

Medical Detection Dogs

Patron: Her Majesty The Queen Consort

Report of the Trustees and Financial Statements

2022



Report of the Trustees and Financial Statements 2022

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Report of the Trustees for the year ended 31st March 2022

Message from the Chairman, Clive Everest and the Chief Executive and Chief Scientific Officer, Dr Claire Guest

Following the Charity's conception in 2008, Medical Detection Dogs (MDD) has shown remarkable growth and progress and is at a pivotal point in its development. The Board believes the time is now right for us to update the Charity's strategy to reflect the post pandemic world, building on our past successes. Our future strategy is to change the focus from our past work, which gained proof of concept that dogs can detect disease backed by robust empirical evidence, to now focus on application: converting our research into tangible outcomes in the real world which save and transform peoples' lives.

We are delighted to share this new strategy to focus our work in areas where we believe our dogs will make the most difference. We look forward to continuing our journey and are excited about this new chapter.

Our activities in the year to March 2022 continued to be significantly affected by the COVID-19 pandemic. This has presented us with many operational and financial challenges, but we have also learnt a great deal about our processes and possible new applications for our work during this period. These have helped us make informed decisions about the progress that can be made and to map out our future direction.

We remain absolutely committed to training both Bio Detection and Medical Alert Assistance Dogs and will continue to undertake both work streams, amalgamating the knowledge from each to the benefit of both. Undertaking both activities makes us unique in the way it enables us to consider and implement more innovative and agile options to help people.

We are passionate about our high dog welfare standards and about the way we assess the ability and suitability of our working dogs, considering how this can be delivered alongside an efficient and effective ability to upscale the number of dogs we are able to train.

We continue to seek to grow our regional presence to reach and assist more individuals across the UK and to broaden the numbers of volunteers on whom we so heavily rely. As a first step to building more national coverage towards our long term goal of being able to help people right across the UK, we are planning to trial models with regional 'hubs' consisting of trainers, instructors, fundraisers and volunteer co-ordinators. These will support local partnerships and provide an opportunity to increase the number of people that we can assist.

Through COVID-19 we strengthened our reputation as world-leaders in canine disease detection and maintained our work with world class collaborators such as the NHS and leading research universities, including Massachusetts Institute of Technology (MIT). During the past year we have investigated the ability of dogs to assist in the detection of COVID and other viruses in the future and to assist in the early identification of infected individuals. The changing landscape of COVID-19, the changes in Government policy and the many mutations of the virus itself, together with the welcome success of the UK vaccination programme, has meant that large scale deployment of our dogs in places such as airports has not occurred. However, we continue to investigate and deploy our dogs in 'niche' environments where they can have the greatest impact. Importantly, the application and success of this people-screening model of disease, passive searching, has given us invaluable knowledge. This will enable us to be more agile in the case of any future pandemic and to plan for other very high impact opportunities for passive search models for other diseases and bacteria such as E-coli.

The pandemic significantly affected many of our collaborators, particularly NHS trusts, but I am pleased to report that many of these studies have now reopened. We are working with our partners at MIT and the University of Texas (El Paso) to accelerate the development of the a biosensor for the detection of prostate and other cancers. This could lead to genuinely world-changing tools for the detection of a range of cancers and other diseases. The final stage of the Pseudomonas research with Imperial College London is also underway and we are moving towards the hope of a non-invasive screen for individuals with Cystic Fibrosis.

Our Medical Alert Assistance Dog (MAAD) programme continues to work to catch up with placements lost during the pandemic lockdowns. We have sought to rebalance our resources so that MAAD will return to pre COVID levels of placements, and we are investigating ways of improving our approach so we can place more dogs for lower cost. Excitingly, with the support of the People's Postcode Lottery we have been able to commission an independent economic impact assessment to validate the true impact of our assistance dogs. This will help us in our decision making to place dogs where they will make the most difference, within our financial constraints, on the basis of clinical need and where there is no viable diagnostic alternative in the near future.

Report of the Trustees for the year ended 31st March 2022

Improved technology has reduced our placement of dogs with individuals with Type 1 diabetes as they now have access to continuous glucose monitoring, but our waiting list of individuals with the condition Postural Orthostatic Tachycardia Syndrome (PoTS) has significantly increased. Our research has indicated that the early warning that our dogs give prior to a PoTS attack significantly reduces the chance of injury.

It is with much sadness that we must report that we have recently lost two people who made a significant contribution to the progress and development of the Charity over the years. Firstly, John Guest who was at the time of his death the Charity's President and was in the first ten years a founding Trustee, integral to formation, registration and success of the Charity, And Lydia Swanson, MAAD Senior Instructor who had worked with the Charity for ten years and died following a battle with cancer at the age of 38. The Charity is putting in place appropriate memorials to ensure that the commitment of these two wonderful individuals is always remembered.

The writing of this report also occurs after the passing of her Majesty Queen Elizabeth II. We send our thoughts and condolences to all the Royal Family at this very sad time and in particular to our Patron Her Majesty the Queen Consort.

As ever, we thank our donors, staff and volunteers for their continued support during these turbulent times and we look forward to updating you on progress made in these exciting projects over the coming year.



A blue ink signature of Clive Everest.

Clive Everest
Chairman of Trustees



A black ink signature of Claire Guest.

Claire Guest
Chief Executive and Chief Scientific Officer

Report of the Trustees for the year ended 31st March 2022

OBJECTIVES AND ACTIVITIES

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

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

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

We seek to do this in two main ways which we believe provide a benefit to the public, i) by conducting research into the early diagnosis of cancer, neurological, bacterial and other human diseases, including, since March 2020, COVID-19 and ii) by training life-saving medical alert assistance dogs which help their human partners avoid the often-catastrophic effects of their conditions, saving and improving their lives on a daily basis.

During the year under review, we have published peer reviewed research papers, continued our research into the ability and feasibility of dogs to be used in a 'passive' screening model i.e., dogs screening several people at a time for the virus COVID-19 and the possible applications of this model to other diseases and conditions. We have trained medical alert assistance dogs, continuing to have significant success in the placement of dogs for individuals who suffer from POTS and have continued to progress our project to train dogs to work in hospital settings.

Background to our work

The aim of the Charity is to train specialist dogs to detect the odour of human disease. Dogs are renowned for their sense of smell. For centuries doctors have known diseases have characteristic odours which dogs may be able to detect. It is well established that cancer cells release small amounts of volatile substances and therefore our Cancer Detection Dogs are being trained to detect these volatiles. We hope that this collaboration and programme of research will enable scientists to develop an early cancer screening system to improve patient care.

The Charity has its own premises and employs its own staff. Medical Detection Dogs (MDD) also has access to professionals in a number of relevant healthcare and scientific fields (e.g., cancer specialists, medical statisticians, general practitioners) who provide advice and services on a voluntary basis. The Charity uses its own funds to conduct high quality research studies tailored to the optimum way that the dogs work.

The association between humans and dogs is long and close. Throughout history, dogs have fulfilled a whole range of different functions and the number and diversity is continually expanding. Whilst traditionally dogs have been trained to hunt, herd and guard, more recently canine roles have grown to a range of medical support and disease detection tasks.

As medical usage expands, it is imperative that the value of these dogs is objectively assessed, their potential capabilities are optimised, and we use these abilities to further our understanding of the diseases in question. MDD is the leading charity training dogs, pioneering both medical assistance and disease detection. The training is committed to carrying out empirical research to improve operations and to inform future medical technologies.

To further this aim, MDD are currently working on a range of NHS approved clinical trials, exploring dogs' ability to locate urological cancers – with a promising prostate cancer trial ongoing. MDD have also researched the volatile detection of the malaria parasite and Parkinson's disease.

The other arm of MDD, Medical Alert Assistance Dogs, uses olfactory alerting ability for day-to-day support for people living with chronic conditions. Historically, the majority of partnerships were trained alert dogs living with people suffering from aggressive Type 1 Diabetes. Other chronic conditions include Addison's disease and more recently PoTS.

MDD have also trained dogs to alert to minute airborne levels of nut allergens, which can trigger life-threatening anaphylactic episodes in their nut-allergic clients.

The potential for dogs to assist in the development of electronic systems to identify the volatiles associated with disease is now being harnessed. We are working in collaboration with quantum physicists at the Massachusetts Institute of Technology (MIT) to assist in the creation of the algorithms which will inform machine learning through Artificial Intelligence.

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BIO DETECTION RESEARCH

Olfactory Detection Of Cancer By Dogs

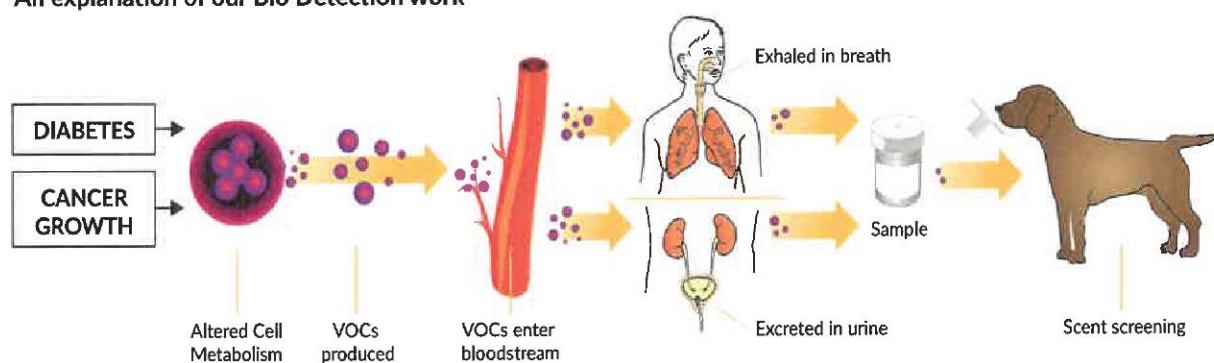
Investigations started over 15 years ago following a number of anecdotal reports suggesting that dogs may be able to detect cancer based on the tumour's odour. The first of these described the case of a woman seeking medical help after her dog displayed an inordinate interest in a skin lesion on the woman's leg, which was subsequently diagnosed as a malignant melanoma. A further report of canine malignant melanoma detection was published in 2001.

In 2003, Dr John Church (an early Trustee of Medical Detection Dogs) and Dr Claire Guest brought together a team of clinicians, dog trainers and scientists to conduct a randomised, double-blind "proof of principle" study using bladder cancer as the experimental model. The assumption was made that volatile molecules associated with the tumour would be released into the urine, thus allowing samples to be easily collected and presented to dogs for training and testing purposes. After seven months of training, six dogs underwent rigorous testing in a series of nine double-blind tests.

Each test required the selection of one cancer urine sample placed randomly among six control samples, the latter coming from a mix of diseased and healthy gender-matched individuals. The study concluded that dogs could be trained to distinguish bladder cancer by olfactory means. This was the first clinically robust trial on cancer detected by olfactory methods.

Since then, the range of tumours that dogs have reportedly detected in their owners, or have been trained to detect in others, has widened. It now includes not only certain types of skin cancer, but also other cancers, such as breast cancer and lung cancer.

An explanation of our Bio Detection work



VOCs = volatile organic compounds

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

There is growing evidence that elevated levels of a 'signature' of VOCs are associated with disease growth. Our research has shown dogs can be trained to detect these odours and identify the signature associated with cancer.

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

Medical Detection Dogs is currently working on two NHS approved clinical trials. Our urological cancer study with Milton Keynes University Hospital NHS Foundation Trust focuses on detecting the VOCs associated with prostate cancer. Our colorectal cancer study in partnership with Hull and East Yorkshire Hospitals NHS Trust, is investigating the potential of dogs to detect colorectal cancer accurately from urine samples. Colorectal cancer is the fourth most common form of cancer in the UK. Due to the invasive nature of the current screening process, only just over half of those offered will take it up. A non-invasive method that can detect the cancer at an early stage could both increase uptake of the screening and improve health outcomes.

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The future of our Bio Detection Research

We are on the threshold of delivering an accurate, rapid and non-invasive test to diagnose cancer at an early stage, a test that would be offered to clinicians to use alongside existing diagnostic methods.

An increase in the aging population, along with widespread screening for prostate-specific antigen (PSA), has contributed to a rise in diagnoses of early-stage prostate cancer. The majority of these newly diagnosed cancers are slow-growing and require no treatment. Identifying the aggressive ones remains a major challenge for clinicians.

Biomarkers could be used to distinguish between aggressive prostate cancer and indolent tumours, which could identify patients who will benefit from treatment or active surveillance, thereby avoiding overtreatment with invasive tests and therapies.

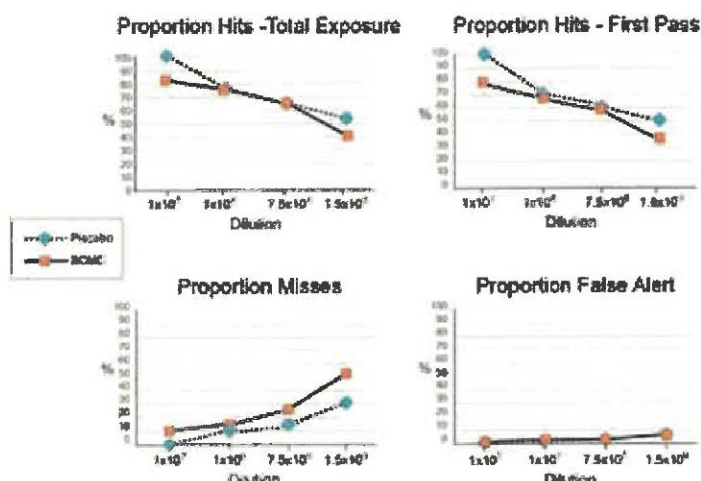
Why our specialist trained dogs are so important?

Whilst we all 'know' what coffee smells like, this complex odour which contains over 100, component molecules, would be impossible to describe to anyone who has never smelt it. How can the dogs communicate to technology what the 'cancer' smell is? Working in Collaboration with The Open University, we are developing new technology that allows our dogs to communicate their degree of certainty when screening a sample.

Researchers at the Animal Computer Interaction (ACI) Lab, Open University in Milton Keynes, have worked with us to design a stand which enhances the dog's ability to communicate whether they can detect disease when confronted with samples.

Bio Detection Dogs currently work on a carousel or stand system that consists of metal pads installed on top of sample tubes which the dog sniffs. If disease is present, the dog then indicates this to their handler by sitting in front of the sample. The new technology has a metal pad designed to sense the level of pressure the dog exerts whilst sniffing. The level of pressure is then recorded by a computer that is attached to the stand. With training, dogs will apply greater pressure on the pad when they are certain the disease is present.

Therefore, pressure indicates the level of certainty that the dog has. Capturing this data provides us with pressure readouts (Figure 1) and will be vital to developing a future screening method. This will be used to educate experts about the strength of the biomarkers that the dog uses to make his decision.



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

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MEDICAL ALERT ASSISTANCE DOGS

An Explanation Of Our Medical Alert Assistance Work

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

Historically clients with diabetes made up the majority of our assistance dog partnerships. However, due to improvements in technology now available for the monitoring of blood sugar, the future of close diabetes management lies with emergent technology. Individuals can now use a self-scan libre device and continuous glucose monitoring giving them the ability to manage their blood sugars without the need of a dog. Medical detection dogs are therefore no longer required by the same number of individuals.

Our previous work investigating and expanding the range of conditions that we are able to train dogs to help including Addison's disease, Postural Tachycardia Syndrome (PoTS), Mast Cell Activation Syndrome, narcolepsy, pain seizure and idiopathic pancreatitis has meant that we now have clear direction and scope to focus our attention to those individuals with whom we believe our dogs can have the greatest impact.

We are currently placing the majority of our dogs with clients who have severe PoTS and associated conditions. PoTS is a condition where there is currently no available warning system for an impending collapse which then results in injury and often hospitalisation in many circumstances. Many of these clients have an associated condition called Ehlers Danlos Syndrome which makes their joints extremely weak and vulnerable to dislocation. During a PoTS episode, the client loses consciousness for a brief period, and if not already sitting or lying down, will fall to the floor, causing frequent and debilitating injuries such as dislocated shoulder, hip and knee.

ACHIEVEMENTS AND PERFORMANCE

Bio Detection Research

As a result of the pandemic, we had to put several of our bio-detection projects on hold and make the decision to permanently close others to focus resources where we can have the biggest impact. We are very pleased to report that during the period described in this report all projects paused due to the pandemic have now resumed. We published our joint publication with Prostate Cancer Foundation (PCF), MIT and John Hopkins University this year on the feasibility of improved diagnostics of prostate cancer based on the VOC signature identified by dogs. The Charity has continued to work very closely with our collaborative partners which has further aided the acceleration of the development of the bio sensor for prostate cancer.

In a new and exciting collaboration with the world-famous Massachusetts Institute of Technology (MIT), we are working with a quantum physicist to develop advanced technologies which will bring the power of the dog's nose converted into handheld bio-electronic noses. This is truly ground-breaking.



Dr Andreas Mershin, research scientist at the MIT Center for Bits and Atoms in Cambridge, Massachusetts was inspired by our study showing dogs could sniff out cancer and plans to use their olfactory ability to develop an easy-to-use electronic nose that can be brought into the home... and into our pockets.

Dr Mershin has recruited cancer detection dogs to teach his prototype device, which uses the latest artificial intelligence (AI) technology, to recognise the odour of prostate cancer.

The device, no bigger than a mobile phone, has been developed to the point where its sensitivity matches the power of a dog's nose – it too can detect parts per trillion – but it is unable to replicate the dogs' powers of cognition, which allows them to spot a 'cancer' smell even though no two humans' cancer smells exactly alike.

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Harnessing new AI technology, the machine will 'learn' to detect this 'cancer smell' rather than rely on being programmed with every possible molecular combination.

Dr Merishin explained: "When it comes to the earliest, least invasive, most precise cancer detection, the ability of the trained canine far surpasses our best analytical laboratory tests.

Dogs trained on urine samples from bladder cancer patients may also detect prostate, skin and breast cancers. As far as we know, these four cancers share no common volatile molecular signature and yet the dogs can generalise a 'cancerous scent character' without molecular analytics.

How do the dogs do this, and can we train machine scent detectors to do same or better than dogs?

These are the questions we will be addressing during our collaboration."

Professor Karol Sikora, world respected oncologist and campaigner for better universal cancer treatment said

"This device could knock cancer off the top killer diseases list."

This project is a fantastic example of how humans and dogs can work together to save lives. The expertise developed during this collaboration will result in a team of canine and electronic experts that could produce bio-electronic noses for all the diseases that currently require increasingly vital role in our work of the dog's nose into every doctor's consulting room.

COVID-19

In light of the global COVID-19 emergency we quickly refocused our research work in 2020/21 and 2021/22 to investigate the potential for a rapid canine screening for a non-invasive indication of individuals infected with the COVID-19 virus. This was a charity first for the detection of a virus and we have been able to take the learnings from this forward for application to other diseases in the future. This research also brought welcome heightened awareness, visibility, and profile of our work which resulted in the Charity gratefully receiving donations and funding towards our COVID-19 project at a time when general fundraising was extremely challenging.

Working with our research partners at the London School of Hygiene and Tropical Medicine and Durham University, Phase 1 of our study published in May 2021 (on collected samples) produced excellent results, with the dogs achieving up to 95% accuracy in the detection of the odour of the virus.

COVID-19 phase 1 double blind testing results

	Sensitivity	Specificity
Asher	90.9%	84.8%
Kyp	88.5%	76.4%
Lexi	90.8%	85.3%
Marlow	82.1%	90.1%
Millie	85.5%	82.6%
Tala	94.3%	92.0%

We faced challenges with the constantly changing COVID-19 diagnostic landscape and the UK Government's decision on whether the influence of the successful vaccination programme meant the UK needed a more accurate virus screen as well as the Lateral Flow and PCR testing already in place.

Following the proof-of-concept study indicating that dogs could be trained to detect the odour of COVID -19 from collected odour samples, work continued in transferring the work training our COVID-19 detection dogs to detect on people, making them the first team of passive search dogs with the potential to screen 100's of individuals as they queue or move in public spaces.

When our Phase 1 results were released, the UK Government's policy had changed, and they unfortunately declined to provide further funding for Phase 2 of our project where our dogs were trained to screen individuals. This lack of funding meant that the study was delayed in moving on to Phase 3 where our dogs could be deployed into the field to help fight against the pandemic. In the absence of external funding, early in 2021 the Board of the Charity took the decision to use part of its own reserves in 2021/22 and 2022/23 to seek to complete Phase 3 on

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the grounds that doing so will provide high-quality data on the ability and accuracy of our dogs in passive detection of COVID-19 which will inform the potential for detection dogs to be effectively deployed in future.

The COVID-19 Detection dog study has now reached its final stage of validation. Testing for Phase 3 opened in July 2022, where 165 participants were recruited and screened by a team of four dogs trained during Phase 2 of the study to detect the odours associated with COVID-19 through passive search. Participants for the study were recruited from members of the public and searched under double-blind conditions, where neither the handler or data collector were aware of the participant's positive or negative status. As part of the study, and to validate the dogs' decision, each participant was asked to complete a PCR and LFT test to generate directly comparable data on sensitivity and specificity across the testing methods.

Testing for Phase 3 was then put on hold in August 2022 due to low recruitment uptake and low recorded prevalence of Covid-19 during the Summer. The study team have been closely monitoring case numbers moving into Winter 2022/23, where testing is planned to resume in order to meet our target of up to 200 positive and up to 200 negative participants. These targets are driven by statistical models to meet the required levels of confidence to support our high standards of research evidence.

The changing landscape of COVID-19, the changes in Government policy and the many mutations of the virus itself, together with the welcome success of the UK vaccination programme, has meant that large scale deployment of our dogs in places such as airports has not occurred. However, we continue to investigate and deploy our dogs in 'niche' environments where they can have the greatest impact. Importantly, the application and success of this people-screening model of disease, passive searching, has given us invaluable knowledge. This will enable us to be more agile in the case of any future pandemic and to plan for other very high impact opportunities for passive search models for other diseases and bacteria such as E-coli. We must ensure the background work is completed so that dogs can be deployed to assist in future without delay.

There is huge potential ahead to show the true potential and impact of Medical Detection Dogs for the saving of human life. Our work continues to break new ground and provide innovative alternatives to traditional diagnostics. In some areas such as prostate cancer we are delighted to report that the work of the dogs and the Charity is nearly done but there remain many more systems that can be accelerated with the dogs' input.



MEDICAL DETECTION DOGS

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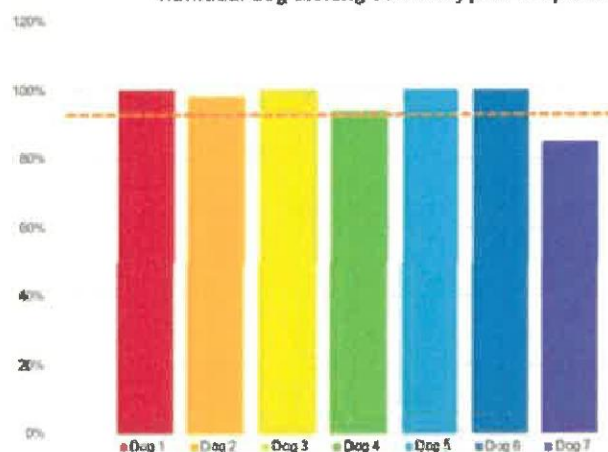
Medical Alert Assistance Dogs

We continued to train and place medical alert assistance dogs during the pandemic, but activities were particularly affected as our potential clients are medically vulnerable and all existing and potential partnerships required face to face training and visits which, due to the restrictions and limitations at the height of the pandemic, had to be placed on hold or done virtually. We have therefore worked hard during this period to increase the number of our partnerships but despite this we have a growing waiting list.

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

How good are the PoTS dogs?

Individual dog alerting sensitivity prior to episode



**Average
96.7% sensitivity
before collapse**

**Sensitivity is the ability of the dog
to correctly alert to an episode
about to happen.**

Data obtained from 6 weeks reaccreditation data, 7 partnerships

Medical
Detection Dogs

More recently as the impact on society of the COVID-19 epidemic has waned we have been able to return to more normal ways of working and to look to increase the number of assistance dogs we place. In line with our updated strategy our first goal is to invest in this service to restore the number of dogs placed to pre-pandemic levels. Longer term we are exploring ways by which we can increase the numbers of dogs we place, where they make most difference and with more national reach. To help us inform these decisions, with the generous support of the People's Postcode Lottery we have appointed consultants to provide us with an independent assessment of the impact of our assistance dogs.

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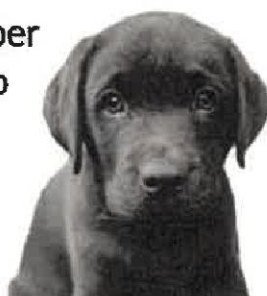
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for the year ended 31st March 2022

Medical Detection Dogs

Patron: Her Majesty The Queen Consort

We're proud to
report that in 21/22

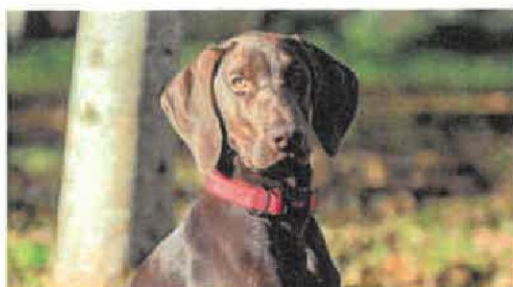
613 the number
of people who
sponsored a
puppy



6 the number of diseases our
Bio Detection Dogs were
trained to detect



10 the number of different
breeds working as Bio Detection
Dogs



8% the increase in volunteer
numbers



29% the increase in
the number of talks
given by volunteer
speakers



176 the number
of people who
attended monthly
webinars



8364 the number of
samples collected
for our COVID-19
project

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Medical Detection Dogs

Patron: Her Majesty The Queen Consort



Medical Alert Assistance Dogs

Making perfect scents
March 21-22

78

the number of
active
partnerships



181

the number of
life-saving dogs placed
with clients since the
charity began

24 vs 3

the average number of injuries per
PoTS client, each month, before
having their Medical Alert Assistance
Dog compared to with their dog

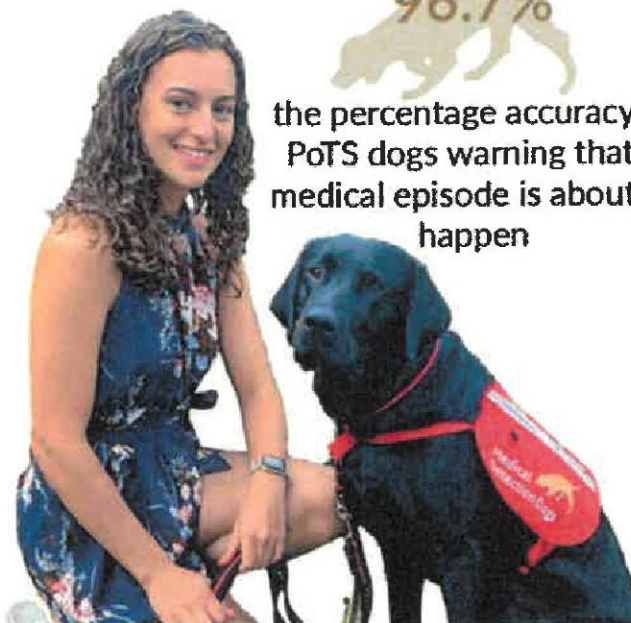
£22,896

the amount saved for
the NHS per PoTS
client per year due to
their MAAD dog



96.7%

the percentage accuracy of
PoTS dogs warning that a
medical episode is about to
happen



14

the number of health
conditions MAAD dogs
have been trained to
detect



12

dogs placed



Report of the Trustees for the year ended 31st March 2022

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st March 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

The reference and administrative details of the Charity can be found on page 47 of the report and accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

Governing Document

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

Related Parties

The Charity has two wholly owned subsidiaries:

MDD Enterprises Limited
08709010 (England and Wales) incorporated 27 September 2013
(Dormant during the years ended 31/03/2020, 31/03/2021 and 31/03/2022)

Canine Diagnostic Innovations Limited
12646135 (England and Wales) incorporated 4th June 2020
(Dormant since inception)

The Charity also has significant control (75%) in:

Millfield Greenway Business Park Management Limited
06312801 (England and Wales) incorporated 13 July 2007

The Charity owns and manages certain common areas of the Millfield Greenway Business Park site, including the maintenance of the onsite septic tank. The company does not operate its own banking accounts and expenditure on its behalf is handled by Medical Detection Dogs, with the proportion of net costs not attributable to the Charity recharged to the minority shareholder. Any potential liabilities of Millfield Greenway Business Park Management Ltd are covered by appropriate insurance.

The accounts report on the Charity only and do not consolidate the subsidiaries noted above on the basis of immateriality.

Structure and Management

The Charity is divided into two arms:

1) Bio Detection Disease Research and 2) Medical Alert Assistance Dogs.

Details of the work done by these two arms are given in the objectives and activities section. The other three areas of charitable activity, dog training, education and awareness raising, and volunteer liaison are all carried out in support of, and to enable the delivery of the activities of those two arms.

All policy and strategic decisions are taken by the Trustees and day-to-day management decisions are taken by the Chief Executive and Chief Operating Officer, supported by the Senior Leadership Team. Sometimes ad hoc panels of Trustees are appointed to take specific decisions.

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Governance

As part of our strategy the Trustees are seeking to develop and improve further the governance of the Charity to meet the demands arising from growth and increasing organisational maturity. Some progress has been made during 2021/22 with the strengthening of the Board through appointing new trustees and updating key policies such as Safeguarding and Whistleblowing. The Trustees plan to make use of the Charity Code of Governance to inform future work.

Remuneration Policy for Senior Staff

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

During the year the Charity commissioned an external specialist company to undertake a benchmarking review of all staff salaries. As a result, amendments were made to a number of staff salaries to bring them into line with market conditions.

Risk Management

The Charity's Trustees are responsible for identifying and assessing risks and opportunities for the organisation and deciding how best to deal with them. This includes assessing whether they are manageable and worth taking or where exposure is too great to justify commencing or continuing the activity.

They are supported in this by the Executive Team, principally the CEO and COO, who manage these risks on a day-to-day basis. The Charity operates a risk register, prepared in line with Charity Commission guidance, which it considers, reviews and updates at least annually at the Board.

The COVID-19 pandemic significantly changed the landscape of risk in the Charity in 2020/21 and most of 2021/22. Financial and operational uncertainties caused by the impact of the pandemic, within the wider UK economy and society and within the Charity, required the Board and Executive Team to adopt a much more agile and engaged approach to decision making and assessing risk. Through both years the Board therefore moved to supplement the formal quarterly Board meetings with approximately monthly meetings so that decisions could be taken more promptly as events unfolded.

Principal risks and uncertainties

The following are the principal risks and uncertainties that were considered to be present at the end of 2021/22 and at the time of this Trustees' Report, along with the key actions we plan to take or are taking to address these:

Risk	Actions
Insufficient income to operate sustainably	<p>As the UK emerges from the immediate impact of the pandemic the fundraising environment is anticipated to be extremely challenging for all charities. The Charity has established prudent levels of reserves which will support it in the immediate future, but we are aware that the current fundraising environment is extremely challenging and that there are a number of areas where we need to invest to position the Charity to meet the next phase of its growth. As a result we are forecasting to need to draw significantly on these reserves in the next two to three years.</p> <p>We are looking to increase and diversify our income streams by enhancing and investing in our fundraising activities and looking to develop commercial opportunities which could help to finance our charitable work.</p>

Report of the Trustees for the year ended 31st March 2022

Risk	Actions
COVID-19: Protecting the health and well-being of our staff, volunteers, clients, and dogs in line with Government guidance, whilst trying to continue to deliver our charitable activities	As required by Government guidance at times in the year, staff worked from home, where possible, and we continued to apply workplace safety precautions at the Centre to reflect the presence on site of some vulnerable clients and staff. Many of these restrictions have eased since the year end with this risk perceived to be diminishing. We monitor developments closely however and are prepared to revert to tighter controls should the situation demand it.
Failure to deliver the passive detection phase of our COVID work	<p>The Charity believes that, despite COVID seemingly becoming a lesser threat to national health, there is considerable public benefit from our completing our research work on passive screening by dogs for COVID to the highest research standards. This will provide invaluable information to inform our ability to deploy to meet future pandemic threats.</p> <p>Deploying our dogs and handlers in passive screening has thrown up a number of operational issues affecting the way we work dogs in these situations. These have been addressed through changing our operating procedures, additional staff training and the use of expert interim staff.</p> <p>The remaining challenge is obtaining sufficient COVID positive and negative tested members of the public to meet the statistical analysis required. Challenges from ethical approvals, new variants and the much reduced levels of PCR testing to validate our test results have slowed progress considerably. We continue to explore ways of addressing this.</p>
Maintaining strong and effective relationships with key stakeholders such as research partners and major donors	The Charity has a number of key relationships with key partners and donors which are essential to either fund our activities at the current level or to deliver collaborative projects such as COVID-19, prostate cancer detection or for possible commercial opportunities. We are investing in improving and enhancing our communications and relationships with these organisations and individuals to strengthen these links.



Report of the Trustees for the year ended 31st March 2022

Risk	Actions
<p>Insufficient senior or key staff due to loss of or inability to recruit or retain key personnel.</p>	<p>Insufficient senior or key staff due to loss of or inability to recruit or retain key personnel. Recruitment and retention is a major issue for all organisations at the moment. The cost of living crisis and shortage of available skilled personnel is a significant risk both for controlling costs and for maintaining the workforce needed to deliver.</p> <p>The Charity always seeks to spend as much as possible of our funds on our charitable goals, and therefore does not have a large management team. As a relatively young and growing charity we also need to invest in developing our support systems and infrastructure such as HR and IT to effectively meet the needs of the organisation as it stands today and as we grow. Consequently, we rely on a small number of key people, most notably the CEO, to drive the Charity forwards and to manage day-to-day activities.</p> <p>We are taking a number of steps to address this, although we recognise some of these actions may take some time so as not to undertake too much change at once, which could overload our capacity to cope. The difficult financial situation nationally for charities will also restrict our ability to raise funds to address some of these issues as quickly as we might like.</p> <p>We are looking at succession planning and how best we can ensure the Charity is not overly reliant on any one person. Given the specialised nature and scale of the Charity this represents a particular challenge which we are beginning to actively engage in to determine the best way forwards.</p> <p>Since the year end the Charity has successfully recruited a Head of Fundraising and a Head of Finance, which will help greatly in addressing some of this risk.</p>
<p>Insufficient volunteers to support our service delivery</p>	<p>Like most charities, we rely heavily on a volunteers in many areas of our activities, from fundraising to support in delivering our charitable activities. There is currently a national shortage of volunteers to foster dogs which is beginning to impact on the number of dogs we can train and deploy.</p> <p>We are exploring other models for our MAAD work which do not require the use of any fosterers, without impacting on our core principle that all our dogs should live in homes, not kennels. Greater use of clients' own dogs might help us in this regard. We are also exploring the establishment of regional hubs which could allow us to target new geographic areas for recruiting fosterers.</p>

Report of the Trustees for the year ended 31st March 2022

Related Party Transactions

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

Recruitment and Appointment of New Trustees

New Trustees may be appointed by the Charity at a general meeting or by the Board of Trustees. The Trustees regularly review the balance of skills, competencies and experience which are needed on the Board to ensure that the Charity continues to meet its aims and fulfil its charitable objects. The Board regularly reviews the range of skills and experience of the trustees and identifies any gaps to meet future needs.

Two long-serving trustees resigned from the main Board in June 2021 including the Chair. Clive Everest was appointed as Chair on 10 June 2021.

Following these resignations, the Trustees reviewed the balance of skills and experience they believed was needed to most effectively address the challenges they envisage in the coming years. As a result of this exercise, the Charity advertised nationally in the Summer of 2021 with a view to potentially appointing up to three new trustees, ideally bringing specialist knowledge of financial management and reporting, fundraising and research to the Board. In order to encourage a broad and diverse range of applicants, and in line with good governance, the Charity advertised the roles on both social media and in a national newspaper.

As a result of this campaign, three new trustees joined the Board during the year: Asvin Morjaria (appointed 4 December 2021, resigned 28 March 2022), Julia McKechnie-Burke (appointed 25 March 2022), and Siobhan Dennis (appointed 16 December 2021). Asvin Morjaria unfortunately resigned on 28 March 2022 on health grounds.

In the Summer of 2022 the Charity advertised nationally for up to three further trustees to meet our remaining skills and experience gaps: potentially an HR specialist, an Honorary Treasurer and a Medical Trustee: the latter as a successor to one of our Medical trustees who has served for over nine years and therefore plans to retire in line with Charity Commission best practice.

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

Fundraising

We are members of the Fundraising Regulator and take our responsibilities towards our donors very seriously. The Charity seeks to apply best practice to protect the personal data of its donors, never sells or swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own activities in respect to raising funds and does not employ the services of external professional fundraisers. The Charity is mindful of its responsibilities to vulnerable people and undertakes to react to and investigate any complaints regarding its activities for raising funds and to learn from them and improve its service. During the year the Charity received no formal complaints about its activities for raising funds.

Report of the Trustees for the year ended 31st March 2022

Volunteers

The Charity is supported by a large number of volunteers, who undertake a range of activities including fundraising, public engagement, socialising training and administrative tasks. We could not operate without their kind and generous assistance in many aspects of our work.

At the end of the year, the charity had 678 active volunteers (2021: 648).

Public Benefit

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

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

FINANCIAL REVIEW

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

The Charity's total income of £2,552,055 (2021: £2,951,584) includes legacies of £723,798 (2021: £169,012). The net surplus for the year amounted to £268,059 (2021: £1,044,000) after expenditure of £2,283,996 (2021: £1,907,584).

The Charity budgeted for a deficit year in 2022, but the final outturn achieved was a surplus position. This was due to a significant increase in income from legacies, including one very generous legacy of £315,000, notified late in the year. The cash from this legacy had not been received as at 31 March 2022, but is expected to be able to contribute to the Charity's activities in 2023.

At the end of the year, the Charity's net current assets amounted to £3,005,037 (2021: £2,754,556) of which £2,512,181 was held in cash and bank deposits (2021: 2,674,115).

Reserves Policy

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

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

At 31 March 2022 the Charity held freely available reserves of £2,390,056 equivalent to 13 months of budget expenditure for the forthcoming year (2021: £2,246,595 – 14 months). This level of reserves exceeds the target

Report of the Trustees for the year ended 31st March 2022

range, but it is expected that free reserves will decrease significantly towards the target range by March 2023 as the Charity has budgeted for a deficit year in 2022/23.

Restricted funds are unexpended funds that have been donated to the Charity with specific conditions attached as to their use. At 31 March 2022 these funds totalled £594,746 (2021: £492,614).

FUTURE PLANS

This year has demonstrated the need to continue to grow our assistance dogs programme and also the significant potential of our research programmes to provide innovative canine diagnostic provision for the benefit of human health outcomes. For this to become a reality we need to continue to set strong foundations in all areas of the Charity including staffing, I.T., fundraising, research and volunteering to ensure we can deliver our life saving work whilst it is so needed following the aftermath of this pandemic.

Given the fundraising uncertainty engendered by the COVID-19 situation over 2020/21 and 2021/22 we exercised strict control over expenditure, ensuring that our long term financial was protected. We therefore worked with minimal teams, and this now requires investment to grow the teams and rebuild resource which will use a large amount of our financial reserves.

The pandemic has made an already difficult fundraising climate much more challenging and we are conscious of the risk that we will have to reduce our activities, particularly the provision of assistance dogs, due to the fall in income. However the increased need for our work on all areas means that, after years of prudent financial management and our reserves policy, we now need to invest in the future development of our work and key staff to ensure that the impact of our life saving work can continue to reach as many people as possible.

We know that the coronavirus restrictions will have a significant impact on our ability to raise funds for the foreseeable future and that our income will be adversely affected for some time. We therefore anticipate having to draw on reserves, which will in due course need to be restored. We will continue to invest in our fundraising team and to focus on engaging with our growing supporter network, many of whom have been very generous in response to our recent appeals for help. We are very grateful to the many individuals and charitable trusts who have shown their support for Medical Detection Dogs over the past year and are reliant on their continued support.

In the coming year we intend to focus on improving our organisational ability to respond quickly and effectively to new opportunities. Many of our systems were introduced when MDD was a very small organisation and we recognise that the organisational development work will require investment in a number of areas (IT infrastructure, HR support, fundraising capacity and staff development and retention, for example) in order to move MDD forward; we are firmly of the view that making these commitments now will enable MDD to grow substantially over the coming years. The investment is however expected to be primarily in staff rather than significant capital expenditure.

At the end of 2021/22 we began a project to investigate the potential commercial potential of our research; it is our hope that commercial possibilities will be identified, which we expect could provide long term and sustainable income streams for the benefit of the Charity. This work continued during 2022/23.

Report of the Trustees for the year ended 31st March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

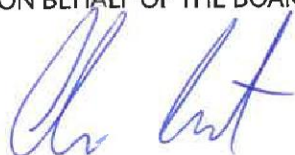
The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment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

In so far as the Trustees are aware:

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

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

ON BEHALF OF THE BOARD:



Clive Everest - Chairman of Trustees

21 December 2022

Independent auditor's report to the members and the trustees

Opinion

We have audited the financial statements of Medical Detection Dogs for the year ended 31 March 2022 which comprise statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charitable company'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 annual report, 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 course of 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 this gives rise to a material misstatement in the

Independent auditor's report to the members and the trustees

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.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 22, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Independent auditor's report to the members and the trustees

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 are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

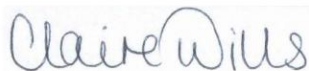
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members and the trustees

Use of our report

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



Claire Wills (Senior Statutory Auditor)

for and on behalf of Saffery Champness LLP

Chartered Accountants

71 Queen Victoria Street

London

EC4V 4BE

Statutory Auditors

Date: 21 December 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

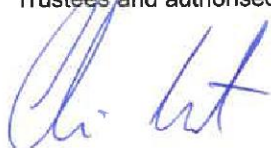
Statement of Financial Activities for the year ended 31st March 2022

		Unrestricted fund	Restricted funds	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,357,811	1,116,470	2,474,281	2,737,449
Other trading activities	4	63,663	-	63,663	63,650
Investment income	5	672	-	672	776
Government grants	5	13,439	-	13,439	149,709
Total		1,435,585	1,116,470	2,552,055	2,951,584
EXPENDITURE ON					
Raising funds	6	163,202	-	163,202	150,289
Charitable activities	7				
Dog training		146,691	274,121	420,812	394,830
Assistance dog placement and aftercare		561,455	249,296	810,751	685,744
Bio Detection research projects		225,349	309,782	535,131	365,523
Education and awareness		128,259	30,224	158,483	140,032
Volunteer liaison		68,417	127,200	195,617	171,166
Total		1,293,373	990,623	2,283,996	1,907,584
NET INCOME		142,212	125,847	268,059	1,044,000
Transfers between funds	18	23,715	(23,715)	-	-
Net movement in funds		165,927	102,132	268,059	1,044,000
RECONCILIATION OF FUNDS					
Total funds brought forward as previously reported		4,052,280	492,614	4,544,894	3,500,894
TOTAL FUNDS CARRIED FORWARD		<u>4,218,207</u>	<u>594,746</u>	<u>4,812,953</u>	<u>4,544,894</u>

Balance Sheet At 31st March 2022

		Unrestricted fund	Restricted funds	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12	1,807,911	-	1,807,911	1,790,333
Investments	13	5	-	5	5
		<u>1,807,916</u>	<u>-</u>	<u>1,807,916</u>	<u>1,790,338</u>
CURRENT ASSETS					
Stocks	14	10,648	-	10,648	7,307
Debtors	15	220,504	507,842	728,346	217,320
Cash at bank and in hand		<u>2,425,277</u>	<u>86,904</u>	<u>2,512,181</u>	<u>2,674,115</u>
		2,656,429	594,746	3,251,175	2,898,742
CREDITORS					
Amounts falling due within one year	16	(246,138)	-	(246,138)	(144,186)
		<u>2,410,291</u>	<u>594,746</u>	<u>3,005,037</u>	<u>2,754,556</u>
NET CURRENT ASSETS					
		4,218,207	594,746	4,812,953	4,544,894
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>4,218,207</u>	<u>594,746</u>	<u>4,812,953</u>	<u>4,544,894</u>
NET ASSETS					
		<u>4,218,207</u>	<u>594,746</u>	<u>4,812,953</u>	<u>4,544,894</u>
FUNDS					
Unrestricted funds	18			4,218,207	4,052,280
Restricted funds	18			594,746	492,614
TOTAL FUNDS				<u>4,812,953</u>	<u>4,544,894</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime. The financial statements were approved by the Board of Trustees and authorised for issue on 21 December 2022 and were signed on its behalf by:



C M L Everest - Chair



Dr Siobhan Dennis - Trustee

Cash Flow Statement for the year ended 31st March 2022

	Notes	2022 £	2021 £
Net cash (used in) provided by operating activities	A	(35,371)	1,639,208
Cash flows from investing activities:			
Purchase of tangible fixed assets		(127,235)	(280,117)
Investment income		672	776
		<u>(126,563)</u>	<u>(279,341)</u>
Net cash (used in) investing activities		(126,563)	(279,341)
Change in cash and cash equivalents in the reporting period		(161,934)	1,359,867
Cash and cash equivalents at the beginning of the reporting period		<u>2,674,115</u>	<u>1,314,248</u>
Cash and cash equivalents at the end of the reporting period		<u>2,512,181</u>	<u>2,674,115</u>

Notes to the Cash Flow Statement for the year ended 31st March 2022

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

	2022	2021
	£	£
Net income for the reporting period (as per the statement of financial activities)	268,059	1,044,000
Adjustments for:		
Depreciation charges	109,657	94,790
Interest received	(672)	(776)
Revaluation of fixed assets	-	(5)
(Increase) / Decrease in stocks	(3,341)	2,268
(Increase) / Decrease in debtors	(511,026)	507,978
Increase / (Decrease) in creditors	101,952	(9,047)
Net cash (used in) provided by operating activities	(35,371)	1,639,208

B. RECONCILIATION OF NET DEBT

	<u>As at</u> <u>1/4/2021</u>	<u>Cashflow</u>	<u>As at</u> <u>31/3/2022</u>
Cash at bank and in hand	2,674,115	(161,934)	2,512,181
TOTAL	2,674,115	(161,934)	2,512,181

Notes to the Financial Statements for the year ended 31st March 2022

1. CHARITY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

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

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

Going Concern

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

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

Preparation of consolidated financial statements

The financial statements contain information about Medical Detection Dogs as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity's subsidiaries have net assets amounting to £138, have never traded and have therefore been excluded from consolidation on the grounds of immateriality in accordance with Section 405(2) of the Companies Act 2006.

Critical accounting judgements and key sources of estimation uncertainty

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

Notes to the Financial Statements for the year ended 31st March 2022

2. ACCOUNTING POLICIES - continued

Income

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

Donations

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

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

Legacies

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

Volunteers

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Support costs are allocated to the Charity's principal charitable activities, according to the relative office space taken up by each activity. Charitable activities are categorised under the five headings of: dog training, assistance dog placement and aftercare, bio detection research, education and awareness and volunteer liaison.

Tangible fixed assets

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

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

The Charity has a policy of not capitalising any item that costs less than £1,000.

Notes to the Financial Statements for the year ended 31st March 2022

2. ACCOUNTING POLICIES - continued

Stocks

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

Taxation

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

Fund accounting

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

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

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

Cash at bank and in hand

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

Pension costs and other post-retirement benefits

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

Hire purchase and leasing commitments

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

Notes to the Financial Statements for the year ended 31st March 2022

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and grants	1,750,483	2,568,437
Legacies	<u>723,798</u>	<u>169,012</u>
	<u>2,474,281</u>	<u>2,737,449</u>

Income from donations includes donated dog food, dogs and equipment. The value of these donations to the Charity is estimated at £74,888 (2021 - £33,695) and is recognised within incoming resources as a donation and an equivalent charge is included in charitable activities.

The largest single grant received for the COVID-19 detection project (£207,842) came from the UK Government as the Charity's allocated share of one-off government funding made to the joint COVID-19 research project between LSHTM, the Charity and Durham University. (2021 - £217,888)

As at the 31 March 2022, the Charity was not aware of any entitlements to legacies (which did not fully meet the recognition criteria) other than that reported in the above figures. As at 31 March 2021, the Charity had been aware that it was a beneficiary of one legacy (estimated to be £115,000) but which did not yet meet the recognition criteria as the date of probate was after 31st March 2021.

The value of restricted legacies for 2022 is £300,000 (2021: nil).

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	37,304	41,612
Christmas card and merchandise sales	19,859	17,038
Consultancy	<u>6,500</u>	<u>5,000</u>
	<u>63,663</u>	<u>63,650</u>

5. OTHER INCOME

	2022	2021
	£	£
Investment Income		
Deposit account interest	672	776
 Government Grants	 £	 £
UK Government: Job retention scheme grants	<u>13,439</u>	<u>149,709</u>

The government's Job Retention Scheme ended during the financial year on 30 September 2021. During the period where the scheme was active, the Charity utilised the scheme to place a small number of staff on furlough at reduced pay. It received payments totalling £13,439 under the scheme, included as part of total income (2021: £149,709). During 2021/22 The highest number of employees on furlough in any one month was 6 (2021: 29), with a monthly average between 1 April and 30 September of 5 people (average for full year 2021: 14 people).

Notes to the Financial Statements for the year ended 31st March 2022

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Wages	124,254	112,831
Event costs	6,648	1,600
Travel	1,030	129
Online giving admin fees	9,318	15,764
Printing	1,386	2,724
Equipment under £1,000	1,642	2,138
Direct overheads – Deprecation Freehold Property	<u>5,700</u>	<u>5,692</u>
	<u>149,978</u>	<u>140,878</u>

Other trading activities

	2022	2021
	£	£
Purchases of goods for resale	<u>13,224</u>	<u>9,411</u>

Aggregate amounts	<u>163,202</u>	<u>150,289</u>
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7. CHARITABLE ACTIVITIES COSTS

Current year	Direct Costs	Support costs	2022 Total	2021 Total
	£	£	£	£
Dog training	281,584	139,228	420,812	394,830
Assistance dog placement	582,924	227,826	810,751	685,744
Bio Detection research	395,903	139,228	535,131	365,523
Education and awareness	101,527	56,956	158,483	140,032
Volunteer liaison	126,004	69,614	195,617	171,166
Total	<u>1,487,942</u>	<u>632,852</u>	<u>2,120,794</u>	<u>1,757,295</u>

Comparative year	Direct Costs	Support costs	2021 Total
	£	£	£
Dog training	281,073	113,757	394,830
Assistance dog placement	499,598	186,146	685,744
Bio Detection research	251,766	113,757	365,523
Education and awareness	93,495	46,537	140,032
Volunteer liaison	114,288	56,878	171,166
Total	<u>1,240,220</u>	<u>517,075</u>	<u>1,757,295</u>

Support costs are allocated to activities according to relative office space taken up by each activity.

Notes to the Financial Statements for the year ended 31st March 2022

8. SUPPORT COSTS

Current year	Management	Finance	Governance	2022 Total	2021 Total
	£	£	£	£	£
Dog training	135,435	441	3,352	139,228	113,757
Assistance dog placement	221,620	721	5,485	227,826	186,146
Bio Detection research	135,435	441	3,352	139,228	113,757
Education and awareness	55,405	180	1,371	56,956	46,537
Volunteer liaison	67,718	220	1,676	69,614	56,878
Total	615,613	2,003	15,236	632,852	517,075

Comparative year	Management	Finance	Governance	2021 Total
	£	£	£	£
Dog training	109,753	486	3,518	113,757
Assistance dog placement	179,596	795	5,755	186,146
Bio Detection research	109,753	486	3,518	113,757
Education and awareness	44,899	199	1,439	46,537
Volunteer liaison	54,876	243	1,759	56,878
Total	408,877	2,209	15,989	517,075

Notes to the Financial Statements for the year ended 31st March 2022

8. SUPPORT COSTS (continued)

Support costs include the following governance costs:

Governance	Dog training	Assistance dog placement	Bio Detection research	Education and awareness	Volunteer liaison	2022 Total
	£	£	£	£	£	£
Auditors' remuneration - Audit	3,306	5,411	3,307	1,353	1,653	15,030
DBS checks	38	62	37	15	19	171
Board meeting costs	8	12	8	3	4	35
Total	3,352	5,485	3,352	1,371	1,676	15,236

2021

Governance	Dog training	Assistance dog placement	Bio Detection research	Education and awareness	Volunteer liaison	2021 Total
	£	£	£	£	£	£
Auditors' remuneration - Audit	3,300	5,400	3,300	1,350	1,650	15,000
DBS checks	218	355	218	89	109	989
Total	3,518	5,755	3,518	1,439	1,759	15,989

Notes to the Financial Statements for the year ended 31st March 2022

9. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	15,030	15,000
Depreciation - owned assets	109,657	94,790
Operating lease charges	7,736	7,207

Depreciation was directly allocated to activities as follows:

	2022	2021
	£	£
Raising donations and legacies	5,700	5,692
Dog training	15,269	13,836
Assistance dog placement and aftercare	15,268	13,836
Education and awareness	1,900	1,897
Volunteer liaison	1,900	1,897
Management	69,620	57,632
	<u>109,657</u>	<u>94,790</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Notes to the Financial Statements for the year ended 31st March 2022

11. STAFF COSTS

	<u>2022</u>	<u>2021</u>
	£	£
Wages and salaries	1,334,447	1,208,704
Social security costs	110,646	91,442
Pension costs	48,187	44,150
	<u>1,493,280</u>	<u>1,344,296</u>

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was 44 (2021 - 43). Pension costs are allocated to activities and between restricted and unrestricted funds in proportion to the related staffing costs incurred. Included in wages and salaries is an amount of £nil relating to redundancy payments (2021 - £2,908).

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

	<u>2022</u>	<u>2021</u>
Raising funds	4	4
Dog training	9	10
Assistance dog placement and aftercare	13	13
Bio Detection research projects	11	9
Education and awareness	2	3
Volunteer liaison	4	4
Executive	4	3
Facilities	2	3
Finance	4	4
Human resources	<u>2</u>	<u>2</u>
	<u>55</u>	<u>55</u>

The Key Management Personnel of the Charity are the Chief Executive Officer (CEO) and the Chief Operating Officer (COO). They received total remuneration including pension contributions, Employers' National Insurance contributions and benefits in kind of £197,290 (2021: £184,013).

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

	<u>2022</u>	<u>2021</u>
£80,001 - £90,000	1	1
£60,000 - £70,000	1	1

Notes to the Financial Statements for the year ended 31st March 2022

12. FIXED ASSETS

	Tangible Fixed Assets			
	Freehold property	Fixtures and fittings	Motor vehicles	Total
COST				
At 1 st April 2021	1,895,355	250,797	57,223	2,203,375
Additions	4,752	106,473	16,010	127,235
Disposals	-	-	-	-
At 31 st March 2022	1,900,107	357,270	73,233	2,330,610
DEPRECIATION				
At 1 st April 2021	173,716	184,503	54,823	413,042
Charge for the year	38,002	63,919	7,736	109,657
Disposals	-	-	-	-
At 31 st March 2022	211,718	248,422	62,559	522,699
NET BOOK VALUE				
At 31 st March 2022	1,688,389	108,848	10,674	1,807,911
At 31 st March 2021	1,721,639	66,294	2,400	1,790,333

Included in the additions to fixtures and fittings for the year, was an amount of £23,715 (2021 - £37,536) representing the cost of adaptations to the Bio Lab facility specifically in connection with the Coronavirus detection research programme. This expenditure was funded out of grants made specifically for COVID-19 detection as referred to in note 18.

Notes to the Financial Statements for the year ended 31st March 2022

13. INVESTMENTS

Name	Company registration number [1] (England and Wales)	Nature of business	Class of shares	% held directly	Result for the year	Capital and reserves
MDD Enterprises Limited [2]	08709010	Dormant	Ordinary	100%	-	£1 (2021: £1)
Millfield Greenway Business Park Management Limited [2]	06312801	Property management	Ordinary	75%	Year ended 31 July 2021: £Nil (2020: £Nil)	Year ended 31 July 2022: £136 (2021: £136)
Canine Diagnostic Innovations Limited [3]	12646135	Dormant	Ordinary	100%	-	£1 (2021: £1)

[1] The registered office for all of the above companies is:
Unit 3, Millfield, Greenway Business Park Winslow Road Great Horwood Milton Keynes MK17 0NP

[2] The holdings in MDD Enterprises Limited and Millfield Greenway Business Park Management Limited are historic holdings which are now shown separately on the balance sheet. The cost of the investment in Millfield Greenway Business Park Management is £3.

[3] The holding in Canine Diagnostic Innovations Limited was acquired during the prior year.

Notes to the Financial Statements for the year ended 31st March 2022

14. STOCKS

	2022	2021
	£	£
Stocks	<u>10,648</u>	<u>7,307</u>

15. DEBTORS

	2022	2021
	£	£
Amounts falling due within one year:		
Legacy debtors	377,500	86,312
Insurance recovery – buildings damage	-	7,387
Prepayments and accrued income	232,670	24,663
Other debtors	<u>118,176</u>	<u>98,958</u>
	<u>728,346</u>	<u>217,320</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	172,520	57,003
Social security and other taxes	28,837	23,219
Accruals and deferred income	44,776	63,959
Current accounts with subsidiaries	5	5
	<u>246,138</u>	<u>144,186</u>

17. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	12,833	8,851
Between one and five years	<u>7,402</u>	<u>6,496</u>
	<u>20,235</u>	<u>15,347</u>

Notes to the Financial Statements for the year ended 31st March 2022

18. MOVEMENT IN FUNDS

Current year	At 1/4/21	Income	Expenditure	Transfers between funds	At 31/3/22
	£	£	£	£	£
Unrestricted funds					
General fund	4,052,280	1,435,585	(1,293,373)	23,715	4,218,207
Restricted funds					
Cancer studies	8,308	-	-	-	8,308
Name a puppy	3,070	-	-	-	3,070
Medical alert assistance dogs	184,531	373,550	(105,350)	-	452,731
Bio Detection (COVID-19)	47,092	232,251	(279,343)	-	-
Equipment	10,472	5,080	-	(9,915)	5,637
Bio Lab refurbishment	14,140	150	(490)	(13,800)	-
Regional development	225,001	475,000	(575,001)	-	125,000
Bio Detection Dog sponsorship	-	30,439	(30,439)	-	-
	492,614	1,116,470	(990,623)	(23,715)	594,746
TOTAL FUNDS	4,544,894	2,552,055	(2,283,996)	-	4,812,953

The transfer from the Equipment Fund and the Bio Lab refurbishment fund relates to the expenditure on these funds which was capitalised during the year.

Comparative year	At 1/4/20	Income	Expenditure	Transfers between funds	At 31/3/21
	£	£	£	£	£
Unrestricted funds					
General fund	3,199,084	1,622,299	(806,639)	37,536	4,052,280
Restricted funds					
Cancer studies	12,753	1,500	(5,945)	-	8,308
Name a puppy	3,070	-	-	-	3,070
Medical alert assistance dogs	79,031	268,438	(162,938)	-	184,531
Bio Detection (COVID-19)	-	727,007	(642,379)	(37,536)	47,092
Equipment	5,656	7,000	(2,184)	-	10,472
Bio Lab refurbishment	13,800	340	-	-	14,140
Regional development	187,500	325,000	(287,499)	-	225,001
	301,810	1,329,285	(1,100,945)	(37,536)	492,614
TOTAL FUNDS	3,500,894	2,951,584	(1,907,584)	-	4,544,894

The transfer to the General Fund from the Bio Detection Fund of £37,536 represents the cost of adaptations to the Bio Lab facility specifically in connection with the Coronavirus detection research programme. This amount was also capitalised under fixtures and fittings as referred to in note 13.

Notes to the Financial Statements for the year ended 31st March 2022

18. MOVEMENT IN FUNDS – continued

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

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

The Medical Alert Assistance Dog Fund is restricted to expenditure on training and placement of medical alert assistance dogs in specific circumstances. Funds being carried forward for Medical alert assistance dogs includes one large legacy of over £300,000 which was not received during 2021/22. Expenditure against this individual legacy is expected to begin in 2022/23, but is likely to continue beyond 2022/23.

The Bio Detection Fund receives donations specifically to fund new work on the detection of human diseases and other life-limiting medical conditions. During the year, all receipts and expenditure in this fund related to the canine detection of the Coronavirus in humans.

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

The Bio Lab Refurbishment Fund will be put towards the cost of a planned refurbishment to the Bio Research Labs adjacent to the Training Centre. Plans for this capital project were delayed as a result of activities being focussed on COVID-19 detection but recommenced in 2021/22.

The Regional Development Fund includes funding received from the Peoples Postcode Lottery. The charity is working to establish regional hubs to enable a local presence to be held in localities around the UK. This work began in 2021/22 and will continue into 2022/23.

The Bio Detection Dog Sponsorship Fund is restricted to expenditure on the training costs of Bio Detection Dogs.

19. CAPITAL COMMITMENTS

	2022	2021
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

20. RELATED PARTY DISCLOSURES

The aggregate amount of donations received by the Charity from Trustees, or their close relatives or related parties amounted to £nil (2021 - £1,244).

Millfield Greenway Business Park Management Ltd is 75% owned by the Charity. It manages certain common areas and shared works of the Millfield Greenway Business Park site. The company has minimal activity and a very low level of net assets.

21. COMPANY LIMITED BY GUARANTEE

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

Notes to the Financial Statements for the year ended 31st March 2022

22. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (FY21)

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,408,164	1,329,285	2,737,449
Other trading activities	63,650	-	63,650
Investment income	776	-	776
Government Grants	149,709	-	149,709
Total	1,622,299	1,329,285	2,951,584
EXPENDITURE ON			
Raising funds	141,398	8,891	150,289
Charitable activities			
Dog training	67,191	327,639	394,830
Assistance dog placement and aftercare	383,005	302,739	685,744
Bio Detection research projects	57,346	308,177	365,523
Education and awareness	55,820	84,212	140,032
Volunteer liaison	101,879	69,287	171,166
Total	806,639	1,100,945	1,907,584
NET INCOME	815,660	228,340	1,044,000
Transfers between funds	37,536	(37,536)	-
Net movement in funds	853,196	190,804	1,044,000
RECONCILIATION OF FUNDS			
Total funds brought forward	3,199,084	301,810	3,500,894
TOTAL FUNDS CARRIED FORWARD	4,052,280	492,614	4,544,894

Notes to the Financial Statements for the year ended 31st March 2022

23. COMPARATIVES FOR THE BALANCE SHEET (FY21)

	Unrestricted fund £	Restricted funds £	Total funds £
FIXED ASSETS			
Tangible assets	1,790,333	-	1,790,333
Investments	5	-	5
	<u>1,790,338</u>	<u>-</u>	<u>1,790,338</u>
CURRENT ASSETS			
Stocks	7,307	-	7,307
Debtors	217,320	-	217,320
Cash at bank and in hand	2,181,501	492,614	2,674,115
	<u>2,406,128</u>	<u>492,614</u>	<u>2,898,742</u>
CREDITORS			
Amounts falling due within one year	(144,186)	-	(144,186)
NET CURRENT ASSETS	<u>2,261,942</u>	<u>492,614</u>	<u>2,754,556</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	4,052,280	492,614	4,544,894
NET ASSETS	<u>4,052,280</u>	<u>492,614</u>	<u>4,544,894</u>
FUNDS			
Unrestricted funds			4,052,280
Restricted funds			492,614
TOTAL FUNDS			<u>4,544,894</u>

Reference and Administrative details for the year ended 31st March 2022

Registered Company number

6399500 (England and Wales)

Registered Charity numbers

1124533 (England and Wales)

SC044434 (Scotland)

Principal and Registered office

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

Trustees serving during the year and up to the date of signing of these accounts

The Hon. Lady Duncan Smith (Chair resigned June 2021)

Clive Everest MA, FCA (Chair appointed June 2021)

Dr Victoria Hordern BSc, MBBS, MD, FRCP

Andrew Keegan ACMA, CGMA (resigned June 2021)

Dr Alan Makepeace BSc, MBBS, FRCR, FRCS(Eng), FRCS(Edin)

Paul Steckler BSc (Hons)

Asvin Morjaria BAcc (Hons), FCA (appointed December 2021, resigned March 2022)

Dr Siobhan Dennis MBiol, PhD (appointed January 2022)

Julia Mckechnie-Burke MA (Oxon), MBA, MinstF (appointed March 2022)

Chief Executive and Chief Scientific Officer

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

Chief Operating Officer and Company Secretary

Andrew Whitby-Collins BA (Hons), FRSA (resigned July 2021)

Mark Rawden MBA, B.Sc (Hons), FRSA (appointed August 2021)

Independent Auditor

Saffery Champness LLP
71 Queen Victoria Street
London EC4V 4BE

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent, ME19 4JQ

HSBC Bank plc
22 West Street
Dunstable
Bedfordshire
LU6 1SY

Nationwide Building Society
Nationwide House,
Pipers Way,
Swindon SN38 1NW

Barclays Bank (from May 2021)
22-24 Upper Marlborough Road
St Albans
Hertfordshire AL1 3AL

Medical Detection Dogs

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

operations@medicaldetectiondogs.org.uk
www.medicaldetectiondogs.org.uk | 01296 655888



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



Assistance Dogs
INTERNATIONAL
EUROPE (ADEU)



Assistance Dogs
INTERNATIONAL



Registered with
**FUNDRAISING
REGULATOR**