with investment income from the Trust's investment portfolio, there was a net inflow before adding unrealised gains on investments of £178K (2019 - net outflow £359K). Together with a net unrealised gain on the value of investments amounting to £116K (2019 - £275K), current year funds increased by £294K, whereas in the prior year there was a decrease of £83K.

Scientific grants amounted to £210K (2019 - £531K). The Trustees were sad to learn of the insolvency of the Animal Health Trust (AHT) in April 2020 following which all grant commitments to the AHT were cancelled, and this is reflected in the much lower level of scientific grants paid in 2020 compared to those in 2019. After extensive negotiations, the Trustees were delighted to announce in 2021 the re-formation of the Kennel Club Genetics Centre in partnership with the University of Cambridge with a multi-year grant commitment to fund the Centre's work.

Non-scientific grants amounted to £412K (2019 - £94K), made to a total of 42 recipient bodies, including to the International Canine Health Awards and to a scheme launched to provide emergency funding for canine welfare organisations significantly affected by the outbreak of the Covid pandemic.

Details of all grants made are shown in Note 2.

The Trustees have also agreed a new strategy, which launched in May 2021, to develop its own fundraising income streams, increasing the financial resilience of the Trust, providing additional resources to fund canine medical research, and to reduce reliance on donations from the Kennel Club in funding the Trust's activities. The Trustees have been advised in developing this strategy by a third-party consultancy, Gifted Philanthropy, as a result of which the initial ambition is to raise £5M through a range of fundraising initiatives over the course of the next 5 years.

Investments and Cash Balances

The Trustees, advised by their professional investment advisors, follow an investment policy which seeks balanced income and capital growth, with a moderate attitude to risk, and within ethical parameters which they have defined recognising the Trust's charitable purpose. The Trust's investments are represented by units in CCLA's Charities Investment Fund.

THE KENNEL CLUB CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2020

Investments and Cash Balances (continued)

There was no change in the content of the Trust's investment portfolio during 2020. The market value of the holdings has increased by £116K (6.4%). With an income yield of about 3.1%, the total return was therefore 9.5%. During a year of volatile investment markets caused by the Covid pandemic, the Trustees regard this as a strong investment performance (compared to the FTSE100 which declined during 2020).

CCLA, our investment managers and advisers, have a benchmark of achieving an inflation (RPI) adjusted return of an average of 5% pa over the business cycle (say 5-7 years); and also measure their performance against a composite comparator index.

The Trust's cash balances increased over the year by £164K (2019 decrease of £362K).

Reserves

The Trust's reserves increased by £295K (2019: decrease of £83K) to £ 2,611K.

The Trust had, at 31 December 2020, committed £538K in grants over the next 3 years (see Note 9). In addition, further commitments have been made since the year end.

The Trustees wish to see the level of the Trust's support increase over the next few years, and to be in a position to meet such requests as are considered worthy of support. The fundraising strategy referred to above is a key element in achieving this objective. This includes the welfare objective of the Trust, given an increasing emphasis on breed rescue, in addition to general welfare groups.

In consequence of these commitments and aspirations, the Trustees seek to hold an amount of at least two years' future grants in reserves. As at 31 December 2020, reserves represented approximately 3 years of future grants. The Trustees are satisfied that the level of reserves is not only adequate but remains appropriate.

Risks

The Trustees have during the year reconsidered the major risks to which the Trust may be exposed and concluded that they have in place controls which could reasonably be expected to manage and control (but not eliminate) those risks, and thus protect the financial and reputational standing of the Trust. Since the year end the Trustees have put in place additional safeguards to manage the further risks inherent in the fundraising strategy.

Grant making policy

All applications are fully considered by the Trustees against specific criteria and with the support of specialist advice where appropriate. The latter includes peer review of substantial scientific applications. Grants are approved by the Trustees collectively. Generally, applications purely for building costs, or requests from individuals or from organisations whose concern is not predominantly with the dog do not receive favourable attention.

The Trust's work is advertised through the Kennel Club website, in the Kennel Club Journal and by direct contact with individuals, societies and universities, as well as in the Directory of Grant Making Trusts and other listings of charities.

Furthermore, the Trustees are continuing their attempts to develop wider publicity programmes, including at Crufts, in order to bring the Trust's activities to a wider audience, of both benefactors and applicants for the Trust's funding. A revised legacy document was published in 2014.

Recruitment, induction and training of Trustees

The policy for recruitment of new Trustees is to consider nominations from the existing Trustees and from the Board of the Kennel Club Limited. Induction and training are conducted by encouraging a potential Trustee to attend a "trial" meeting of the Trustees, and by providing copies of the Trust Deed, the latest accounts and Minutes, and the Charity Commission's booklet "The Essential Trustee". Where the individual is inexperienced in the role of being a Trustee, one-on-one training is provided. Where and when necessary, and particularly where new requirements for Trustees are introduced by law and/or the Charity Commission, attendance at seminars or individual tuition is arranged.

THE KENNEL CLUB CHARITABLE TRUST
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2020

Public Benefit

The Trustees are fully aware of the Charity Commission's views and requirements on the subject of public benefit.

The whole purpose of the Trust is to improve the health and welfare of dogs, and to provide healthy and trained canine companions to human beings.

The Trust accepts grant applications across a broad base, within the confines of the UK and within the Objects of the charity. It operates an open process, assessing applications on the basis of credibility of the applicant, the assessed efficiency of the proposed object for support and the likely ability of the recipient to fund themselves on a continuing basis.

Estimates of the number of dogs in the UK range from six to ten million. This includes pedigree, purebred, crossbreed and mongrel dogs - the Trust makes no distinction as regards the recipients of its funding.

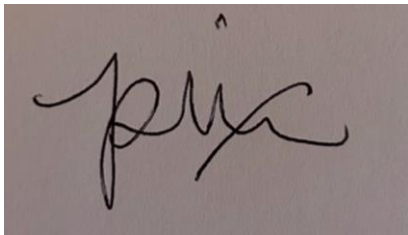
The list of grants in Note 2 indicates the breadth of institutions supported, and Press Releases expand on some of these case studies.

The Trustees believe that the Trust clearly provides a public benefit, without discrimination, and that each of its Objects incorporates this feature in positive terms.

Thanks

The Trustees wish to thank Her Majesty The Queen for her continuing interest and support; Sir John Spurling for his encouragement and expertise in his role as Vice-President; the Trust's Ambassadors; all donors, including especially the Kennel Club and Agria Pet Insurance; and all the recipients of our grants who work for the benefit of dogs and their health and welfare. With us, they help "make a difference for dogs".

On behalf of the Trustees:

A handwritten signature in black ink on a light-colored background. The signature is cursive and appears to read 'J Millard'.

Mrs J Millard

Date 7 December 2023

THE KENNEL CLUB CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102.

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

In preparing those financial statements the Trustees are required to:

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE KENNEL CLUB CHARITABLE TRUST

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of The Kennel Club Charitable Trust ("the Charity") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report 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. 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 themselves. 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE KENNEL CLUB CHARITABLE TRUST *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities Act 2011, Corporate and VAT legislation, Health and Safety and the Bribery Act 2010.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE KENNEL CLUB CHARITABLE TRUST *(continued)*

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Reviewing a sample of revenue transactions for evidence of whether the revenue has been recognised correctly;
- Assessing significant estimates made by management for bias; and
- Incorporating an element of unpredictability in our testing.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE KENNEL CLUB CHARITABLE TRUST *(continued)***

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

D1FB52C82A114D7...

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date 08 December 2023

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

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

THE KENNEL CLUB CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020

	<u>Notes</u>	<u>2020</u> Unrestricted £	<u>2020</u> Restricted £	<u>2020</u> Total £	<u>2019</u> Total £
INCOME					
Donations received		376,024	399,536	775,560	202,378
Costs borne by the Kennel Club	3	67,545	-	67,545	38,017
Deposit interest		31	-	31	1,053
Interest and dividends on investments		56,097	-	56,097	55,527
		<hr/>	<hr/>	<hr/>	<hr/>
		499,697	399,536	899,233	296,975
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE					
Charitable expenditure					
Promotional costs borne by the Kennel Club	3	67,545	-	67,545	30,821
Fundraising	2	31,080	-	31,080	-
Scientific and Research project support	2	209,714	-	209,714	530,529
Other Grants made	2	235,866	176,500	412,366	94,231
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		544,205	176,500	720,705	655,581
		<hr/>	<hr/>	<hr/>	<hr/>
Unrealised gain on investment assets	4	114,526	1,534	116,060	275,268
		<hr/>	<hr/>	<hr/>	<hr/>
NET SURPLUS/ (DEFICIT) FOR THE YEAR		70,018	224,570	294,588	(83,338)
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 January 2020		1,851,348	464,737	2,316,085	2,399,423
		<hr/>	<hr/>	<hr/>	<hr/>
at 31 December 2020		<u>1,921,366</u>	<u>689,307</u>	<u>2,610,673</u>	<u>2,316,085</u>

All amounts arise from continuing activities.

All gains and losses in the year are included in the Statement of Financial Activities.

The notes on pages 14 to 21 form part of these accounts.

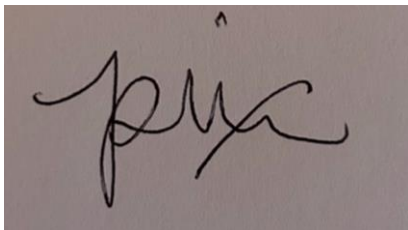
THE KENNEL CLUB CHARITABLE TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2020

	<u>Notes</u>	£	<u>2020</u>	£	£	<u>2019</u>	£
FIXED ASSETS							
Investments	4		1,930,742			1,814,682	
CURRENT ASSETS							
Debtors and accrued income	6	13,898			13,882		
Cash at bank and on short term deposit	5	672,283			508,530		
			686,181		522,412		
CURRENT LIABILITIES							
Creditors			(6,250)			(21,009)	
NET CURRENT ASSETS							
			679,931			501,403	
NET ASSETS							
			2,610,673			2,316,085	
UNRESTRICTED ACCUMULATED FUND							
			1,921,366			1,851,348	
RESTRICTED FUNDS							
	7		689,307			464,737	
			2,610,673			2,316,085	

These accounts have been prepared in accordance with the special provisions relating to small entities regime in accordance with the provisions of FRS102 Section 1A - Small Entities.

The notes on pages 14 to 21 form part of these accounts.

The financial statements on pages 12 to 21 were approved and authorised for issue by the Trustees and signed on their behalf on 7 December 2023 by:



Mrs J Millard

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

(a) Basis of accounting

The entity is a trust established in England at 10 Clarges Street, London W1J 8AB. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, including the July 2015 Section 1A 'Small entities' amendments.

The financial statements have been prepared under the historical cost convention.

The accounts of the Charity have been prepared on a going concern basis.

The Charity meets the definition of a public benefit entity under FRS 102.

A summary of the accounting policies, which have been applied consistently, is set out below.

(b) Critical accounting judgements and estimations

In preparing the financial statements, the trustees are required to make estimates and judgements. The items in the financial statements where these judgments and estimates have been made include:

(i) Accruals - The estimate for payables relates to the liabilities not settled at the year end. A review is performed on an individual creditor basis to estimate the amount will be collected.

(c) Cash flow statement

As a qualifying entity (for the purposes of FRS 102 Section 1A Small Entities), the charitable entity has taken advantage of the reduced disclosure framework exemption from requirement to prepare a statement of cash flows.

(d) Donations and legacies

Donations are accounted for as soon as there is an entitlement and the amount is measurable and receipt probable.

A donation in kind was received during the year from The Kennel Club amounting to £67,645 (2019 - £38,017). Donated services are recognised when the benefit to the charity is reasonably quantifiable. The value placed on these resources is the estimated value to the charity of the service received.

(e) Investments and investment income

Investments are included at market value as required by the Statement of Recommended Practice. Unrealised gains or losses on revaluation are included in the Statement of Financial Activities. Investment income is included on an accruals basis.

The Trust's investments are represented by units in CCLA's general investment fund. Any charges form part of the movement in the price of those units.

(f) Research project support and grants made

Research project support and grants made are charged to expenditure when performance conditions are met and payment is approved. Where grants are expected to span more than one year, subsequent years' awards are subject to conditions (for example, the requirement for progress reports to be presented to the Trustees) and are shown as Commitments (see Note 9).

(g) Employees

There were no employees during the year (2019 - Nil).

(h) Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of three months, from the date of acquisition, or less and bank overdrafts. All cash and short-term deposits are basic instruments and are measured at amortised cost.

(i) Debtors

Trade and other debtors are recognised at the settlement amount.

(j) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

2 DIRECT CHARITABLE EXPENDITURE

	<u>2020</u>	<u>2019</u>
	£	£
Payments from unrestricted funds		
Animal Health Trust - KC Genetics Centre	69,000	103,500
Animal Health Trust	9,000	48,750
Canine Partners	-	23,303
Royal Veterinary College	93,838	92,162
Roslin Institute	-	47,494
University of Cambridge	24,876	17,800
University of Birmingham	3,000	-
University of Glasgow	<u>10,000</u>	<u>-</u>
	<u>209,714</u>	<u>333,009</u>

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

2 DIRECT CHARITABLE EXPENDITURE (CONTINUED)	<u>2020</u>	<u>2019</u>
	£	£
Payments from unrestricted funds		
<i>Educational and other grants</i>		
Angels Small Paws Dog Rescue	3,000	-
Autism at Kingwood	9,300	9,036
British Veterinary Nurses Association	6,000	6,000
Cathryn Mellersh	1,689	-
Charge University of Pennsylvania	37,003	-
Dane Care Charitable Trust	3,000	-
Dog Assistance in Disability	-	10,000
Dog Photographer of the Year	-	1,000
Douge de Bordeaux Welfare	1,500	-
Forest Dog Rescue	-	3,000
Friends for Life	9,000	9,000
Garbo's GSD Rescue	3,000	-
Geordie Bullies Springboard Rescue	3,000	-
Gordon Brothers International LLC	10,871	-
Great Dane Care Charitable Trust	5,000	-
Greyhound Gap	27,500	-
H R H Logistics Ltd	1,980	-
Hula Animal Rescue	-	10,000
Hypo Hounds	-	15,000
Innov8ive Software (Anilog)	9,310	7,416
K9 Rescue Remedy	2,000	-
Lancashire German Shepherd Rescue	1,500	-
Leicester & Leicester Animal Aid Association	-	10,000
Mrs D Rennie - PDSA	146	-
North Clwyd Animal Rescue	5,000	-
Oak Tree Animal Charity	-	2,660
Our Special Friends Lts	5,000	-
PDSA	21,916	12,687
Pet Food Bank Service	5,000	-
Pet Fostering Service Scotland	5,000	-
Phoenix Enterprises (Swindon) Ltd	3,024	-
Refuge4Pets	5,000	-
Rushton Dog Rescue	-	5,000
Rain Rescue	5,000	-
Rotherm Dog Rescue	3,000	-
Samfundet Folkhalsan	5,000	-
Special Boat Services Association	5,000	-
Staffy Rescue	-	3,000
Teckels Animal Sanctuaries	3,000	-
Three Counties Dog Rescue	3,000	-
Vets Direct	-	1,985
Wageningen Livestock Research	4,227	4,269
West of England CKCS Club Welfare	2,000	-
Wilmington	-	119
Young Gloucestershire	20,900	-
Payments from previous years	-	(23,137)
Governance cost allocation	-	7,196
	<hr/>	<hr/>
Total	<u>235,866</u>	<u>94,231</u>

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

2	DIRECT CHARITABLE EXPENDITURE (CONTINUED)	<u>2020</u>	<u>2019</u>
		£	£
	Payments from restricted funds		
	Scientific and Research project support		
	International Canine Health Awards	61,000	96,270
	Emergency award Payment	48,000	-
	Animal Health Trust – KC Genetics Centre	67,500	101,250
		<hr/>	<hr/>
		176,500	197,520
		<hr/>	<hr/>
	Educational and other grants	-	-
		<hr/>	<hr/>
		176,500	197,520
		<hr/>	<hr/>
	Summary		
	<i>Unrestricted:</i> Scientific and research project support	209,714	333,009
	Educational and other grants	235,866	94,231
		<hr/>	<hr/>
		445,580	427,240
	<i>Restricted:</i> Scientific and research project support	61,000	96,270
	Emergency Award payment	48,000	-
	Animal Health Trust – KC Genetics Centre	67,500	101,250
		<hr/>	<hr/>
		176,500	197,520
		<hr/>	<hr/>
		622,080	624,760
		<hr/>	<hr/>

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

3 DONATIONS IN KIND

The following donations in kind were received free of charge:

- The Kennel Club Limited provides Trustees' indemnity insurance at a cost of £2,500 (2019 - £2,500);
- The Kennel Club Limited pays for the annual audit of the Kennel Club Charitable Trust, costing £1,500 (2019 - £1,500);
- The Kennel Club Limited provides support for marketing, fundraising and administrative activities, estimated at a cost of £67,545 (2019 - £38,017); and
- The Kennel Club Limited paid expenses of the Trustees amounting to approximately £0 (2019: £3,196).

Donations in kind have been accounted for in the Statement of Financial Activities.

4 INVESTMENTS

	<u>2020</u> £	<u>2019</u> £
Quoted investments		
At market value:		
At 1 January	1,814,682	1,539,414
Unrealised gain	116,060	275,268
Disposal	-	-
	1,930,742	1,814,682
At 31 December	1,930,742	1,814,682
Historical cost at 31 December	1,087,837	1,087,837

At 31 December 2020, investments comprised 107,196 Charities Investment Fund Income Units (2019 – 107,196).

5 CASH AT BANK AND ON SHORT TERM DEPOSIT

The Trust's cash reserves were invested as follows:

	<u>2020</u> £	<u>2019</u> £
Current account with Barclays Bank	597,641	508,409
Current account with Clydesdale Bank	24	24
Deposit account with Metrobank	74,522	96
Deposit account with Metrobank	96	1
	672,283	508,530
At 31 December	672,283	508,530

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

6	DEBTORS AND ACCRUED INCOME	<u>2020</u> £	<u>2019</u> £			
	Bank interest and investment income receivable	13,898	13,882			
<hr/>						
7	RESTRICTED FUNDS					
	Unrealised					
	At 1 January 2019 £	Incoming resources £	gain on investment asset £			
			Resources expended £			
			Transfers £			
			31 December 2019			
	Educational & Other	-	-	-	-	
	International Canine	4,757	103,574	-	96,270	12,061
	Health Awards	-	-	-	-	-
	Ormandy Trust for					
	Bull Terriers	72,453	-	-	-	72,453
	Other	21,040	-	13,763	-	34,803
	Canine Activities	38,422	-	-	-	38,422
	AHT	405,000	-	-	101,250	303,750
	Griffon Bruxellois		3,000	-	-	3,000
	The National Gundog Assoc		248	-	-	248
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	Total	541,672	106,822	13,763	197,520	464,737
<hr/>						
	At 1 January 2020 £	Incoming resources £	Unrealised gain on investment asset £	Resources expended £	Transfers £	31 December 2020
	Educational & Other					
	International Canine					
	Health Awards	12,061	74,521	-	61,000	25,582
	Ormandy Trust for					
	Bull Terriers	72,453	-	-	-	72,453
	Other	34,803	-	1,534	-	36,337
	Canine Activities	38,422	-	-	-	38,422
	AHT	303,750	-	-	67,500	236,250
	Griffon Bruxellois	3,000	-	-	-	3,000
	The National Gundog Assoc	248	-	-	-	248
	VirginMoney (Restricted)		5,749	-	5,734	15
	Donr Ltd		136	-	136	-
	The British Chihuahua Appeal		35,000	-	35,000	-
	Our Dogs Publish J Shaw		5,000	-	5,000	-
	Anna Szabo		1,500	-	1,500	-
	Lesley Field Essc (Ring Fenced)		630	-	630	-
	King Charles Spaniel Club (Restricted)		7,000	-	-	7,000
	The Kennel Club (BOAS)		269,000	-	-	269,000
	Mason & Davies		1,000	-	-	1,000
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	Total	464,737	399,536	1,534	176,500	689,307

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020 (continued)

7 RESTRICTED FUNDS (continued)

In 2012, the Trustees of the Ormandy Trust transferred the balance of their funds to the Charitable Trust, to be used for the benefit of the Bull Terrier and Miniature Bull Terrier breeds. No grants were made from this restricted fund to date, although discussions have been held and await the identification of animals affected by a particular condition.

The Charitable Trust administered and awarded prizes for scientific research into the health of dogs for the eighth time in 2020. Funding for these International Canine Health Awards was again provided by Vernon and Shirley Hill Foundation. Awards were made to

The Deerhound Club
 Dr Urs Giger
 Dr Valeria Bergomi
 Dr Tosso Leeb

“Other” Funds represent ring fenced breed specific donations and also donations made specifically for applications to welfare purposes. The balances at 31 December 2020 represent:

	£
Irish Setters	7,049
Wire Terriers	Fox 3,436
English Spaniels	Springer 1,879
Donations received and unspent re the Trust's welfare	
object 6,754	
BSDTC	304
Dachshund Rescue	1,000
Medical Research	2,806
Unrealised gain on investment	<u>13,109</u>
	<u>36,337</u>

THE KENNEL CLUB CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

8 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted £	Restricted £	Total £
Investments	1,241,435	689,307	1,930,742
Cash at bank and on short term deposit	672,283	-	672,283
Debtors and accrued income	13,898	-	13,898
Creditors	(6,250)	-	(6,250)
	1,921,366	689,307	2,610,673
	1,921,366	689,307	2,610,673

9 CHARITABLE COMMITMENTS

At the date of these financial statements the Trust has committed, subject to conditions to be fulfilled by the recipient organisations, to make the following charitable donations:

		From unrestricted funds £
Year to 31 December		
	2021	134,500
	2022	403,896
		538,396
		538,396

These commitments are primarily in respect of scientific and research project support.

10 RELATED PARTY TRANSACTIONS

The Trustees received no remuneration in connection with their duties during the year. Trustees' expenses are borne by The Kennel Club Limited.

Apart from transactions with The Kennel Club Limited, as disclosed in these financial statements, there were no related party transactions, as defined in Financial Reporting Standard 102.