

**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

Registered in England No. 05393391  
England and Wales Charity No. 1115606  
Scottish Charity No. SC039197

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 March 2022

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

Prof P Wood	Chair
Dr W Amanfu	Chair of Technical Scientific Advisory Committee
	Vice-Chair
	Resigned 14 September 2021
Prof M Gill	Chair of Impact, Monitoring & Evaluation Advisory Committee
Dr I Dieuzy-Labaye	Chair of Commercial Development Advisory Committee
Dr J Maina	Chair of HR Committee
	Vice-Chair (from 14 September 2021)
Mr S Jha	
Mrs J Stevenson FCA	Chair of Finance & Risk Committee
Dr A Banga	
Dr F Kausche	
Dr H Wamwayi	Appointed 14 <sup>th</sup> September 2021
Prof K Pathak	Resigned 31 <sup>st</sup> March 2022

**Chief Executive Officer** Dr C Schumacher

**Company Secretary** Ms H Stevenson CA

**Independent Auditors**

Henderson Loggie LLP  
Chartered Accountants  
Ground Floor, 11-15 Thistle Street  
Edinburgh, EH2 1DF

**Legal Advisors**

Dentons LLP  
Quatermile One  
15 Lauriston Place  
Edinburgh, EH3 9EP

**Bankers**

Lloyds Bank plc  
City Office, PO Box 72  
Bailey Drive, Gillingham Business Park  
Kent, ME8 0LS

**Registered Office**

One Fleet Place  
London, EC4M 7WS

**Principal Office**

Doherty Building  
Pentlands Science Park  
Bush Loan, Edinburgh, EH26 0PZ

**Company No.** 05393391

**England and Wales Charity No.** 1115606

**Scotland Charity No.** SC039197



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**TRUSTEES' REPORT**  
For the year ended 31 March 2022

**INTRODUCTION**

The Trustees have pleasure in presenting their report for the year ended 31 March 2022. This report is prepared in accordance with the recommendations 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)* and in accordance with applicable law.

Global Alliance for Livestock Veterinary Medicines (the company) has complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Global Alliance for Livestock Veterinary Medicines (GALVmed) is a company limited by guarantee and is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator (OSCR). It is incorporated in the UK with its principal office in Edinburgh, UK. Other offices are maintained in New Delhi, India (South Asia office); and Nairobi, Kenya (Africa office). Other reference and administrative details are set out in the previous section.

**OBJECTS, OBJECTIVES AND ACTIVITIES**

**Objects**

Around 900 million poor people rely on livestock for their livelihoods. The company's objects, as set out in its Memorandum of Association, are for the benefit of the public:

- 1) to relieve financial hardship and promote good health (including improving food security) amongst small-holder livestock keepers (small-scale livestock producers) in developing countries through the promotion of affordable vaccines, pharmaceutical and diagnostic products and services aimed at improving the health of their livestock; and
- 2) to promote the effective use of resources to achieve the above charitable purposes through the identification, management, funding and co-ordination of: a) development of livestock vaccines, pharmaceuticals and diagnostics products and services; and b) delivery of these products and services at affordable prices, by working in partnership with others (whether charities, government; private bodies or institutions).

GALVmed's vision is the transformational improvement in the wellbeing and economic progression of small-scale livestock producers (SSPs). GALVmed's mission is to contribute to the transformation of small-scale livestock producers' lives by:

- understanding the constraints to animal health and how to overcome them;
- engaging the animal health industry; and
- ensuring awareness, availability, and adoption of effective animal health interventions.

**Objectives & Activities**

GALVmed achieves its charitable purpose by operating a series of Research and Development (R&D) and Commercialisation programmes, supported by enabling environment and monitoring and evaluation (M&E) activities, funded principally by the Bill and Melinda Gates Foundation (BMGF) and the UK Government through its Foreign, Commonwealth and Development Office (FCDO). These programmes are designed to identify products that SSPs can use to improve the health of their animals and to make such products more easily accessible. The two largest of these programmes are Veterinary Innovations Transforming Animal Health and Livelihoods (VITAL), with a budget of \$50m, and African Animal Trypanosomiasis (AAT) 3, with a budget of \$22.5m. 7 other programmes are also being operated, with values ranging from \$0.5m to \$5.0m (see note 12 for further programme information).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Governance of the company is the responsibility of the Trustees and the company adopts the appropriate principles and recommended practices of the Charity Governance Code. The Members elect the Trustees in



accordance with the terms of the Memorandum and Articles of Association.

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**Trustee Recruitment, Induction, Training and Evaluation**

The maximum number of Trustees permitted by the company's Articles is 10. Trustees are recruited for their individual skills and experience to fill current or impending vacancies, guided by a comprehensive skills and diversity matrix. Trustees serve a term of 3 years subject to a maximum of two consecutive terms and Board and AGM approval. Recruitment of Trustees is managed by a Trustee Selection Panel comprising 3 Trustees of which one is the HR Committee Chair. One Trustee retired in 2022 and was replaced at the AGM in September 2021 following an extensive recruitment process. Following the resignation of one other Trustee in March 2022, a further recruitment process is currently ongoing.

A formal Trustee induction process is in place to ensure clarity of the role of the Trustee and their responsibilities under company and charity legislation. Trustees, new and current, also receive training on their legal responsibilities annually prior to the AGM, although this did not take place in 2021 due to COVID-19. During the year trustees received training on financial compliance.

Trustee evaluation takes place annually and is based on self-assessment, peer-assessment and annual performance interviews with the Chair and Vice-Chair; the process includes procedures for identifying development requirements.

**Trustees' and Members' Meetings and Business**

Trustees meet formally four times a year, normally with two virtual and two physical meetings, the same time at which Members' meetings are physically held. Due to COVID-19 the majority of meetings were, successfully, held virtually. In March 2022, with the relaxation of some COVID restrictions, the Board met in Senegal face-to-face for the first time since September 2019, with some virtual attendees. The opportunity to hold a variety of other governance meetings was also taken. The business of all meetings is minuted.

On 31 March 2022 there were 15 Members and 9 Trustees. In addition, observers from 5 organisations, including BMGF and FCDO, the company's major funders, are invited to attend the Members' meetings, with the funders also invited to meet separately with the Board.

The Board is supported by the Finance & Risk and HR committees, to whom aspects of day-to-day accountability and governance are delegated. The HR Committee is also responsible for safeguarding. There are also three advisory committees - the Technical Scientific, Commercial Development (CD) and Impact, Monitoring and Evaluation committees. These committees provide guidance to the Board through the involvement of external experts.

**Strategy and Decision Making**

Development of the company's strategy for the achievement of its charitable objectives is overseen by the Board of Trustees and evolved by the Executive Directors. GALVmed's 2030 Strategy and the implementation plan was approved by the Board on 23 March 2021. In 2021-22, communication and funder relation strategies have been developed in collaboration with the Board, Members, funders and other key stakeholders.

In the year, the company commenced execution of the 2030 Strategy. The approach has been multi-faceted: extensive discussions with funders on project ideation; identification and formalisation of a strategy execution framework; and development of a partner strategic engagement process. The related corporate objectives and budget are set out in the Annual Plan. Progress in achieving these objectives is assessed by the Board through reports by the Chief Executive and the Executive Directors at Board meetings. Strategic and operational issues are brought to the Board for assessment and direction as required.

**Key Management Remuneration**

Key management includes the Chief Executive (CEO) and Executive Directors of the company who operate as the GALVmed Leadership Team (GLT).

The HR Committee has responsibility delegated to it for setting the framework for key management remuneration. The main responsibilities of the Committee in relation to key management remuneration are:



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- to determine and agree with the Board the broad policy for key management's remuneration.
- to approve the design, determine targets and approve payments of any performance related schemes; and
- to determine the total remuneration package of each member of the GLT.

The performance related pay scheme, which is based on departmental, and individual objectives developed from the corporate objectives, is applicable to all employees. This was implemented this year following its development in the prior year.

### **Diversity**

The diversity of the Trustees, GLT and staff at 31 March 2022 is:

	Gender		Ethnicity		
	Male	Female	African	Asian	Caucasian
Trustees	5	4	3	1	5
GLT	3	3	2	-	4
Staff	9	14	9	3	11

### **Safeguarding**

GALVmed is committed to addressing safeguarding throughout its work. It does so through a specific set of policies and procedures that include: Safeguarding Policy (which explicitly addresses prevention, reporting and response); Trustee and GLT training (on commencement and biennial thereafter); all-staff awareness; and contractual commitment to safeguarding by its partners and consultants. No safeguarding issues were reported in the year.

### **Partnerships and Related Parties**

Partnerships with entities to whom research and development, commercialisation and other work can be subcontracted is a key part of the way the company operates and is instrumental in allowing it to pursue its charitable objectives. The company initiates, facilitates, brokers and contributes to such partnerships from two perspectives: 1) specific partnerships to deliver and support programme achievement and impact; and 2) higher level strategic partnerships to initiate and advance the livestock agenda. All such relationships are formalised through Memoranda of Understanding, Confidentiality Agreements and Contractual Agreements. All contractual arrangements and related party transactions (detailed in Note 17 to the Financial Statements) are conducted at arm's length.

## **STRATEGIC REPORT**

### **Performance and Achievements**

#### *Key Performance Indicators*

The Trustees and GLT assess the financial and operational performance of each programme using the following key performance indicators (KPI):

- detailed milestones within specific activities as defined in the funder agreement for each programme;
- quarterly KPI dashboards, providing quantitative and qualitative measure of delivery across all functions;
- monthly and quarterly actual expenditure against Board approved budget and forecasts; and
- achievement of the annual corporate objectives.

The Advisory and Board Committees oversee the financial and operational performance of organisational and programme activities quarterly.

In addition, service level agreements have been established for all service-related functions, performance of which is assessed quarterly.



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*Key Achievements*

The company has made good progress during the year in achieving its charitable purpose. Its corporate objectives for the year to 31 March 2022 together with key achievements are:

Objective	Achievements
<b>Strategic</b>	
Execute the GALVmed 2030 Strategy including the completion of the Strategy Execution Handbook and partner engagement process development. Conduct the BMGF VITAL mid-term evaluation, including consideration of a no-cost extension and a new funding mechanism.	
	Execution of the 2030 Strategy was initiated with key priorities identified and actively managed through weekly meetings. The exercise culminated in: 1) development of a partner engagement process and related tools; 2) the drafting of a Strategy Execution Handbook (a framework to guide, operationalise and standardise the successful execution of the Strategy); 3) Successful completion of the BMGF VITAL mid-term review which provided a solid foundation for engagement with GALVmed's funders on future funding opportunities resulting in submission, and progression of a funding proposal to BMGF for a 2-year bridging grant, incorporating a no-cost extension for the VITAL programme. Approval is expected by June 2022.
<b>Tactical</b>	
Deliver VITAL, AgResults, AAT 3, BI Last Mile, TAHSSL, PREVENT and other programme outputs on plan and budget.	
	All programmes are progressing well, despite some delays (mainly COVID-19 related), to the satisfaction of partners and funders. The company successfully secured funding for two new programmes of \$6.3m, TB Control Tools and MAHABA, which were effectively resourced and integrated into GALVmed's operations. BI Last Mile was completed on target in the year.
<b>Process</b>	
Ensure strategy and project delivery is underpinned by appropriate human resourcing and efficient processes – including: implementing new organisational structure, including a replacement R&D Director; improving staff development processes, including training and coaching; and reviewing data management and storage processes and integrated project management systems.	
	A key element of the Strategy Implementation Plan was the review and restructure of GALVmed to maximise on skills and expertise utilisation. This was successfully undertaken and effective from October 2021 including the appointment of a new R&D Director. The approach to staff development was improved with a training catalogue and coaching opportunities to be rolled out in 2022-23. A successful data management project was carried out, where all data was migrated to SharePoint, and data management procedures were enhanced.
<b>Outreach</b>	
Expand GALVmed's engagement with external stakeholders including; communication approach reviewed and optimised; strategy communication plan defined; partner engagement goals defined; and Board actively supported to identify new Members and Trustees.	
	The communication approach was reviewed for reach and impact and included the completion of internal and external stakeholder surveys and the roll out of communication plans. The Stakeholder Management and Partner Engagement process was also developed with strategy socialisation to be launched in 2022-23. Stakeholder mapping and engagement planning is ongoing and is complemented by enhanced CEO engagement with partners. One new trustee has been recruited to the Board, and one new member, Hester Biosciences Limited, has joined.
<b>Development</b>	
Broaden GALVmed's funding base and secure fresh funding in line with GALVmed 2030 Strategy.	
	Five concept notes (an outline proposal for a project) have been developed and submitted, four subsequent funding proposals were submitted, with two approved during the year. In addition, a funding proposal for a two-year bridging grant was submitted. This will allow for the continuity of VITAL project delivery and development of R&D and CD strategic project proposals, the latter of which BMGF and the animal health industry are engaged in reviewing and refining, prior to submission for funding in 2022-23. Securing funding from current funders has been prioritised but a Board working group on African Funders Diversification was established resulting in screening of the African funding environment with 11 diversification topics identified for further analysis and vetting with potential funders in 2022-23.





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*The Impact of our Work*

GALVmed's mission is to contribute to the transformation of smallholder farmers' lives by ensuring awareness, availability and adoption of effective animal health interventions which have a beneficial impact on livelihoods.

In 2019 research was commissioned by GALVmed on one specific area of our work. It showed the increased uptake in vaccines to counter Newcastle Disease in poultry had the effect of increasing flock size thereby improving the income of the poultry keepers and the amount of protein consumption and increasing the amount which was spent on household education. We have a wide range of animal health products and developing products and markets are steps on GALVmed's pathway to generating impact, the key indicator of success. The complexity of GALVmed's environment necessitated the launch of a substantial review of impact in two phases, the first of which, through a series of internal workshops, considered the determinants of GALVmed's impact, the impact pathway, modelling, framework and frame of reference. The second phase in 2022-23 will focus on and frame, GALVmed's theory of change, indicators of impact, impact measurement (in conjunction with modelling) and ultimately to link impact to organisational performance.

During 2021-22 a broad portfolio of animal health products has been sold through multiple initiatives across various geographies, including VITAL, BI Last Mile and PREVENT. Collectively an estimated 685 million doses of vaccines and therapeutics have been sold to SSP customers across 13 countries (India, Nepal, Kenya, Tanzania, Senegal, Ghana, Cameroon, Mali, Nigeria, Burkina Faso, Ethiopia, Chad and Ivory Coast).

It is recognised that early insight regarding the generation of SSP impact through these initiatives is key, and it is also recognised that a primary objective of the Commercial Development initiatives is financial viability, therefore both components are actively monitored and reported on. To this end, GALVmed employs a strategic decision-making tool the "Impact Framework", which comprises of three components:

1. SSP Customer Number Model
2. Product Portfolio / Customer Profile Matrix
3. Impact Model

The outputs of the Impact Framework allows GALVmed to estimate the number of SSP customers who have been served with animal health products, and to estimate the economic benefit per SSP customer. The approximate estimates of impact generated and understanding of the factors which facilitate delivery of impact inform strategic decisions on where to target resources.

**Financial Review**

Income in the year was £13.4m (2021: £16.9m) and total resources expended were £11.6m (2021: £11.2m).

*Income*

Restricted income of £12.2m (2021: £15.8m) includes £1.8m in respect of AAT 3 and £6.6m in respect of VITAL; funding for other programmes totalled £3.9m. Unrestricted income of £1.1m was received (2021: £1.1m) from contributions from programmes to overheads, and from interest.

*Expenditure*

Expenditure remained broadly consistent at £11.6m (2021: £11.2m). VITAL costs of £5.6m continue to make up the largest proportion of expenditure, 48% (2021: 50%). Expenditure on AAT 3 has decreased to £2.5m, 22% (2021: £3.1m, 28%). Unrestricted spend has remained broadly consistent at £0.8m (2021: £0.7m).



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*Unrealised Exchange Gains/Losses*

An unrealised exchange gain of £0.7m has arisen (2020-21: loss of £1.6m) on the conversion of foreign currency balances at year end exchange rates. The gain is a result of the weakening of Sterling against the US Dollar (in which most of the company's funding is received) from 1.38 to 1.32 in the year. The company minimises the effects of currency fluctuations by taking a number of steps, including contracting in the funded currency where possible and optimising the timing of foreign currency conversions.

*Balance Sheet*

The level of cash held has increased from £14.2m to £17.2m in the year as a result of advanced AAT 3 funding.

*Liquidity Management Policy*

The company's liquidity management and investment objectives, responsibilities, risk, and strategy are clearly set out in a Liquidity Management Policy which is subject to review annually. The related liquidity and investment activity is reviewed quarterly by the Finance & Risk Committee.

*Climate Change*

The Board is committed to reducing the company's greenhouse gas emissions, particularly those resulting from air travel. The Company generated and offset 68 tonnes of emissions in the year (2019-20 (pre-COVID): 250 tonnes), following the lifting of COVID-19 travel restrictions from February 2022. Carbon offset is through investment in like-purposed initiatives. In future, given the successful adaption by GALVmed to travel restrictions during COVID-19, alternatives to air travel will be a pre-requisite consideration before travel is undertaken.

*Reserves*

Reserves at 31 March 2022 total £16.5m (2021: £14.0m), of which available funds not tied up in fixed assets amount to £16.5m (2021: £13.9m). Reserves related to restricted funds of £13.6m (2021: £11.5m) mainly relate to advance funding for AAT 3.

*Unrestricted Reserves Policy*

Unrestricted reserves at 31 March 2022 amount to £2.9m (2021: £2.5m). From this amount, the Trustees have established a designated fund of £1.3m (2021: £0.9m) which comprises unrestricted reserves that have been set aside for a particular purpose, in this case for any future shortfall in the recovery of overhead costs from programmes.

The objective of the company's unrestricted reserves strategy is to build sufficient funds to protect the company from any adverse changes in its financial circumstances and to pursue operational opportunities that, in the initial phase, are not funded by 3<sup>rd</sup> parties. By considering a variety of risks, the Trustees have concluded that £1.1m of unrestricted reserves should be ring-fenced to cover possible adverse events or circumstances. Additional unrestricted reserves are currently held to ensure financial sustainability in the event that VITAL Bridging funding is not received and to allow for the future investment in the 2030 Strategy. The unrestricted reserves policy is reviewed every 6 months to ensure that it reflects current circumstances.

**Future Plans**

*Objectives*

GALVmed is operating in accordance with the vision of the 2030 Strategy. This builds upon the evolution of the company since inception as a product development partnership working on a strong portfolio of new products, technologies and processes while continuing to facilitate scale-orientated commercial development initiatives.

GALVmed has identified the following key objectives for 2022-23:



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<b>Objective</b>	
<b>Strategic</b>	Execute GALVmed 2030 Strategy including: developing R&D project pipelines and analysing the strategic themes; evolving the CD SEAMLISS platform and business case; developing downstream last-mile bridging strategies; and developing the proposal for R&D and CD project portfolios in South Asia.
<b>Tactical</b>	Deliver VITAL R&D, AgResults Brucella & FMD, Tryps, ASF, Bovine TB, TAHSSL, VITAL CD, PREVENT, MAHABA on plan and on budget.
<b>Process</b>	Ensure strategy and project delivery is underpinned by appropriate human resourcing and efficient processes through: 1) implementing a new staff learning & development programme; 2) evolving the M&E methodology to evaluate & reflect GALVmed's output, outcomes and impact generation; 3) identifying key principles of knowledge management processes; 4) rolling out and embedding the Strategy Execution Handbook; 5) embedding 6-4 Project Management principles into all new projects; 6) assessing key systems including project risk management; and 7) ensuring that GALVmed is staffed appropriately with succession plans in place.
<b>Outreach</b>	Expand GALVmed's engagement with external stakeholders by: finalising and launching the GALVmed 2030 Strategy communication plan and tools; updating the corporate communication deck; cultivating active partner engagement; and supporting new Members and Trustees identification and induction.
<b>Development</b>	Broaden GALVmed's funding base and secure fresh funding in line with GALVmed 2030 Strategy, including: securing funding for TAHSSL and VITAL bridging; ensuring future sustainability of core costs; engaging with new funders including the exploration of the African funding environment; and consideration of the long-term sustainability of GALVmed.

### *Financial*

The 2022-23 expenditure budget is £14.6m, a 27% increase on 2021-22 actual expenditure. This increase is mainly because of the increased AAT 3 sub-award activity as the programme progresses through the developmental stage.

### **Principal Risks and Uncertainties**

#### *Risk Management*

The company's governance structure includes risk management. During the year significant work was undertaken to strengthen risk management. Risk appetite statements were identified for each risk category and incorporated into the Risk Management Policy, the structure and content of which was amended to strengthen risk identification and management. The structure of the Corporate Risk Register was amended to focus on net risk post mitigation instead of gross risk. The approach to project risk management is being overhauled to increase synergy with corporate risk management and ultimately ensure greater visibility, aggregation, and escalation of project risks.

The Risk Management Policy details the company's risk management objectives, processes, reporting and responsibilities. The Risk Register highlights the major risks to which the company is exposed and for each risk the score, lead risk owner, mitigations and actions stated. It is maintained to support strategic, financial, and operational planning and therefore to assist in achieving the company's objectives and targets. The key risks, that GALVmed faces at the time of this report, and key mitigations, are:



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<b>Risk</b>	<b>Key Mitigations</b>
Failure to design and implement projects which achieve economic impact for small-scale livestock producers	Pursue the routes to SSP markets before product development is completed
Geo-political instability impacts on GALVmed's beneficiaries, operations, and resources	Be vigilant of the multi-faceted impact through a separate risk register (includes: cost of SSPs inputs & supply chain)
Loss of highly experienced key staff impacts on project delivery, reputation & staff morale	Succession planning and managing staff expectations on career progression perspective
Barriers to product registration reduces product availability	Support harmonisation of product registration in Africa and engage with international organisations
Failure to deliver by partners affects the outcomes and impact	Stringent identification, contracting and management of partners through policy and procedures adoption
Data security breach results in loss of, or corrupted, data	Multi-pronged systems, software, support and user awareness approaches to ensure robust mechanisms and ever cautious

Important financial risks are the possible loss of bank deposits through fraud or theft, currency risk, liquidity risk and dependency on limited funding sources. The risk of loss of bank deposits is managed through the bank mandates in place and continued vigilance. Currency and liquidity risk are managed by following the Liquidity Management Policy. The 2030 Strategy and Funder Relations Strategy aims to address the limited funding sources issue.

#### **COVID-19**

The risks surrounding COVID-19 were identified at the start of the pandemic in a separate Risk Register. It considers risk across 3 categories (people, projects and finance) and notes for each risk the mitigation, actions, lead risk owner and target date for mitigation. The COVID-19 Risk Register, amongst other related matters were considered fortnightly by the COVID Crisis Management team.

The impact of COVID-19 on the company over the past year and on an ongoing basis has been considered. With the easing of restrictions in 2021-22 and a successful vaccination programme in the UK, Kenya and India all offices were successfully reopened in February 2022. Travel restrictions were also lifted in February 2022, with the first face-to-face Board meeting since 2019 held in Senegal in March 2022. Programme funding has not been impacted by COVID-19. To date, the majority of programmes have continued to deliver, but with COVID-19 related challenges experienced by most. It is expected that all programmes will continue to be delivered in full with project extensions expected across the VITAL, TAHSSL and Brucellosis programmes to accommodate COVID-19 delays.

#### **GOING CONCERN**

The Board of Trustees has considered the financial position of GALVmed for the next twelve months and concluded that the use of the going concern basis of accounting is appropriate. Funding for the VITAL programme ends in September 2022. Prior to this all direct (project support) costs are funded through VITAL with sufficient contribution from this and all other current programmes to fully cover indirect (organisational) costs. Other programmes are fully funded.

There is currently no confirmed funding for direct costs beyond October 2022. We are in the final stages of applying for funding from the Bill & Melinda Gates Foundation for a two-year bridging period to September 2024 to enable completion of the VITAL programme, continuity of other project commitments and to evolve future project proposals. While formal confirmation of funding is not expected until July 2022, based on discussions with our funders we are confident that funding will be approved prior to October 2022.

In the event that VITAL bridging funding is not received, or confirmation is delayed, there are sufficient designated reserves to cover direct costs and the shortfall in indirect costs to May 2023. The remaining shortfall (to cover the period of 12 months from signing the financial statements) can comfortably be funded from general unrestricted





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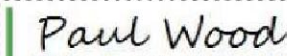
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reserves, while maintaining the balance of this reserve at £1.5m. There is therefore sufficient reserves to maintain GALVmed as a going concern for at least twelve months from the date of signing the financial statements.

**AUDITORS**

Henderson Loggie LLP, Chartered Accountants, were reappointed as auditors to the company at the Annual General Meeting in 2017. Their re-appointment was approved up to a maximum 10 years from the date of their first appointment in 2011 subject to annual consideration by both parties. A further one-year extension in respect of the 2021-22 financial year was approved at the AGM in September 2021.

The Trustees' Report including the Strategic Report was approved by the Board of Trustees and signed on their behalf by:

  
Paul Wood – 2022-06-21, 11:22:16 UTC

Prof P Wood



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**RESPONSIBILITIES OF THE TRUSTEES**  
For the year ended 31 March 2022

The Trustees (who are also the Directors for the purposes of company law) are responsible for the preparation of the Trustees' Report, including the Strategic Report, and financial statements in accordance with applicable law and regulations.

Law applicable to incorporated charities in Scotland requires the Trustees to prepare an annual report and financial statements for each financial year in accordance with applicable law and regulations. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company 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 at the end of the year and of its financial activities including its income and expenditure during the year then ended. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper and adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

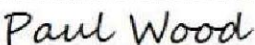
The Trustees are also responsible for the maintenance and integrity of the charity.

The Trustees have fulfilled their legal responsibilities with respect to the Trustees' Report, Strategic Report, and Financial Statements.

**Statement of Disclosure of Information to Auditors**

To the knowledge and belief of each of the persons who is a Trustee at the time this report is approved:

- a) So far as the Trustee is aware, there is no relevant information of which the organisation's auditors are unaware; and
- b) He/or she has taken all steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

  
Paul Wood - 2022-06-21, 11:22:16 UTC

Prof P Wood



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES**  
For the year ended 31 March 2022

**Opinion**

We have audited the financial statements of Global Alliance for Livestock Veterinary Medicines (the 'charitable company') for the year ended 31 March 2022 which comprise the Income and Expenditure Account and Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow 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 FRS 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 31 March 2022 and of 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 Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) 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**

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 other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES**  
For the year ended 31 March 2022

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

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

- the information given in the Strategic Report and the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have 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 Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities 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 company 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 sections 144 of the Charities Act 2011 and 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Enquiring with management about any known or suspected instances of non-compliance with laws and regulations, including GDPR and employment law, and fraud;
- Review of correspondence with regulators including OSCR, the Charities Commission for England and Wales and the Health & Safety Executive;
- Review of legal fee expenditure and board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
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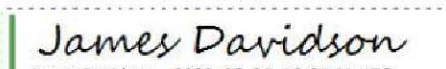
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES**  
**For the year ended 31 March 2022**

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); GDPR; and compliance with the UK Companies Act and the Charities legislation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance. A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the Members of Global Alliance for Livestock Veterinary Medicines, 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 Section 154 of the Charities Act 2011, Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the Members and the charitable company'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 charitable company, its Members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
James Davidson - 2022-06-21, 12:04:11 UTC

**James Davidson (Senior Statutory Auditor)**  
**For and on behalf of Henderson Loggie LLP**  
**Chartered Accountants**  
**Statutory Auditor**  
**Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006**

Ground Floor, 11-15 Thistle Street  
Edinburgh  
EH2 1DF



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**INCOME AND EXPENDITURE ACCOUNT AND  
STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 March 2022

	Notes	Unrestricted	Restricted	Total 2022	Total 2021
		£	£	£	£
<b>Income from:</b>					
Charitable Activities	2	1,119,977	12,237,307	13,357,284	16,913,549
Investments		1,286	4,352	5,638	13,778
<b>Total Income</b>		<u>1,121,263</u>	<u>12,241,659</u>	<u>13,362,922</u>	<u>16,927,327</u>
<b>Expenditure on:</b>					
Charitable Activities	3	795,618	10,755,737	11,551,355	11,191,562
<b>Total Expenditure</b>		<u>795,618</u>	<u>10,755,737</u>	<u>11,551,355</u>	<u>11,191,562</u>
<b>Net Income</b>	5	325,645	1,485,922	1,811,567	5,735,765
<b>Other Recognised Gains/(Losses):</b>					
Unrealised Gain/(Loss) on Foreign Exchange	6	121,130	596,879	718,009	(1,629,707)
Net Movement in Funds		<u>446,775</u>	<u>2,082,801</u>	<u>2,529,576</u>	<u>4,106,058</u>
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward at 1 April 2021	12	<u>2,492,229</u>	<u>11,509,420</u>	<u>14,001,649</u>	<u>9,895,591</u>
Total Funds Carried Forward at 31 March 2022	12	<u>2,939,004</u>	<u>13,592,221</u>	<u>16,531,225</u>	<u>14,001,649</u>

All the results of the company relate to continuing activities.

The company has no recognised gains or losses other than those set out above.

The notes on pages 19 to 30 form part of these financial statements



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**BALANCE SHEET**  
As at 31 March 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	8		31,657		61,972
<b>Current Assets</b>					
Debtors	9	267,990		552,820	
Bank and Cash Balances	10	17,242,227		14,151,954	
		<u>17,510,217</u>		<u>14,704,774</u>	
<b>Liabilities:</b>					
Creditors: Amounts Falling Due Within One Year	11	(1,010,649)		(765,097)	
		<u></u>		<u></u>	
<b>Net Current Assets</b>			16,499,568		13,939,677
<b>Total Net Assets</b>			<u>16,531,225</u>		<u>14,001,649</u>
<b>Unrestricted Funds</b>					
General Reserve	12		1,617,810		1,600,798
Designated Funds	12		1,321,194		891,431
Total Unrestricted Funds			<u>2,939,004</u>		<u>2,492,229</u>
<b>Restricted Income Funds</b>	12		13,592,221		11,509,420
<b>Total Funds</b>			<u>16,531,225</u>		<u>14,001,649</u>

The financial statements were authorised for issue and approved by the Trustees.

*Paul Wood*  
Paul Wood – 2022-06-21, 11:22:16 UTC  
Prof. P Wood  
Company No: 05393391

The notes on pages 19 to 30 form part of these financial statements



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
For the year ended 31 March 2022

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Cash Flows from Operating Activities:</b>			
<b>Net Cash Provided by Operating Activities</b>	<b>16</b>	2,379,256	5,477,874
<i>Cash Flows from Investing Activities:</i>			
Interest from Investments		2,628	18,611
Purchase of Property, Plant and Equipment		(9,620)	(13,787)
Net Cash Used in/(Received from) Investing Activities		(6,992)	4,824
<b>Change in Cash and Cash Equivalents in the Reporting Period</b>		2,372,264	5,482,698
Cash and Cash Equivalents at the Beginning of the Reporting Period		14,151,954	10,298,963
Change in Cash and Cash Equivalents due to Exchange Rate Movements		718,009	(1,629,707)
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>		<u>17,242,227</u>	<u>14,151,954</u>
 <b>Analysis of Cash and Cash Equivalents</b>			
Bank and Cash Balances		<u>17,242,227</u>	<u>14,151,954</u>

The notes on pages 19 to 30 form part of these financial statements



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year to 31 March 2022

**1. Accounting Policies**

*Basis of Accounting*

GALVmed is a public benefit entity. The financial statements have therefore been prepared in accordance with the Companies Act 2006, applicable accounting standards, Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended in 2010, and the Charities Act 2011. They have also been prepared under historical cost accounting rules. The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

*Going Concern*

The Board of Trustees has considered the financial position of GALVmed for the next twelve months and concluded that the use of the going concern basis of accounting is appropriate. Funding for the VITAL programme ends in September 2022. Prior to this all direct (project support) costs are funded through VITAL with sufficient contribution from this and all other current programmes to fully cover indirect (organisational) costs. Other programmes are fully funded.

There is currently no confirmed funding for direct costs beyond October 2022. We are in the final stages of applying for funding from the Bill & Melinda Gates Foundation for a two-year bridging period to September 2024 to enable completion of the VITAL programme, continuity of other project commitments and to evolve future project proposals. While formal confirmation of funding is not expected until July 2022, based on discussions with our funders we are confident that funding will be approved prior to October 2022.

In the event that VITAL bridging funding is not received, or confirmation is delayed, there are sufficient designated reserves to cover direct costs and the shortfall in indirect costs to May 2023. The remaining shortfall (to cover the period of 12 months from signing the financial statements) can comfortably be funded from general unrestricted reserves, while maintaining the balance of this reserve at £1.5m. There is therefore sufficient reserves to maintain GALVmed as a going concern for at least twelve months from the date of signing the financial statements.

*Fund Accounting*

Funds received on which no restrictions are placed as to their use are accounted for as unrestricted funds. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in note 12.

Funds received for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose, are accounted for as restricted funds.

*Income*

Funds received are recognised as income from charitable activities once there is entitlement, reasonable probability of receipt and the amount can be measured with sufficient reliability. Income is deferred where funder-imposed conditions that specify the time period in which the funds can be spent have not yet been met.

Investment income is recognised as earned.

*Value Added Tax (VAT)*

Expenditure is accounted for inclusive of VAT where appropriate as the company is not registered for VAT.



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year to 31 March 2022

**1. Accounting Policies (continued)**

*Pension Scheme*

The company provides a defined contribution pension scheme for its staff and the pension charge in the Statement of Financial Activities (SOFA) represents the amounts payable by the company to the Company Personal Pension Scheme in respect of the year.

*Operating Leases*

Rentals payable under operating leases are charged to the SOFA on the straight-line basis over the lease term.

*Expenditure*

Expenditure is recognised on the accruals basis when a legal and constructive obligation exists. Expenditure through contractual agreements is recognised as goods and services are supplied. Grant payments are recognised as expenditure when payments are due in accordance with the terms of the contract.

Costs incurred by the company in the delivery of its activities and services are accounted for as charitable expenditure and categorised in the SOFA by the main activities of the company. Each category includes direct costs and support costs and, where support costs cannot be directly attributed to a category, they are apportioned on the basis of headcount.

Costs that, whilst necessary to deliver an activity do not themselves contribute directly to GALVmed's activity, are accounted for as support costs. Support costs include central office functions such as management, finance, information systems and administration activities.

*Foreign Currency*

Foreign currency transactions are recorded in Sterling at the previous month's month-end rate of exchange. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rate at the balance sheet date.

All exchange differences are recognised through the SOFA.

*Tangible Fixed Assets*

Tangible fixed assets costing more than £1,000 are capitalised and stated at cost and depreciated over their useful economic lives as follows:

Office equipment	4 years
Computer equipment & software	3 years
Leasehold improvements	over the life of the lease

Assets are only depreciated when they are brought into use and depreciated up to, but not including, the month of disposal.

*Debtors and Prepayments*

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

*Cash at Bank and in Hand*

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity of six months or less from the date of acquisition or opening of the deposit or similar account.



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year to 31 March 2022

**1. Accounting Policies (continued)**

*Creditors*

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party in the future and the amount due to settle obligations can be measured or estimated reliably. Creditors are recognised at their settlement amount.

*Critical Accounting Judgements and Estimation Uncertainty*

In preparing the financial statements, the Trustees are required to make judgements, estimates and assumptions, which may affect reported income, expenditure, assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from such estimates. Judgements made in preparing these financial statements comprise:

- The applicability of the estimated useful lives of fixed assets used to calculate the period over which depreciation is applied.
- The review of fixed assets for impairment or obsolescence.
- The assessment of leases to determine whether the risks and rewards of ownership remain with the lessor or are transferred to GALVmed

*Financial Instruments*

The company 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.

**2. Incoming Resources from Charitable Activities**

	UK Grant Funding £	Overseas Grant Funding £	2022 £	2021 £
<b>Restricted income</b>				
AAT 3	(8,545)	1,765,974	1,757,429	9,127,520
VITAL	1,246,710	5,347,270	6,593,980	4,367,236
AgResults Brucellosis	-	245,644	245,644	286,944
Bovine TB	-	872,846	872,846	-
PREVENT	-	1,338,977	1,338,977	1,058,127
AgResults FMD	-	307,367	307,367	419,452
MAHABA	-	1,012,314	1,012,314	-
Boehringer Ingelheim	-	(7,790)	(7,790)	507,012
TAHSSL	-	114,276	114,276	92,088
Health for Animals	-	2,264	2,264	-
Royal Veterinary College	-	-	-	5,317
AAT Ethiopia	-	-	-	(40,000)
<b>Total restricted income</b>	<b>1,238,165</b>	<b>10,999,142</b>	<b>12,237,307</b>	<b>15,823,696</b>
<b>Unrestricted income</b>	<b>171,341</b>	<b>948,636</b>	<b>1,119,977</b>	<b>1,089,853</b>
<b>Total income</b>	<b>1,409,506</b>	<b>11,947,778</b>	<b>13,357,284</b>	<b>16,913,549</b>

There is negative income in the AAT3 and Boehringer Ingelheim programmes because of indirect core contributions towards unrestricted funds.



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year to 31 March 2022

**3. Analysis of Expenditure**

	<b>Support £</b>	<b>Governance £</b>	<b>Staff £</b>	<b>Direct Costs £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
AAT 3	1,294	-	70,878	2,467,793	2,539,965	3,116,397
VITAL	278,812	-	1,010,898	4,299,356	5,589,066	5,589,788
AgResults Brucellosis	1,582	-	1,674	100,211	103,467	94,042
Bovine TB	-	-	-	12,707	12,707	-
PREVENT	-	-	-	1,201,776	1,201,776	641,875
AgResults FMD	5,057	-	79,661	197,190	281,908	328,327
MAHABA	-	-	-	699,143	699,143	-
Boehringer Ingelheim	79	-	-	145,978	146,057	433,928
TAHSSL	1,171	-	86,536	7,947	95,654	110,600
PLSHL 2	-	-	-	85,994	85,994	183,356
Royal Veterinary College	-	-	-	-	-	5,317
Unrestricted	76,424	49,070	485,147	184,977	795,618	687,932
<b>Total 2022</b>	<b>364,419</b>	<b>49,070</b>	<b>1,734,794</b>	<b>9,403,072</b>	<b>11,551,355</b>	<b>11,191,562</b>
<b>Total 2021</b>	<b>328,541</b>	<b>(20,321)</b>	<b>1,712,318</b>	<b>9,171,024</b>	<b>11,191,562</b>	

Negative governance costs in 2020-21 were incurred because of refunds received for the March 2020 Board meeting, which was cancelled because of COVID-19.

**Analysis of Support Costs**

	<b>Professional Fees £</b>	<b>Office Costs £</b>	<b>Information Technology £</b>	<b>Audit Fees £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
AAT 3	-	-	1,294	-	1,294	1,591
VITAL	44,737	137,457	95,234	1,384	278,812	249,506
AgResults Brucellosis	-	221	1,361	-	1,582	1,556
AgResults FMD	-	285	4,772	-	5,057	7,979
Boehringer Ingelheim	-	79	-	-	79	-
TAHSSL	-	234	937	-	1,171	943
Unrestricted	9,454	28,146	26,129	12,695	76,424	66,966
<b>Total 2022</b>	<b>54,191</b>	<b>166,422</b>	<b>129,727</b>	<b>14,079</b>	<b>364,419</b>	<b>328,541</b>
<b>Total 2021</b>	<b>50,850</b>	<b>166,137</b>	<b>97,612</b>	<b>13,942</b>	<b>328,541</b>	



**GLOBAL ALLIANCE FOR LIVESTOCK VETERINARY MEDICINES**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year to 31 March 2022

**4. Staff Costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Total staff costs were as follows:		
Salaries	1,483,068	1,458,427
Social security costs	107,104	110,322
Pension contributions	99,920	98,066
Other employee benefits	44,702	45,503
	<u>1,734,794</u>	<u>1,712,318</u>

The average number of employees during the year was:

	<b>Number</b>	<b>Number</b>
Management	5	5
Project staff	13	13
Support staff	11	11
	<u>29</u>	<u>29</u>

During the year the company incurred expenses of £1,514 on behalf of, or reimbursed expenses to, 7 Trustees in connection with their governance responsibilities (2021: £240, 4 Trustees). One face-to-face meeting took place in 2021-22. All Board meetings in 2020-21 were held virtually due to COVID-19. No expenses were incurred for persons or entities connected with the Trustees (2021: £nil). No Trustees received remuneration in relation to consultancy services provided (2021: One Trustee, £73).

GALVmed provides to its UK-based staff a defined contribution pension scheme, the GALVmed Personal Pension Scheme, which is operated by Aviva, a life assurance company. Total employer contributions in the year were £58,063 (2021: £60,205). The total number of members in the scheme at 31 March 2022 was 16 (2021: 19).

To compensate for the fact that there is currently no pension scheme for international staff, an employer contribution of 6% of salary is paid to such staff on the understanding that this contribution should be paid into a pension scheme of their choice. Total such contributions in respect of the year were £41,857 (2021: £38,051).

The following number of employees received total employee salary and benefits (excluding employer pension) in excess of £60,000 in the period:

	<b>2022</b>	<b>2021</b>
£60,000 - £69,999	1	-
£70,000 - £79,999	3	2
£90,000 - £99,999	1	1
£100,000 - £109,999	-	1
£150,000 - £159,999	1	1
	<u>1</u>	<u>1</u>

GALVmed considers the key management of the company to be the GALVmed Leadership Team (GLT), comprising the Chief Executive Officer, Executive Directors and Senior Directors. The total cost of the employment of key management in the year was £494,274 (2021: £540,377), with a further £86,891 (2021: £89,584) paid to one consultant. The reduction within key management costs is because of delays associated with recruitment of the replacement R&D Executive Director. The position was filled in October 2021. Employer pension contributions for key management totalled £26,196 (2021: £30,573).



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**5. Net Incoming Resources**

	2022	2021 £
This is stated after charging:		
- Auditor's remuneration – audit fees	14,079	13,942
- Depreciation	39,935	36,266
- Loss on disposal of fixed assets	-	2,325
- Operating leases		
Land and buildings	115,701	118,702
Equipment	1,241	1,701

Auditors' remuneration includes £1,384 (2021: £1,852) for audit fees payable in India and £12,695 (2021: £12,090) for audit fees in the UK.

**6. Unrealised Exchange Gains and Losses**

Unrealised gains and losses on foreign exchange relate to the revaluation of GALVmed's net current assets at 31 March 2022 (see note 12 for unrealised exchange gains/losses by programme). The gains predominantly relate to advance funding in US Dollars and a weakening of Sterling against the US Dollar.

In addition, a realised loss of £15,581 (2021: £5,312 gain) is included in the expended charitable resources, which is a result of the difference between the currency rate invoiced and the currency rate paid to suppliers. GALVmed undertakes a variety of exchange mechanisms throughout the year to minimise realised exchange differences and help ensure there are adequate resources to deliver the programme outputs.

**7. Taxation**

The company has charitable status and is not liable for tax.

**8. Tangible Assets**

	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2021	12,430	7,267	270,505	290,202
Additions	-	-	9,620	9,620
Disposals	-	-	(38,871)	(38,871)
At 31 March 2022	12,430	7,267	241,254	260,951
<b>Depreciation</b>				
At 1 April 2021	3,207	7,267	217,756	228,230
Charge for year	4,085	-	35,850	39,935
Eliminated on disposal	-	-	(38,871)	(38,871)
At 31 March 2022	7,292	7,267	214,735	229,294
<b>Net book value</b>				
At 31 March 2022	5,138	-	26,519	31,657
At 31 March 2021	9,223	-	52,749	61,972



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**9. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	169,687	527,890
Other debtors	98,303	24,930
	<u>267,990</u>	<u>552,820</u>

Prepayments and accrued income include £86,030 (2021: £90,460) of accrued income in relation to the AgResults Foot and Mouth Disease (FMD) programme; £nil (2021: £70,003) in relation to the AgResults Brucellosis programme; £nil in relation to the VITAL programme (2021: £293,491); and other debtors include accrued investment income of £3,152 (2021: £142).

**10. Bank and Cash Balances**

<b>2022</b>	<b>GBP</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>currencies</b>	<b>£</b>
Lloyds Bank	1,603,617	4,101,315	5,970	5,710,902
Bank of Scotland	500,100	5,214,879	-	5,714,979
NatWest	-	5,805,740	-	5,805,740
Standard Chartered	-	-	5,755	5,755
Cash	252	3,129	1,470	4,851
	<u>2,103,969</u>	<u>15,125,063</u>	<u>13,195</u>	<u>17,242,227</u>

<b>2021</b>	<b>GBP</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>currencies</b>	<b>£</b>
Lloyds Bank	668,030	3,695,610	5,118	4,368,758
Bank of Scotland	1,000,000	3,773,708	-	4,773,708
NatWest	-	4,989,922	-	4,989,922
Standard Chartered	-	-	14,341	14,341
Cash	234	3,281	1,710	5,225
	<u>1,668,264</u>	<u>12,462,521</u>	<u>21,169</u>	<u>14,151,954</u>



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**11. Creditors: Amounts Falling Due Within One Year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accruals	624,236	153,433
Deferred income	247,594	-
Trade creditors	126,541	610,286
Other creditors	12,278	1,378
	<u>1,010,649</u>	<u>765,097</u>

Creditors includes £247,594 of deferred income in relation to the VITAL programme. The movement in accruals and trade creditors is because of large, contracted payments due to partners for the AAT 3 programme.

**12. Funds Movement**

	<b>31 March</b>	<b>Incoming</b>	<b>Resources</b>	<b>Exchange</b>	<b>Transfers</b>	<b>31 March</b>
<b>2022</b>	<b>2021</b>	<b>resources</b>	<b>expended</b>	<b>gain/(loss)</b>		<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds:</b>						
AAT 3	6,870,447	1,759,640	(2,539,965)	229,704	-	6,319,826
VITAL	2,576,941	6,595,434	(5,589,066)	242,821	-	3,826,130
AgResults Brucellosis	1,015,272	246,251	(103,467)	50,506	-	1,208,562
Bovine TB	-	872,911	(12,707)	2,867	-	863,071
PREVENT	416,252	1,338,986	(1,201,776)	(60,113)	-	493,349
AgResults FMD	309,813	307,367	(281,908)	12,435	-	347,707
MAHABA	-	1,012,314	(699,143)	26,165	-	339,336
Boehringer Ingelheim	170,441	(7,784)	(146,057)	95,014	-	111,614
TAHSSL	64,103	114,276	(95,654)	(2,363)	-	80,362
Health for Animals	-	2,264	-	-	-	2,264
PLSHL 2	86,151	-	(85,994)	(157)	-	-
<b>Total restricted funds</b>	<u>11,509,420</u>	<u>12,241,659</u>	<u>(10,755,737)</u>	<u>596,879</u>	<u>-</u>	<u>13,592,221</u>
<b>Unrestricted funds:</b>						
General reserve	1,600,798	1,121,263	(795,618)	121,130	(429,763)	1,617,810
Designated funds:						
Indirect future costs	891,431	-	-	-	429,763	1,321,194
<b>Total unrestricted funds</b>	<u>2,492,229</u>	<u>1,121,263</u>	<u>(795,618)</u>	<u>121,130</u>	<u>-</u>	<u>2,939,004</u>
<b>Total funds</b>	<u>14,001,649</u>	<u>13,362,922</u>	<u>(11,551,355)</u>	<u>718,009</u>	<u>-</u>	<u>16,531,225</u>



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**12. Funds Movement (continued)**

	31 March 2020 £	Incoming resources £	Resources expended £	Exchange gain/(loss) £	Transfers £	31 March 2021 £
<b>2021</b>						
<b>Restricted funds:</b>						
AAT 3	1,340,656	9,130,126	(3,116,397)	(483,938)	-	6,870,447
VITAL	4,443,169	4,374,654	(5,589,788)	(651,094)	-	2,576,941
AgResults Brucellosis	922,252	287,861	(94,042)	(100,799)	-	1,015,272
PREVENT	-	1,058,127	(641,875)	-	-	416,252
AgResults FMD	249,450	419,452	(328,327)	(30,762)	-	309,813
Boehringer Ingelheim	221,795	507,716	(433,928)	(125,142)	-	170,441
TAHSSL	82,615	92,088	(110,600)	-	-	64,103
PLSHL 2	293,106	342	(183,356)	(23,941)	-	86,151
Royal Veterinary College	-	5,317	(5,317)	-	-	-
AAT – Ethiopia	40,052	(40,052)	-	-	-	-
<b>Total restricted funds</b>	<b>7,593,095</b>	<b>15,835,631</b>	<b>(10,503,630)</b>	<b>(1,415,676)</b>	<b>-</b>	<b>11,509,420</b>
<b>Unrestricted funds:</b>						
General reserve	1,851,227	1,091,696	(687,932)	(214,031)	(440,162)	1,600,798
Designated funds:						
Indirect future costs	451,269	-	-	-	440,162	891,431
<b>Total unrestricted funds</b>	<b>2,302,496</b>	<b>1,091,696</b>	<b>(687,932)</b>	<b>(214,031)</b>	<b>-</b>	<b>2,492,229</b>
<b>Total funds</b>	<b>9,895,591</b>	<b>16,927,327</b>	<b>(11,191,562)</b>	<b>(1,629,707)</b>	<b>-</b>	<b>14,001,649</b>

*Programme Objectives and Funding*

The purpose of the AAT 3 programme is to build upon the success of the work carried out under previous AAT programmes resulting in the improved tools for the control of Animal African Trypanosomiasis. The specific objective of AAT 3 is the commercial development of a registered therapeutic trypanocidal product, ready for sale through GALVmed's commercial partner in the AAT 3 programme, Boehringer Ingelheim. This programme is funded by both BMGF (\$19m) and FCDO (\$3.5m).

The VITAL programme has two strands: product development and commercial development. The broad objectives are: 1) to develop six new high impact livestock vaccines ready for commercial production and suitable for widespread use by smallholders in Africa and South Asia; and 2) to partner the animal health industry to establish five large scale portfolio distribution networks in Africa and South Asia with each initiative being capable of generating positive cash flows by year 4 and achieving subsequent growth and expansion through these cash flows. The programme is jointly funded by BMGF (80%) and FCDO (20%). This programme is contracted to end on 30 September 2022. Delays associated with COVID-19 have led to on-going discussions with our funders regarding a no-cost extension to allow the programme objectives to be fully achieved beyond this contractual end date.

The AgResults Brucellosis programme is a competition, managed by GALVmed, to develop and register a safe and efficacious vaccine against *Brucella melitensis*, the main cause of human infections with *Brucella* and a significant economic burden in developing countries. It is fully funded by the AgResults consortium.

The Bovine TB programme aims to enable and accelerate the development and implementation of rational evidence-based approaches to control TB, with a focus on India, and to provide a strong foundation for the development of control programmes in other developing countries. This project will establish and publish Target Product Profiles for novel tools to control TB and develop a roadmap for product development and commercialisation of novel diagnostic tests in India.



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**12. Funds Movement (continued)**

The PREVENT (PRomoting and Enabling Vaccination Efficiently, Now and Tomorrow) programme is fully funded by BMGF and is carried out in partnership with Ceva Santé Animale. The aim of this programme is to create an efficient sector of medium-sized African hatcheries applying hatchery vaccination and proactive marketing methods to initiate and increase vaccinated chick sales to poultry small scale producers.

The AgResults Foot and Mouth programme is a competition, managed by GALVmed, to encourage the development and uptake of an improved vaccine tailored for the needs and requirements of East Africa. It is fully funded by the AgResults Consortium.

The MAHABA (Managing Animal Health and Acaricides for a Better Africa) programme is fully funded by BMGF and is carried out in partnership with Elanco Animal Health. The aim of the programme is to create effective tick control for small-scale livestock producers, by building a clear understanding of acaricide usage, developing innovative methods to help educate on the effective use and by providing practical methods to counter resistance, avoid failures and allow sustainable tick control.

The Boehringer Ingelheim (BI) programme is fully funded by BMGF and is carried out in partnership with BI. Its objective is to deliver a viable business model for providing quality veterinary healthcare to smallholder farmers in Africa. The key activities for this programme are 1) a registration initiative of BI products in three key markets; and 2) a distribution and awareness initiative which accelerates the accessibility of a portfolio of products to areas which are normally very difficult to access through usual distribution networks.

The TAHSSL (Transforming Animal-Health Solutions and Services for Low-Middle Income Countries) programme is a project to conduct research on animal-health product technologies to generate robust proof-of-concept results that are of high quality and to facilitate with the private sector product development, registration and use. The focus is on developing veterinary medicines and diagnostic solutions to address animal health disease constraints in low-middle income countries and providing services to help fill the product development pipeline. TAHSSL is fully funded by the International Livestock Research Institute (ILRI).

The purpose of the PLSHL 2 programme was to build on the work carried out under PLSHL 1, but with more focus given to increasing market development and access initiatives to benefit a greater number of poor livestock keepers. The programme was jointly funded by BMGF (80%) and FCDO (20%) and was completed on 31 March 2018. Expenditure during the year relates to the delivery of additional project work to utilise surplus funds at the request of BMGF. Funds at 31 March 2022 are now fully disbursed.

Other restricted funds represent income received from funders with a specific use of programme identified.

The general reserve represents the free funds of the charity. Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose. Organisational (indirect) costs need to be covered by contributions from all programmes. Cumulative net indirect core cost contributions have been designated by the Board at 31 March 2022 to fund future indirect costs.



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**13. Total Assets – Analysed Between Funds**

<b>2022</b>	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Restricted funds</b>			
AAT 3	294	6,319,532	6,319,826
VITAL	4,369	3,821,761	3,826,130
AgResults Brucellosis	294	1,208,268	1,208,562
Bovine TB	-	863,071	863,071
PREVENT	-	493,349	493,349
AgResults FMD	598	347,109	347,707
MAHABA	-	339,336	339,336
Boehringer Ingelheim	-	111,614	111,614
TAHSSL	1,009	79,353	80,362
Health for Animals	-	2,264	2,264
	<b>6,564</b>	<b>13,585,657</b>	<b>13,592,221</b>
<b>Unrestricted funds</b>			
General reserve	25,093	1,592,717	1,617,810
Designated funds	-	1,321,194	1,321,194
<b>Total</b>	<b>31,657</b>	<b>16,499,568</b>	<b>16,531,225</b>

<b>2021</b>	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Restricted funds</b>			
AAT 3	733	6,869,714	6,870,447
VITAL	8,117	2,568,824	2,576,941
AgResults Brucellosis	733	1,014,539	1,015,272
PREVENT	-	416,252	416,252
AgResults FMD	2,264	307,549	309,813
Boehringer Ingelheim	-	170,441	170,441
TAHSSL	1,847	62,256	64,103
PLSHL 2	-	86,151	86,151
	<b>13,694</b>	<b>11,495,726</b>	<b>11,509,420</b>
<b>Unrestricted funds</b>			
General reserve	48,278	1,552,520	1,600,798
Designated funds	-	891,431	891,431
<b>Total</b>	<b>61,972</b>	<b>13,939,677</b>	<b>14,001,649</b>

**14. Operating Lease Commitments**

At 31 March 2022 GALVmed was committed to a total of future minimum lease payments under non-cancellable operating leases for land, buildings and equipment for each of the following periods:

	<b>2022 £</b>	<b>2021 £</b>
Not later than one year	100,726	116,539
Later than one year and not later than five years	58,775	156,978



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**15. Share Capital**

The company is limited by guarantee and does not have share capital.

**16. Reconciliation of Net Income to Net Cash Flow from Operating Activities**

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	1,811,567	5,735,765
<b>Adjustments for:</b>		
Depreciation charges	39,935	36,266
Loss on sale of assets	-	2,325
Interest from investments	(5,638)	(13,778)
Decrease/(increase) in debtors	287,840	(115,110)
Increase/(decrease) in creditors	245,552	(167,594)
<b>Net cash provided by operating activities</b>	<u>2,379,256</u>	<u>5,477,874</u>

Debtors contains accrued investment income of £3,152 (2021: £142). The movement on accrued investment income is included in investments within the cash flow statement.

**17. Related Parties**

There were no related party transactions in the year (2021: £73 remuneration for consultancy services 1 Trustee), other than the expenses as disclosed in note 4 of these accounts. The Trustees consider all the transactions during the year to have been undertaken on an arm's length basis

**18. Ultimate Controlling Party**

GALVmed is constituted under its Memorandum and Articles of Association and is managed by its appointed Board of Trustees.