

**British Veterinary
Association**



**Unaudited annual report and
financial statements**

31 December 2023

Charity Registration Number 1192203

Contents

Reports

Annual report of the trustees	3
Legal and administrative details	8
Independent examiner's report	13

Financial statements

Statement of financial activities	14
Balance sheet	15
Principal accounting policies	16
Notes to the financial statements	19

Annual report of the trustees Year to 31 December 2023

The British Veterinary Association Animal Welfare Foundation (otherwise known as “AWF” and the “Foundation”) is a registered charity, number 1192203, first constituted by Deed of Trust dated May 1983 and later converted to a CIO, registered with the Charity Commission on 6 November 2020.

Objectives and significant activities delivered for the public benefit

AWF aims to improve the welfare of animals through veterinary science, education and debate. AWF’s charitable objects as stated in its Constitution are:

- ◆ The advancement of education in veterinary science, medicine, surgery and animal welfare.
- ◆ Research and support in animal welfare or any other field of veterinary endeavour and the dissemination of the useful results of such research.
- ◆ The relief of suffering in animals and the protection of such animals.
- ◆ Any other lawful charitable purpose in connection with veterinary science or animals and their welfare.
- ◆ Such other charitable purposes as the trustees may from time to time decide.

The AWF objects fall within two charitable purposes identified within the Charities Act 2011 namely the advancement of education and the advancement of animal welfare.

The Trustees confirm that they have had due regard to the Charity Commission’s guidance on public benefit when reviewing and setting the aims, objectives and in planning the Foundation’s activities.

AWF carries out its objects through a number of activities which have a positive impact on both the immediate beneficiaries and the wider public including:

1. Funding research projects that fill knowledge gaps and have a practical and positive impact on raising standards in animal welfare.
2. Stimulating debate, promoting and developing welfare education and enhancing welfare related teaching in the UK veterinary and veterinary nursing schools. AWF works with students to improve their knowledge of animal welfare issues.
3. Promoting the mission, remit and achievements of the Foundation to the veterinary and animal welfare professions and the general public. AWF produces evidence-based pet care advice for the general public, to encourage responsible pet ownership and high animal welfare standards.
4. Influencing and contributing to and supporting leadership in the development of animal welfare policy.
5. AWF strives to achieve financial stability and growth to enable it to effectively pursue its objectives.

Achievements and performance

Norman Hayward Fund research grants

The Norman Hayward Fund is a restricted fund which supports research into the disease and welfare of horses, cattle and sheep. Support for the student project “Recognition of pain in calves and decisions around treatment among farmers in UK” continued and was closed at year end.

In this final year of the three-year ‘breeding for better welfare’ theme, AWF awarded £14,908 to a major project titled “Breeding animals for resilient feet: on-farm decision-making and the role of culling in sheep lameness management and breeding strategies”.

AWF also awarded £729 for a new student project titled “Confidence and capability to identify and treat stress in horses: A self-reflection by veterinary professionals”.

AWF Research Fund research grants

The AWF Research Fund is used to support research in species other than those covered by the Norman Hayward Fund. In 2023 support continued for seven ongoing projects under the ‘breeding for better welfare’ theme, which amounted to £60,030. At year end, one project from the fund was closed.

£9,999 was awarded to a new major project titled “Increased culling of neonatal piglets: investigating the impact of super-prolific breeding programmes on human health and associations with animal care.”

Education and debate

AWF delivered six free animal welfare talks to a total of 113 students at UK veterinary schools in 2023. New topics were added to AWF’s student talk offering, taking the total number of topics to nine. AWF trialled an open webinar format, which resulted in the adoption of a new student talk strategy to host regular webinars and reach a wider student audience. AWF held a debate session for cattle veterinarians at BCVA Congress on the topic “Calf welfare: is it good enough?”.

External Events and Exhibitions

AWF and Vetlife held a joint fundraiser at the BVA Gala Dinner at London Vet Show in November and raised a total of £1,376.

Discussion Forum

AWF’s annual Discussion Forum supports its mission to raise awareness and understanding of animal welfare through discussion and debate. The 2023 Discussion Forum and evening reception was held in person. Tickets sold out and AWF secured enough sponsorship for the event to break even for the first time. The programme featured sessions on AWF’s history, technology, sustainability, and human behaviour change, as well as new ‘lightning talks’, where previously selected delegates gave a short talk on a topic of their choice. A new venue was found for the 2024 event, which will reduce costs.

Achievements and performance (continued)

Links Project

A collaborative project between AWF and the Links Group has produced a range of training resources to help veterinary professionals understand the link between domestic abuse and non-accidental injury to animals. There are still funds remaining from a grant given to AWF by the Margaret Giffen Charitable Trust for the purpose of supporting this project.

Puppy Contract

The Puppy Contract was developed by AWF and the RSPCA and is now fully owned by AWF. It is designed to give buyers the best chance of buying a healthy puppy and give breeders a way of demonstrating that their puppies have been bred responsibly. In 2023 no specific activity was undertaken, but campaigns by organisations and charities such as BVA and RSPCA signposted to the Puppy Contract, and it continued to be used by prospective buyers.

Governance

The Charity Commission approved AWF's application to become a Charitable Incorporated Organisation (CIO) in November 2020. In 2021 AWF finalised and signed a transfer agreement and the changeover to British Veterinary Association Animal Welfare Foundation CIO (company number CE023250, charity number 1192203) officially took place on 1 January 2022. AWF has operated as the CIO from this date onwards. In 2023 the Land Registry approved AWF's application to transfer land held under the Norman Hayward Fund to the new CIO. However, the title documents contained some errors, and AWF is now waiting for these to be corrected. Once this has been completed, the old charity will be closed.

AWF conducted a tender process for a fund manager for the charity's investments. It was decided to continue with UBS, as it offered the best value for AWF and had a strong track record managing AWF's investments.

For the first time, AWF started to draw down funds from its investments to support cashflow during the year.

Strategy

2023 was the final year of a three-year strategy, which featured a theme "breeding for better welfare". This resulted in a focussed research call in 2023 for projects on the topic: "Breeding for better welfare: enabling human behaviour that leads to animals experiencing a better life".

A strategy committee was convened in 2023 to create a new three-year strategy, and work on this continues into 2024.

AWF and BVA reviewed the AWF/BVA Memorandum of Understanding and devised an action plan to support its delivery.

Achievements and performance (continued)

Marketing and fundraising

During 2023, there was a focus on celebrating the charity's 40th anniversary as a hook for marketing and fundraising. The new Marketing Communications Officer focussed on communicating AWF's achievements, as well as marketing AWF's activities. This resulted in an increase in uptake of student talks, more student grant applications, as well as a rise in social media followers and newsletter subscribers.

Staffing

The Grants and Events Officer left AWF in June after 5 years in post and was replaced in August by Alina Nayton.

Land

During 2022 the land agent tendered for partners to take on the AWF land in two separate parcels. In January 2023, AWF chose two promoters. Having agreed heads of terms, AWF's land agent and solicitor finalised promotion agreements. All work is undertaken at the agent and promotion partners' own risk.

Future plans

Governance

AWF will close down the old charity once the transfer of Norman Hayward Fund land to the new CIO is complete. In 2024 all charitable activity will be conducted under the CIO.

Strategy

In 2024 AWF will focus on devising project plans to support the new strategy. This will be key to supporting the new strategy and future fundraising activity.

Marketing and fundraising

Staff and Trustees will develop a clear, actionable fundraising strategy with financial projections and risk assessment. The new three-year organisational strategy prioritises the improvement of AWF's financial sustainability, and AWF anticipates pausing the funding of major research to free up resources to achieve this. Marketing plans will be developed to support the new strategy's aims.

Land

AWF's land agent will continue to manage the relationship with AWF's two land promotion partners.

Future plans (continued)

Research grants

AWF will run its annual student grants scheme but is likely to put a temporary hold on a call for major projects. Instead it will focus on reviewing the outcomes and impact of recent research and work on its future research strategy. There are still 8 major ongoing projects, which were awarded funding in 2022 and 2023.

Debate and Education

AWF will seek opportunities to offer more discussion and debate sessions at veterinary congresses, e.g. BVA Live, BVNA, BCVA, BSAVA.

Discussion Forum

The Discussion Forum and evening reception will be an in-person event at a new, larger but more cost-effective venue. The aim is to increase delegate numbers and secure enough sponsorship to break even. Sessions will be relevant to vets in practice with an overarching theme of animal welfare, ethics and rights. There will be research updates on projects funded under AWF's 'breeding for better welfare' theme and the programme will also feature lightning talks, where delegates can present a short talk on a topic of their choice.

Links Project

Once the final invoice has been paid, AWF will close the project off with a final report from the Links Group to summarise how the money was spent and the outcomes and impact of the work.

Puppy Contract

AWF will continue to manage the Puppy Contract website and consider how to take the project forward, either by finding partners to provide expertise and financial support or an organisation to take the Puppy Contract from AWF.

Annual report of the trustees Year to 31 December 2023

AWF Trustees are all veterinary and animal welfare professionals. The following were Trustees during 2023:

C Allen MA VetMB CertSAM MRCVS

C Burn MSc DPhil

D Carson BVSc (Syd) MRCVS

J Clements RVN MSc

S Corr BVMS CertSAS DipECVS FHEA PhD MRCVS

M Dobbs BVM&S CertCHP DipLaw MRCVS (Treasurer and a Norman Hayward Trustee) – stepped down 22 November 2023

K Ellis BVMS CertCHP PhD DipECBHM FHEA – stepped down 27 March 2024

N Gladden BVM&S Dip. ECBHM PhD MRCVS

K Heyrman BVMS MRCVS

R Hooker BVMS PostGrad DMS – appointed Treasurer 22 November 2023

J Kupfer BVSc LLM MRCVS (Chairman and a Norman Hayward Trustee)

M Morley BVSc MRCVS (BVA Officer ex-officio Trustee)

E Mullineaux BVM&S, DVM&S, CertSHP, FRCVS – appointed BVA Officer and ex-officio Trustee 22 November 2023

R Pizzi BVSc MSc PhD DZooMed DipECZM MANZCVS FRES FRGS FRSB FRCVS – stepped down 22 November 2023

J Shotton BSc BVSc MSc MRCVS

G Rees BVSc (Hons) PhD MRCVS

Administrative staff

E Singh – AWF Manager

S Tatbak (nee Johnston) – AWF Grants and Events Officer – left AWF 2 June 2023.

A Nayton – Grants and Events Officer – appointed 1 August 2023.

M Dominguez – AWF Marketing Communications Officer – appointed 13 February 2023.

Address

The AWF office is at the British Veterinary Association, 7 Mansfield Street, London W1G 9NQ.

Agents and advisors

Independent Examiner, Edward Finch ACA for Buzzacott LLP, 130 Wood Street, London EC2V 6DL

Bankers: Coutts & Co., 440 Strand, London WC2R 0QS and CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Agents and advisors (continued)

Investment Advisors: UBS Wealth Management, 1 Finsbury Avenue, London, EC2M 2AN

Solicitors: Reynolds Porter Chamberlain, Tower Bridge House, St Katharine's Way, London E1W 1AA and Wilsons Solicitors LLP, 4 Lincoln's Inn Fields, London WC2A 3AA

Land Agent: Sherwill Drake Forbes. Sovereign Court, 230 Upper Fifth Street, Central Milton Keynes, Buckinghamshire, MK9 2HR and Green & Co, 33 Market Place, Wantage, Oxfordshire, OX12 8AL

Structure, governance and management

The British Veterinary Association Animal Welfare Foundation (otherwise known as AWF or "the Animal Welfare Foundation") is a registered charity, number 1192203, first constituted by Deed of Trust dated May 1983 and then as a CIO by Constitution dated 15 September 2020.

The Trustees are veterinary and animal welfare professionals. In accordance with the Foundation's Constitution two of the three BVA Officers serve as ex officio trustees during their term of office.

Trustees are selected by the AWF Board and appointed for three years, after which they may put themselves forward for re-appointment. Recruitment takes place when required and vacancies are usually advertised. Selection is based on candidates' experience and with a view to ensuring that the skills and composition of the Trustee Board reflects AWF's needs.

Trustees sign a declaration of eligibility statement on appointment, committing to give their time and expertise to the Foundation. A trustee induction pack includes minutes of recent meetings and annual reports; the AWF Constitution; the current strategy, the NCVO's Good Trustee Guide, an online induction and a trustee job description. Training needs are addressed when identified.

Trustees are required to declare all relevant interests in writing to the AWF Manager and to withdraw from decisions where a conflict of interest arises. Trustees give their time freely and no trustee remuneration was paid during the year. Details of trustee expenses are disclosed in Note 2 to the accounts.

Trustees' meetings are held three times a year and used to agree the Foundation's strategy, objectives and policies and to approve major expenditure and governance decisions. AWF sub committees meet as required, usually several times a year to support decisions made in full trustee meetings.

Day to day management of the Foundation is delegated to the AWF Manager, who is supported by a full time Grants and Events Officer, and Marketing Communications Officer and part time support from selected BVA staff.

Structure, governance and management (continued)

Key management personnel

The charity's staff are jointly employed by BVA and AWF. Salaries are set as and when a post is advertised and reviewed annually by BVA as part of a formal appraisal process. The total salary cost is agreed by the AWF Board at their November meeting.

Risk management

The Trustees have assessed and identified the major risks to which AWF is exposed and are satisfied that adequate systems are in place to manage any adverse effects of such exposure. The key controls used by AWF are contained in risk management documents which are reviewed annually and includes:

- ◆ Detailed annual budget
- ◆ Monitoring and reporting of actual results against budget forecast
- ◆ Seeking professional advice for significant issues e.g. the land owned by the Norman Hayward Fund and governance
- ◆ Annual review of the Foundation's strategic plan and operational objectives

Financial review

Total funds increased during the year by £135,817 (2022: decreased by £394,559). The funds are split between the unrestricted funds and the restricted funds.

Unrestricted Funds

The total value of the unrestricted funds increased during the year by £41,528 to £1,003,073 (2022: decreased by £308,712 to £961,545).

The income was £60,365, representing a 24% decrease on 2022. This is due to a drop in dividends, although helped by a rise in the value of donations and income from the Discussion Forum received throughout the year.

The expenditure for the year was £180,034 representing a 34% decrease on 2022 expenditure. This was largely a result of a drop in the amount of grants paid throughout the year, lower spending on the Links Project and a fall in costs for the Discussion Forum.

Investments

There were net gains from the investment portfolio of £161,197 (2022: losses of £115,379). Total income generated from the portfolio and cash reserves was £5,370 (2022: £15,583).

Financial Review (continued)

UBS Wealth Management's investment objective is to obtain a reasonable long-term total return, with specific emphasis on growth. The performance of the portfolio is reviewed against an appropriate benchmark and peer group. AWF have an ethical restriction that there should be no direct investment in companies where their turnover is more than 25% in non-medical animal testing or non-stun slaughter which has been factored into the investment approach.

Reserves

The amount of unrestricted funds currently held is being used to partly cover the charity's expenditure. The charity is aiming to build up fundraising income to a level which will equal annual expenditure. Once this is achieved a discussion will be held to decide on the appropriate course of action for managing reserves, and a new reserves policy will be developed.

Restricted funds

Restricted reserves increased during the year by £94,289 (2022: decreased by £85,847).

The income was £53,273 (2022: £14,913), an increase on 2022 of 257% due to a land agreement during the year to promote the land owned by AWF.

Expenditure for the year was £82,614 (2022: £60,221), an increase of 37%. The increase in expenditure was because of an increase in salary costs attributed to the Norman Hayward Fund as well as an increase in grants awarded.

Investments

There were net gains from the investment portfolio of £58,630 (2022: losses of £40,538). As with the unrestricted funds, the portfolio was managed during the year by UBS Wealth Management.

Land revaluation

The value of the land at Broughton increased by £65,000 during the year after a revaluation carried out by our surveyors, Sherwill Drake Forbes.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

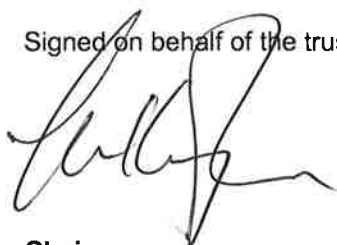
The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's Deed of Trust. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Signed on behalf of the trustees on 3 July 2024



Chairman
Julian Kupfer

Independent examiner's report to the trustees of British Veterinary Association Animal Welfare Foundation ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

- ◆ accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- ◆ The accounts do not accord with those records; or
- ◆ the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



8 August 2024

Edward Finch ACA
Buzzacott LLP Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 total funds £	Unrestricted funds £	Restricted funds £	2022 total funds £
Income from:							
Donations and legacies							
. Legacies		2,982	—	2,982	1,477	—	1,477
. Donations		49,801	—	49,801	61,287	—	61,287
Other trading activities							
. Fundraising		2,212	—	2,212	884	—	884
Investments	1	5,370	1,208	6,578	15,853	10,766	26,619
Other	1	—	52,065	52,065	—	4,147	4,147
Total income		60,365	53,273	113,638	79,501	14,913	94,414
Expenditure on:							
Raising funds	2	13,036	8,653	21,689	29,859	14,272	44,131
Charitable activities							
. Research projects		50,247	29,851	80,098	133,218	7,849	141,067
. Debate and education		70,746	28,775	99,521	80,069	28,204	108,273
. Promotion and awareness		46,005	15,335	61,340	29,689	9,896	39,585
Total expenditure		180,034	82,614	262,648	272,835	60,221	333,056
Net gains on investment property	3	—	65,000	65,000	—	—	—
Net gains (losses) on investments	4	161,197	58,630	219,827	(115,379)	(40,538)	(155,917)
Net gains (losses) on investment assets		161,197	123,630	284,827	(115,379)	(40,538)	(155,917)
Net income (expenditure) and movement in funds		41,528	94,289	135,817	(308,712)	(85,847)	(394,559)
Reconciliation of funds							
Funds brought forward 1 January 2023		961,545	1,049,730	2,011,275	1,270,257	1,135,577	2,405,834
Funds brought forward 31 December 2023		1,003,073	1,144,019	2,147,092	961,545	1,049,730	2,011,275

The accounting policies and notes on pages 16 to 24 form part of these financial statements.

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investment property	3		765,000		700,000
Investments	4		1,521,544		1,452,220
			<u>2,286,544</u>		<u>2,152,220</u>
Current assets					
Debtors	5	5,648		4,139	
Cash at bank		163,379		205,355	
		<u>169,027</u>		<u>209,494</u>	
Liabilities					
Creditors: amounts falling due within one year	6	308,479		350,439	
Net current liabilities			<u>(139,452)</u>		<u>(140,945)</u>
Creditors: amounts falling due after more than one year	6		<u>—</u>		<u>—</u>
Total net assets			<u>2,147,092</u>		<u>2,011,275</u>
The funds of the charity:					
Restricted funds	7		1,144,019		1,049,730
Unrestricted funds			1,003,073		961,545
			<u>2,147,092</u>		<u>2,011,275</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Trustee



Julian Kupfer

Date:

03/07/2024

The accounting policies and notes on pages 16 to 24 form part of these financial statements.

Principal accounting policies 31 December 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 December 2023, with comparative information provided with respect to the year ended 31 December 2022 taken from the charity's prior year accounts.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the valuation of the charity's investment properties which is reassessed by the trustees at each balance sheet date based on the previous professional valuation and an assessment of the property values in the local area;
- ◆ the allocation of overheads and governance costs between charitable expenditure categories;
- ◆ estimates in respect to accrued expenditure; and
- ◆ the assumptions adopted by the trustees in determining the value of any designations required from the charity's general unrestricted funds.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have considered any potential challenges when making their going concern assessment and have made this assessment with respect to a period of one year from the date of approval of these accounts.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related 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 will have sufficient resources to meet its liabilities as they fall due, thanks to the value of the investments. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2024 the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets. There has been an increase in the value of investments in 2023, the first part of 2024 has seen their value increase further.

Sub trust fund

The late Mrs Hayward made a residual legacy to the Foundation in memory of her late husband Mr Norman Hayward of Broughton. The fund has been set up as a separately constituted trust known as the Animal Welfare Foundation - Norman Hayward Fund and is primarily for the welfare of sheep, cattle and horses under the general objects of the Foundation. The trust has a separate set of trustees that also serve as trustees to the Foundation, these are indicated on page 8. For this reason, the trustees of the Foundation believe it correct to account for this sub-trust fund as a restricted fund of the Foundation. Now that the Animal Welfare Foundation has been set up as a CIO it is intended to close down the sub-trust alongside the old, unincorporated Animal Welfare Foundation in 2024. The Norman Hayward Fund will sit as a Designated Fund in the new CIO, with all assets and liabilities sitting with the new CIO.

Income recognition

Donations are accounted for when they are received.

Legacies are included within the accounts once the Foundation can demonstrate entitlement, and the amounts are known with reasonable certainty. In the case of assets received, they are accounted for when full legal title has passed to the Foundation.

Investment income: investment income is accounted for on an accruals basis.

Other trading income: Fundraising: These sources of income relate to land income and other activities used to generate income for the charity. These forms of income are accounted for on an accruals basis.

Expenditure recognition

Cost of raising funds relates to those costs incurred in promoting the charity and maintaining the investment base and subsequent income. Support costs are allocated to charitable activities on the basis of staff time. Associated staff costs are allocated on the basis of time spent. Governance costs relate to compliance with constitutional and statutory requirements. All expenditure is accounted for on an accruals basis.

Principal accounting policies 31 December 2023

Subsidiary undertaking

The Foundation had a wholly owned, but dormant subsidiary, BVA:AWF Trading Limited until March 2022, when it was officially dissolved.

Fixed assets

Fixed asset investments are stated at fair value. Fair value of listed investments is taken to be the middle market price ruling at the balance sheet date. Realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

Investment property

Freehold land is included in the accounts at valuation. The freehold land held by the Trust is classified as investment property, on the basis that, following a review by the Trustees, they consider that it is held primarily for its investment potential. The freehold land is included in the accounts at an open market valuation of £765,000 (2022: £700,000) and is not depreciated. The last valuation was carried out by Sherwill Drake Forbes, Chartered Surveyors, as at the 2023 year end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objective of the Foundation. Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds is set out in the notes to the accounts.

1 Income

Investment income

	2023 Total £	2022 Total £
Dividends	4,418	25,709
Interest on cash deposits	2,160	910
2023 Total funds	6,578	26,619

Other income

	2023 Total £	2022 Total £
Promotion agreement	50,000	—
Land rental income	2,065	4,147
2023 Total funds	52,065	4,147

2 Expenditure

	Staff costs £	Grants payable £	Direct costs £	Support costs £	2023 Total £
Raising funds	7,702	—	11,790	2,197	21,689
Charitable activities					
. Research projects	46,210	20,709	—	13,179	80,098
. Debate and education	53,912	—	30,233	15,376	99,521
. Promotion	46,210	—	1,951	13,179	61,340
2023 Total expenditure	154,034	20,709	43,974	43,931	262,648

	Staff costs £	Grants payable £	Direct costs £	Support costs £	2022 Total £
Raising funds	19,215	—	21,379	3,536	44,131
Charitable activities					
. Research projects	38,431	95,564	—	7,072	141,067
. Debate and education	38,431	—	62,770	7,072	108,273
. Promotion	32,026	—	1,666	5,894	39,585
2022 Total expenditure	128,103	95,564	85,815	23,574	333,056

2 Expenditure (continued)

Allocation of support costs

	General expenses £	Governance costs £	2023 Total £
Raising funds	1,849	348	2,197
Charitable activities			
. Research projects	11,093	2,086	13,179
. Debate and education	12,943	2,433	15,376
. Promotion	11,094	2,085	13,179
2023 total expenditure	36,979	6,952	43,931

	General expenses £	Governance costs £	2022 Total £
<i>Raising funds</i>	<i>2,354</i>	<i>1,182</i>	<i>3,536</i>
<i>Charitable activities</i>			
. <i>Research projects</i>	<i>4,708</i>	<i>2,364</i>	<i>7,072</i>
. <i>Debate and education</i>	<i>4,707</i>	<i>2,365</i>	<i>7,072</i>
. <i>Promotion</i>	<i>3,923</i>	<i>1,971</i>	<i>5,894</i>
2022 total expenditure	15,692	7,882	23,574

Analysis of direct costs

	Total 2023 £	Total 2022 £
Raising funds		
. Advertising and fundraising	996	3,145
. Legacy agent and associated legal fees	4,388	3,308
. Investment manager's fees	6,406	14,926
	11,790	21,379
Debate and education		
. Discussion forum	28,632	33,656
. Welfare days at vet schools	607	1,493
. Links Project	—	26,573
. Dog breeding forum/puppy contract	994	1,048
	30,233	62,770
Promotion and awareness		
. BVA/AWF website costs	933	706
. Promotion	1,018	960
	1,951	1,666
Total direct expenditure	43,974	85,815

2 Expenditure (continued)

Staff costs

An average of four (2022 – three) FTE staff were seconded by the British Veterinary Association to help with the Foundation's work. A charge is made by the British Veterinary Association for these staff costs, which amounted to £154,034 (2022 - £128,103). None of these were paid more than £60,000 in the year in respect of their work for the charity.

The trustees did not receive any remuneration during the year (2022 - £nil). Expenses relating to travel and subsistence of £3,399 (2022 - £1,083) were paid by the Foundation. These were paid to 6 trustees (2022 - 3).

The aggregate remuneration paid to key management personnel was £nil (2022 - £nil).

Grants payable

	2023		2022	
	£	£	£	£
Reconciliation of grants payable				
Commitments at 1 January 2023		257,892		224,936
Grants approved in the year	25,636		106,058	
Grants payable for the year, less not utilised	(4,328)		(10,495)	
		21,308		95,563
Grants paid during the year		(64,132)		(62,607)
Commitments at 31 December 2023		215,068		257,892

3 research grants were approved in the year. The total of new grants was £25,636.

3 Investment property

	2023 £	2022 £
Value at 1 January and 31 December	765,000	700,000

Sherwill Drake Forbes valued the land owned by the Norman Hayward Fund at £765,000, as at 31.12.2023.

4 Investments

	2023 £	2022 £
Market value at 1 January 2023	1,452,219	1,574,174
Additions	244,047	1,737,331
Disposals at opening market value (including realised gains of £23,801; 2022 – realised losses of £34,887)	(371,469)	(1,738,255)
Net unrealised investment gains / (losses)	196,747	(121,030)
Market value at 31 December 2023	1,521,544	1,452,220
Historic cost at 31 December 2023	1,401,870	1,548,163

4 Investments (continued)

Investments comprise the following:

	2023		2022	
	Market value £	Cost £	Market value £	Cost £
Listed investments				
Government and fixed interest stocks	393,795	383,233	384,893	399,511
Equity shares				
. UK	—	—	1,067,326	1,148,652
. Overseas	1,127,749	1,018,637	—	—
	1,521,544	1,401,870	1,452,219	1,548,613

Investments representing 5% or more of the total portfolio are as follows:

	2023 £	2022 £
Green Social and sustainable fund	—	75,846
SGD Engagement Equities	139,834	131,310
MSCI ACWI socially responsible	127,788	182,028
Engagement equity	87,861	81,801
Equality UCITS	—	73,019
Global equity XP	114,372	105,258
Global equity ESG	152,750	146,615
Global equity esg hedged	151,159	146,462

5 Debtors

	2023 £	2022 £
Prepayments and accrued income	5,620	4,052
Other debtors	28	87
	5,648	4,139

6 Creditors

	2023 £	2022 £
Amounts falling due within one year:		
Other creditors	77,040	53,489
Accruals	16,371	39,058
Grants payable	215,068	257,892
	308,479	350,439

7 Restricted funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains on investments £	Balance at 31 December 2023 £
AWF – Norman Hayward fund	1,049,730	53,273	(82,614)	123,630	1,144,019
	<u>1,049,730</u>	<u>53,273</u>	<u>(82,614)</u>	<u>123,630</u>	<u>1,144,019</u>

Animal Welfare Foundation - Norman Hayward Fund

The Animal Welfare Foundation - Norman Hayward Fund is a separately constituted trust fund which was established in 1995 with the express purpose of providing funding for the general purpose and objects of the Foundation, but primarily for the welfare of sheep, cattle and horses. As stated in the principal accounting policies, the trustees of the Foundation consider this a restricted fund. Although the trust was set up in 1995 the Executors of the Estate forwarded distributions to the Foundation amounting to £407,768 between 1989 and 1995 which have been expended on projects in accordance with the donor's request. During 1996 the balance of the residuary legacy was transferred over to the trust which principally consisted of freehold land at probate valuation. The majority of the land's value was realised during 2006. However, an option sold on some of this land was not taken up by the purchaser and the land reverted to the Norman Hayward Fund during 2010. The surveyor valued all the land owned by the Norman Hayward Fund at the 2023 year end at £765,000.

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains on investments £	Balance at 31 December 2022 £
AWF – Norman Hayward fund	1,135,578	14,912	(60,221)	(40,538)	1,049,730
	<u>1,135,578</u>	<u>14,912</u>	<u>(60,221)</u>	<u>(40,538)</u>	<u>1,049,730</u>

8 Analysis of net assets between funds

2023	Investment property £	Investments £	Net current assets £	Long-term liabilities £	Total £
Restricted funds					
. AWF – Norman Hayward fund	765,000	405,811	(26,792)	—	1,144,019
Unrestricted funds					
. General funds	—	1,115,733	(112,660)	—	1,003,073
	<u>765,000</u>	<u>1,521,544</u>	<u>(139,452)</u>	<u>—</u>	<u>2,147,092</u>

8. Analysis of net assets between funds (continued)

2022	Investment property £	Investments £	Net current assets £	Long-term liabilities £	Total £
<i>Restricted funds</i>					
. AWF – Norman Hayward fund	700,000	377,577	(27,847)	—	1,049,730
<i>Unrestricted funds</i>					
. General funds	—	1,074,642	(113,098)	—	961,545
. Designated funds	700,000	1,452,219	(140,944)	—	
	<u>700,000</u>	<u>377,577</u>	<u>(27,847)</u>	<u>—</u>	<u>1,049,730</u>

9 Related party transactions

Included in expenditure is a charge of £154,034 (2022 - £128,103) made by British Veterinary Association (Company Registration Number 206456), a known related party, in respect of staff costs. A further management charge of £18,000 (2022 - £14,400) made by British Veterinary Association is also included in AWF's expenditure. A total of £60,779 was due from the charity to BVA as at 31 December 2023 (2022 - £48,923).

10 Subsequent Event

A land agreement was signed after the year end and payment was made to AWF for £70,000, which was also received after the year end.