

## Annual Report and Accounts

31 December 2017

Vetlife is a working name of the  
Veterinary Benevolent Fund

Company Registration Number  
153010 (England and Wales)

Charity Registration Number 224776

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## Reference and administrative details of the Charity, its trustees and advisers

**G P Little MVB MRCVS**

**President (Until 19 July 2018)**

Executive Committee | Finance & Investment Committee

**I G C Dick BVSc MRCVS**

**Honorary Treasurer (Until 19 July 2018)**

Executive Committee | Finance & Investment Committee (Chair)

Communications Committee (Chair) | CPD Committee | Complaints Committee

**E Garvican PhD BVMS MRCVS**

**Honorary Secretary (Until 19 July 2018)**

Executive Committee | Finance & Investment Committee | Grants Review Committee (Chair) | Grants Awards Panel (Chair)

**K E Moore BVSc BSc(Hons) VN MRCVS**

Executive Committee | Finance & Investment Committee | Vetlife Helpline Committee (Chair) | Vetlife Health Support Committee (Chair)

**J R Killen BVSc MRCVS (After 13 July 2016)**

Communications Committee | Complaints Committee (Chair)

**W B Mavir BVM&S MRCVS**

Communications Committee | Vetlife Health Support Committee

**E B McNeill BVMS CertVR MRCVS (After 13 July 2016)**

Communications Committee | Grants Review Committee

**Colonel Neil Smith BVetMed MSc MDA MA FRCVS QHVS (After 17 July 2017)**

Vetlife Health Support Committee

**P Colville BVMS MBA MRCVS (After 17 July 2017)**

CPD Committee | Communications Committee

**Dr A Nelson-Pratt BVSc MRCVS (After 17 July 2017)**

Communications Committee

### **'Working' names**

Vetlife  
Vetlife Helpline  
Vetlife Health Support  
Vetlife Financial Support

## Reference and administrative details of the Charity, its trustees and advisers

|                               |   |
|-------------------------------|---|
| <b>Company Secretary</b>      | D Thorpe BSc (Econ) ACA   |
| <b>Administration Manager</b> | V J Kearns BA (Hons) (until May 2017)<br><br>J Driver (from June 2017)                |
| <b>Registered office</b>      | 7 Mansfield Street<br>London<br>W1G 9NQ   |
| <b>Registered number</b>      | 153010 (England and Wales)  |
| <b>Auditor</b>                | Buzzacott LLP<br>130 Wood Street<br>London<br>EC2V 6DL                                |
| <b>Stockbroker</b>            | UBS Wealth Management Limited<br>3 Finsbury Avenue<br>London<br>EC2M 2AN              |
| <b>Solicitors</b>             | Winckworth Sherwood<br>The Old Deanery<br>Deans Court St Paul's<br>London<br>EC4V 5AA |
| <b>Bankers</b>                | Barclays Bank plc<br>PO Box 115<br>Carlisle<br>CA3 8JS                                |

### REPORT OF THE BOARD OF TRUSTEES - YEAR TO 31 DECEMBER 2017

The Trustees of the Veterinary Benevolent Fund, which operates under the name of Vetlife, present their report with the audited accounts of the company for the year ended 31 December 2017.

The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 29 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011 and 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), effective from accounting periods commencing 1 January 2015 or later.

### THE ROLE AND AIMS OF VETLIFE

**Vision:** A UK veterinary community with high levels of physical and mental wellbeing.

**Mission:** To provide support to members of the UK veterinary community and their families who have emotional, health or financial concerns, whilst seeking ways to prevent such situations in the future.

The veterinary community experiences significant levels of depression and suicide. Vetlife works to make those engaged in that community aware of sources of help and support should they, or a colleague, be in need of assistance. Support needs vary according to circumstance and may involve short-term support to cope with an immediate crisis or longer term support for those affected by age, ill health or disability. However, wherever possible, the charity seeks to enable beneficiaries to return to independence and self-sufficiency.

Vetlife finances and manages three services in order to achieve this:

**Vetlife Helpline** provides confidential emotional support by phone or anonymous email via the website. Support is provided by trained volunteer veterinarians, veterinary nurses, and others who have knowledge of the veterinary profession. It is a completely confidential, non-judgmental listening service, providing time and space for people to talk or communicate. Access to specialist help is enabled where appropriate.

**Vetlife Health Support** provides professional support for mental health issues, including those related to stress, anxiety, depression, alcohol, drugs and eating disorders.

**Vetlife Financial Support** provides financial and other assistance to veterinary surgeons, and their dependants, in need, in the form of regular monthly grants or special gifts. Vetlife may also fund professional advice on issues such as debt and state benefits.

### **PUBLIC BENEFIT**

The veterinary profession protects the nation's food supply and plays a vital role in disease control - both of these are clearly of public benefit. It additionally maintains the health and wellbeing of domestic pet animals, often key members of a family unit or even the primary companion for solitary members of the community.

The Board confirms that it has paid due regard to the Charity Commission's "Public Benefit Guidance". During the year the Board has discharged its responsibilities to beneficiaries of Vetlife in line with the principles in the Guidance. The Board believes that the benefits and those who receive help from Vetlife are clear and identifiable and related to the aims of Vetlife.

Vetlife makes every effort to ensure veterinary surgeons and their dependents who have financial difficulties and any veterinary professional (including veterinary nurses and students) who may need psychological and emotional support have access to the relevant Vetlife service. Vetlife maintains contact with other charities, the regional and specialist divisions of the British Veterinary Association (BVA) and the main veterinary organisations in order to provide points of contact between Vetlife and those needing help.

The Royal College of Veterinary Surgeons (RCVS) currently indicates there to be approximately 26,000 registered veterinary surgeons in the UK and Ireland, of which over 22,000 are registered to practise in the UK. There are approximately 8,000 veterinary students and over 13,000 registered veterinary nurses

During 2017 the trained Vetlife Helpline volunteers responded to 1,737 contacts from the veterinary community, providing a positive supportive mental health resource to all members of this community.

Vetlife estimates that UK veterinary surgeons have in the region of 45,000 dependents from a wide range of occupations, who may be eligible for Vetlife support. Veterinary nurses are also eligible for a limited amount of non-financial help.

Additional to signposting guidance and professional mental health support, a total of £115,268 in regular monetary grants and £16,609 in one-time supportive gifts was awarded to beneficiaries in 2017. Financial and health support provided by Vetlife can prevent decline into poor health or poverty and may enable the resolution of a beneficiary's problems and a return to work.

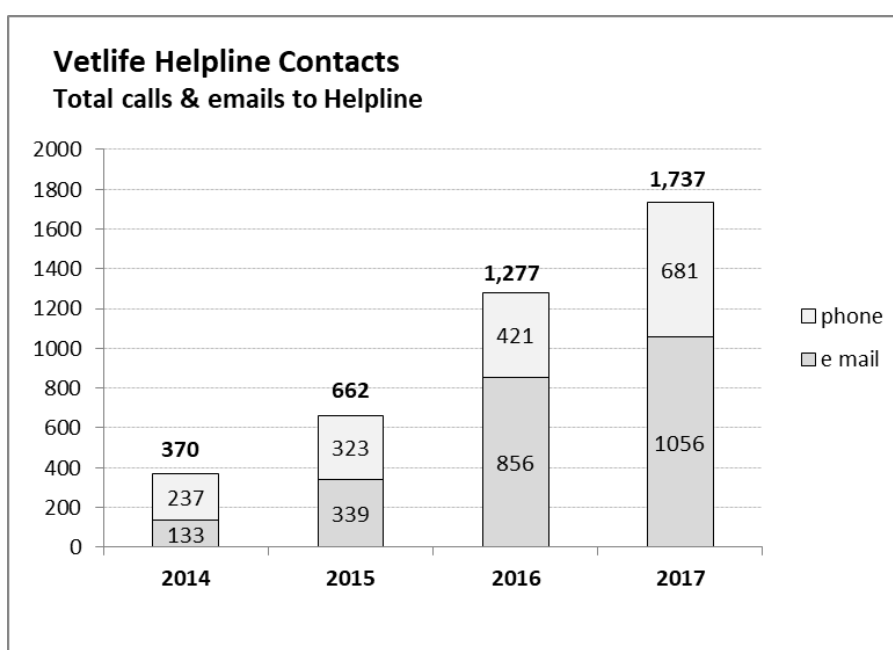
### KEY AREAS OF PERFORMANCE

Progress was made in each of the key areas of activity of Vetlife in 2017.

#### Helpline

Additional to the training days held for new volunteers, a further day of training was held for existing volunteers in conjunction with March on Stress, the company that assumed responsibility for providing the delivery of mental health support commencing mid-April. Further training was also provided for volunteers engaged in the provision of face-to-face support at veterinary events.

The “contacts” to Helpline continued to increase during the year, with the majority being received via email. Contacts have now increased fivefold since 2012 and have resulted in the decision of the Board now to contract a Helpline Manager to coordinate the Helpline volunteer training and management. The total number of “contacts” received, were now of the magnitude that the Helpline volunteers were balloted to seek views on their preferred rota, which resulted in a change from 24 hour to 12 hour shifts, with the option for volunteers of two consecutive 12 hour shifts should they prefer.



In the calendar year 2017, Vetlife Helpline responded to 1,737 contacts from callers, the most in any year of its history. Of these contacts, 681 were by phone, and 1,056 by email. The busiest month for email was August, with 100 contacts, and for phone was September with 82 calls. This represents growth in use of the support services by over 350% since 2014.

Volunteer numbers also continued to grow. At the end of 2017, the Vetlife Helpline service was provided by 49 volunteer helpers.

Initial training for new volunteers was held twice in 2017, and ongoing training for existing volunteers was also held twice, with the Vetlife Health Support service and supporting callers experiencing mental health problems a particular focus. Training in

providing support face-to-face was also offered at ongoing training as increasing numbers of Helpline volunteers represent Vetlife at conferences and events.

The Helpline service was represented by the Helpline Manager at a number of events and conferences through the year, as well as in talks at three UK vet schools. The Helpline Manager also ran the London Marathon for Vetlife, and took part in press activity and articles where the Vetlife number was featured as a support contact for vets in difficulty. A number of Helpline volunteers also took part in talks and events representing Vetlife.

The Helpline Manager is a member of the RCVS Mind Matters Initiative Task Force, and was on the judging panel for the SPVS-VPMA Practice Wellbeing Awards.

Summary of work on Helpline activities in 2017:

- All existing helpers trained in awareness of and procedures for the Vetlife Health Support service to facilitate work alongside the new Vetlife Health Support service.
- New protocols created and helpers trained to support provision of Vetlife Helpline as a single point of contact for all Vetlife services, including Vetlife Health Support and Vetlife Financial Support.
- New helpline volunteers recruited and trained at training days in March and November, with 20 new volunteers starting on rota.
- Volunteer recruitment protocols reviewed and new resources developed with support provided for the selection team, comprising the Helpline Manager and four volunteer helpers and the training team with five volunteer helpers.
- Formal supervision commenced October 2017 for all Helpers in conjunction with the Vetlife Health Support service.
- Group of volunteers trained as the Vetlife Helpline outreach team to provide face-to-face support where needed at veterinary meetings and conferences, provided.



Health Support

The National Coordinator for the service, Rory O’Connor, remained contracted on a consultancy basis until 18 April 2017, reporting to the three Vetlife Board Trustees charged with special responsibility for the management of the service. These Trustees reported to the Board, with the National Coordinator also providing the Board with regular operational reports. Following a review of the future need for a broader Health Support service, March on Stress was appointed to take over this role in 2017.

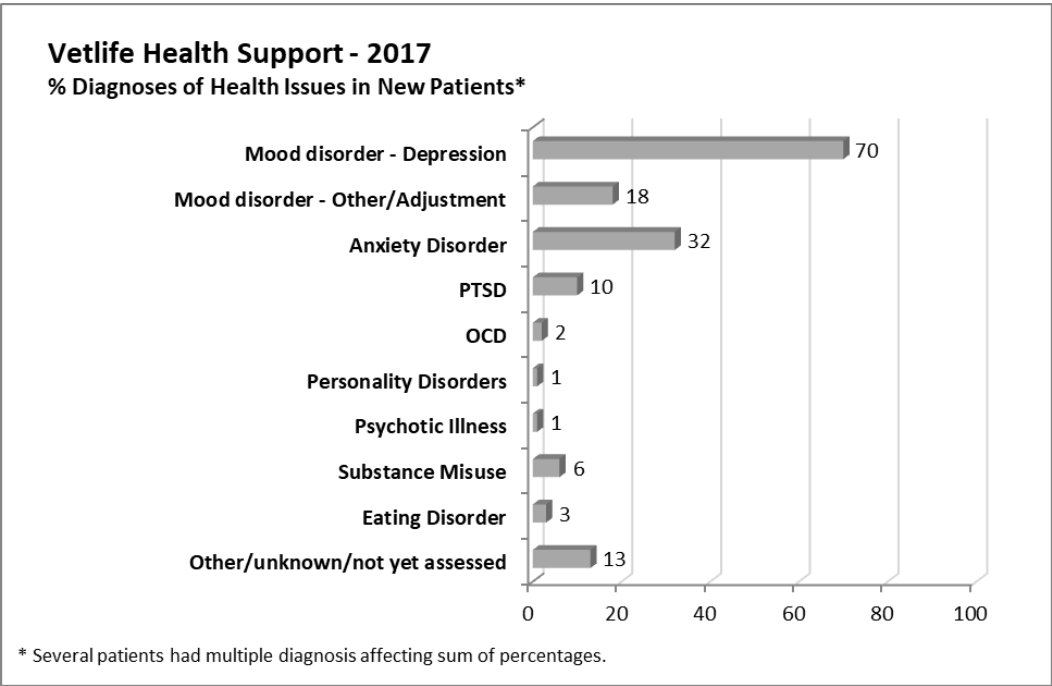
One of the major events for the Trustees during 2017 was management of the transfer of the service provision from Rory O’Connor to March on Stress. All those who received health support during 2015 and 2016 were contacted, made aware of the change and to permission sought for their details to be made available to the new provider. The Charity is most grateful to Rory O’Connor, Alison Cameron and Dr. Douglas Fowlie, as are those who have benefitted from their advice and support.

The reporting arrangements required of the new service provider, March on Stress, remain as before and have been in place since 18 March 2017.

Trustees continued to monitor the volume of work referred to Health Support. In the first few weeks after the transfer, those referrals were over twice the volume expected.

General reports, outlining numbers helped and the type of problems encountered were made available quarterly to both the Royal College of Veterinary Surgeons and the Veterinary Defence Society, two of the charity’s main financial supporters.

The analysis of diagnoses in 2017 is shown below:



There were no new Health Support cases requiring hospitalisation in 2017.

### Financial Support

Beneficiary eligibility and levels of financial support to be provided were regularly decided by the Grant Awards Panel and the financial situation of all grant recipients was reviewed at least once during the year by the Grant Review Committee. Both committees used the established Vetlife forms and the Common Financial Statement in tandem to calculate the most appropriate level of support.

The Fund responded with financial support to three new applications in 2017 (2016: 7) with a total of 32 beneficiaries supported during the year. Referrals for specialist debt and welfare benefits advice were made to Manchester Citizens Advice Bureau, which has built up a particular knowledge of situations faced by the veterinary profession. Referrals were also made to Vetlife Health Support, BVA legal advice line and to ACAS.

No genuine case of financial hardship was refused assistance during the year. The principal grant purpose being for assistance with living costs. Although the largest grant recipient group was previously widows of veterinary surgeons, approximately half of grant recipients are now veterinary surgeons.

Vetlife does not use charitable funds to replace available state assistance, but aims to provide a fourth line of support. Grants and special gifts from the Charity are only available after an applicant has used their personal savings, applied for all state benefits and requested family support.

A total of £115,268 was paid out in the form of regular grants to beneficiaries and £16,609 was given as one-off special gifts, predominantly during the Christmas period.

Home visits were made to beneficiaries by Vetlife area representatives. The Board wishes to ensure that the Charity has face-to-face contact with grant recipients to provide pastoral support and as a check on the information provided by beneficiaries on their initial application or annual review forms.

Vetlife has continued to support “at risk” veterinary surgeons to enable some individuals to remain in work. This has been achieved with the additional help of Vetlife Health Support when appropriate consent was given. This can prevent potential hardship, and ensures continuity in their professional lives. Vetlife also assisted veterinary surgeons suffering illness for a period of time to return to work by arranging for re-integration into the professional environment by practice engagement, access to free CPD and financial assistance to regain RCVS registration.

### **Fundraising**

An issue highlighted at the Strategy Meeting, held in September, was the projected possible shortfall in 2020 of funding compared to expenditure demand. A specific fund raising sub-committee was consequently formed, tasked with determining means of heightening awareness by sources of possible funding about the benefits provided to the veterinary community by Vetlife and thereby increasing levels of external financial support. Special interest would be placed on potential high level liaison with major large veterinary employers to review the benefits of Vetlife to their employee base and to seek their financial support for the Charity.

Traditionally a major source of income for the Charity has been the collection by the Veterinary Defence Society of donations to Vetlife with annual insurance renewals by veterinarians. However, the consolidation of independent practices over recent years into larger group entities has been accompanied by a reduction, year on year, in this source of income to the Charity. The Board will seek to address this issue in future fundraising strategies.

The requirement for sound communication about the activities and benefits of the Charity to potential funding sources has led to the integration of the fundraising sub-committee and marketing committee into a Communications Committee.

During 2017 Vetlife supported external fundraisers by promoting their activities through digital marketing, as well as providing promotional materials including branded T-shirts, and in certain circumstances writing and distributing appropriate press releases.

Legacies and in-memoriam donations for the year totalled £98,206 (2016: £120). Other donations totalled £108,190 (2016: £267,667).

### **On-line fundraising**

Vetlife has a presence on three on-line donation sites. On-line fundraising activity continues to grow and included several sponsored marathons and collections made at veterinary schools during the year.

### **Gift Aid**

The Charity promotes donations to be made under the Gift Aid scheme to maximise their value to the Charity.

### **Subsidiary Trust**

Vetlife has a restricted fund known as the Professor Wortley Axe Fund. The former Clement Stephenson and Garnett Memorial Funds have been reduced to zero.

## **ADMINISTRATIVE ACTIVITIES**

### **Safeguarding**

Where relevant, Vetlife volunteers, including Trustees are subject to DBS checks. Although the subject of safeguarding has been a frequent area of discussion at Board meetings, it was decided to appoint a Trustee to lead on the subject and that 'Safeguarding' would appear as a Board agenda item in the future.

### **Governance Review**

In accordance with due diligence and good governance, a Governance Review of the Charity was carried out by Compass Partnership. This followed a standard procedure for smaller charity governance reviews, and comprised a review of Vetlife governance documents, coupled with a compilation of the views of four post holders close to the governance of the Charity. Although the overall rating was higher than the average for a cohort of similar surveys, there were a number of recommendations in the report, which have been fully reviewed by the Board for action as appropriate. Although some of these actions have been quickly adopted, others will take effect over time.

### **Personnel and Office Space**

During 2017, Joanne Driver was appointed Administration Manager following the departure of Vanessa Kearns. Additionally, an agreement was reached with the British Veterinary Association and the Animal Welfare Foundation for the part-time services of a Marketing Officer, Ellie Patterson.

The Charity's employees are jointly employed by BVA and Vetlife. Salaries are set annually by BVA and the total salary cost is agreed by the Vetlife Board at their November meeting.

Following the Board decision to contract the role of Helpline Manager, a Request for Quotations (RfQ) was advertised in the press and on the Charity's website during Q4 of the year. Following a selection process and interviews, the contract was awarded to the successful bid from Dr Rosie Allister.

The office space of Vetlife is fit for purpose, and continues to be rented from the BVA in Mansfield Street, London.

### **Charity Bungalows**

Maintenance works were carried out throughout the year on the four bungalows owned by the Charity in Dorset, and supervised by the managing agents, Harker & Bullman Ltd. By year end, two of the properties were rented out to private tenants whilst two each have a Vetlife beneficiary in residence.

An annual inspection visit is made by an appointed Trustee on behalf of the Board and regular reports are received from the managing agents.

### **Vetlife Fellowships**

Vetlife fellowships recognise significant contributions to the work of the charity. No fellowships were awarded in 2017.

### PUBLIC RELATIONS AND MARKETING

Key marketing activities undertaken in 2017 included the appointment of a new marketing agency, Genium, in December 2017, and a fundraising raffle at the London Vet Show to mark 25 years of the Vetlife Helpline. Fundraising is routinely incorporated into overall communication activities.

#### Press Activity

Vetlife has been featured in a variety of trade, local and national press publications and media outlets throughout the year including:

- Burnley Express
- Express.co.uk
- ITV
- Veterinary Record
- Vet Times
- Vetsurgeon.com
- VN Online

#### Events and exhibitions

Vetlife attended a number of veterinary events in 2017 with the aim of increasing awareness of the Charity, building relationships, and distributing such marketing materials as branded stickers and contact cards to encourage donations and promote awareness of its support services.

Veterinary events/exhibitions attended:

- BSAVA Congress
- Vet Festival (VetFest™)
- SPVS Lancaster
- BSAVA Scottish Congress
- Vet Dynamics Congress
- BVNA Congress
- London Vet Show

Vetlife is grateful to the organisations that have given Vetlife free space at the following veterinary events:- BSAVA Congress, Vet Festival, SPVS Lancaster, BSAVA Scottish Congress, Vet Dynamics Congress and BVNA Congress.

Vetlife is also grateful to the Veterinary Defence Society for facilitating its participation at the following Graduation Reunions:

- RVC
- Glasgow
- Nottingham
- Liverpool
- Cambridge
- Bristol
- Dublin
- Edinburgh

Vetlife additionally attended:

- Wellbeing lecture to Glasgow veterinary students.
- Glasgow Academic Student Peer Support Forum.
- Edinburgh Careers Fair.
- BSAVA Southern Region evening meeting.
- "Wellbeing in Vets" talk at medical education conference at Leeds medical school.

### Advertising and Promotion

Veterinary press and organisations often offer free promotion of Vetlife. During 2017 Vetlife received free promotion / advertising space via the following channels:

- |                     |                                 |
|---------------------|---------------------------------|
| - Vet Record        | - BVA stand at various events   |
| - Veterinary Times  | - VBJ                           |
| - Vetsurgeon.com    | - Vetstream.com                 |
| - BVA member emails | - Edinburgh Vet School handbook |

Additional paid promotion included an advertisement on the London Vet Show Wall-planner and an advert in Charity Choice 2018.

### Website

Updates were carried out on the Website as necessary throughout the year.

Google Analytics indicates that in 2017 the Vetlife website received 29,676 visits (2016: 28,896; 2015: 29,800) with an average of 2.45 pages viewed per visit.

66% of users were from the UK, 27% from the US, the rest of the users came from Australia, Canada, Ireland, Spain, Portugal and Poland.

48% of users access the website via mobile phone, 45% by computer and 7% via tablet.

Acquisition routes were recorded as 64% through organic searches; 18% by entering the website address; 11% by social media and 7% by referral from another site.

The most viewed pages in 2017 were the Vetlife homepage, the Vetlife Helpline page and the page related to depression.

Vetlife has a presence on other websites within the veterinary community which allows the Charity to reach a wider audience and also refers people to the Vetlife website.

### Digital marketing

In 2017 more regular emails to the Vetlife database were initiated. These communicated the Charity's activities, ways to get involved and detailed the Charity's services.

Facebook and Twitter were used extensively to raise awareness of the Charity. By the end of 2017 Facebook had 3,138 likes and Twitter had 4,456 followers.

Facebook page "likes" grew steadily with an average of 91 new page likes per month in 2017 from 2,052 to 3,138 at the end of December 2017. During 2017 content associated with the Vetlife page reached 486,266 people with an average of 2,012 engaged users each month.

The most popular post of 2017 focused on personal wellbeing during the Christmas period and reached almost 19,000 people.

The Vetlife Twitter profile grew from 3,593 to 4,456 followers during the year, with an average of 26,503 tweet impressions per month in 2017. The top tweet during 2017 was around Mental Health Day and reached 12,303 people.

|                          | <b><i>Vetlife Website</i></b> |                   | <b><i>Facebook</i></b> | <b><i>Twitter</i></b> |
|--------------------------|-------------------------------|-------------------|------------------------|-----------------------|
|                          | <i>Sessions</i>               | <i>Page Views</i> | <i>Likes</i>           | <i>Followers</i>      |
| <b><i>2016</i></b>       | 28,869                        | 61,745            | 2,052                  | 3,593                 |
| <b><i>2017</i></b>       | 29,676                        | 72,733            | 3,138                  | 4,456                 |
| <b><i>Growth</i></b>     | 807                           | 10,988            | 1,086                  | 863                   |
| <b><i>% Increase</i></b> | <b>2.80%</b>                  | <b>17.80%</b>     | <b>52.92%</b>          | <b>24.02%</b>         |

Vetlife is regularly mentioned on digital marketing activities of other organisations; this allows the Charity to reach a wider audience and also refers people to the Vetlife website.

Outlets on which reference was made to Vetlife included:

- BVA eNews
- BVA student eNews
- BVA social media
- SPVS social media
- BSAVA social media
- BVNA social media
- RVC social media
- BVLGBT+ social media
- Vets: Stay, Go, Diversify social media
- VDS social media

## **FIVE YEAR STRATEGIC OBJECTIVES**

At its Strategy Meeting held in September 2017, the Board determined that a series of broad objectives need to be met during the five years to 2022:

### **Refine the charity remit**

- Be clear on core activities, critically review, refine and deliver KPIs to remit.
- Seek expert inputs to ensure delivery on remit.
- Use evidence base to justify core activities and open new possibilities.

### **Establish sustainable funding**

- Build a sustainable funding plan.
- Build stronger relationships with stakeholders.
- Ensure appropriate cost structures and management of funds.
- Create resources to communicate activities and generate engagement.

### **Increase the reach to potential service users**

- Build a resource plan to deliver on the increasing service demands.
- Develop a full marketing plan to widen awareness and access.
- Consider tools/ products to augment service.

### **Efficient use of resources**

- Leverage office/ BVA support team.
- Explore technical, Customer Relationship Management and IT systems to automate functions where possible.
- Improve internal and external communications.
- Enable Board to drive fund raising and stakeholder engagement.
- Outsource functions where necessary and cost efficient.

## **PLANNED ACTIVITIES - 2018**

The Board and its Committees plan to carry out a range of activities in support of their strategic objectives during 2018:

### **Accommodation**

Liaison will be undertaken with BVA on planned changes to accommodation for the Charity.

### **Communications**

In association with the selected communications agency, Genium, conduct a full review of stakeholder perceptions of the Charity as a basis for revision of internal and external communications strategies and materials.

Initiate individual stakeholder discussions with principal veterinary employers and major potential funding sources.

Increase variety of Vetlife posts shared on social media e.g. news posts, fundraising posts, sign-posting posts, motivational / inspiring posts, real story posts, awareness day posts, case study posts etc.



Incorporate a blog into the Vetlife website, which can then be used as a platform to raise awareness, share stories, promote services, share news etc.

Create internal email newsletter for Vetlife staff and volunteers.

Create blog, email, newsletter and social media content to be distributed by Vetlife partners and ambassadors.

Grow Vetlife newsletter/email database.

Review layout and content of Vetlife website.

### **Finance**

Construct a business forecast template to enable clear overview of projected income and expenditure.

Create a 5 year business plan.

Review the Fund reserves policy to maximise net returns.

### **Financial Support**

Recruit and train more area representatives to allow for two area representatives to carry out home visits to new applicants in line with safeguarding best practice.

Invite existing area representatives to attend training.

Encourage area representatives to engage in fundraising activities and promotion of Vetlife at national and regional conferences.

### **Governance**

Review and update relevant Terms of Reference to reflect actions defined from Governance Review.

Train all Area Representatives regarding changes to the law on Data Protection, GDPR, and ensure file storage systems and correspondence are compliant.

### **Health Support**

Formal feedback is to be obtained from discharged patients.

Monitor workload and manage adaptation of the service as required to ensure sustainability.

Conduct Clinical Audit.

### **Helpline**

Review of all Helpline activities to ensure compliance with GDPR.

Redevelopment of the email support platform.

Redevelopment of the call log and statistics collated about calls.

Redevelopment of the volunteer rota.

Provision of renewed safeguarding training to all volunteers.

Increase the number of volunteer helpers from 49 to 60+.

### FINANCIAL REVIEW

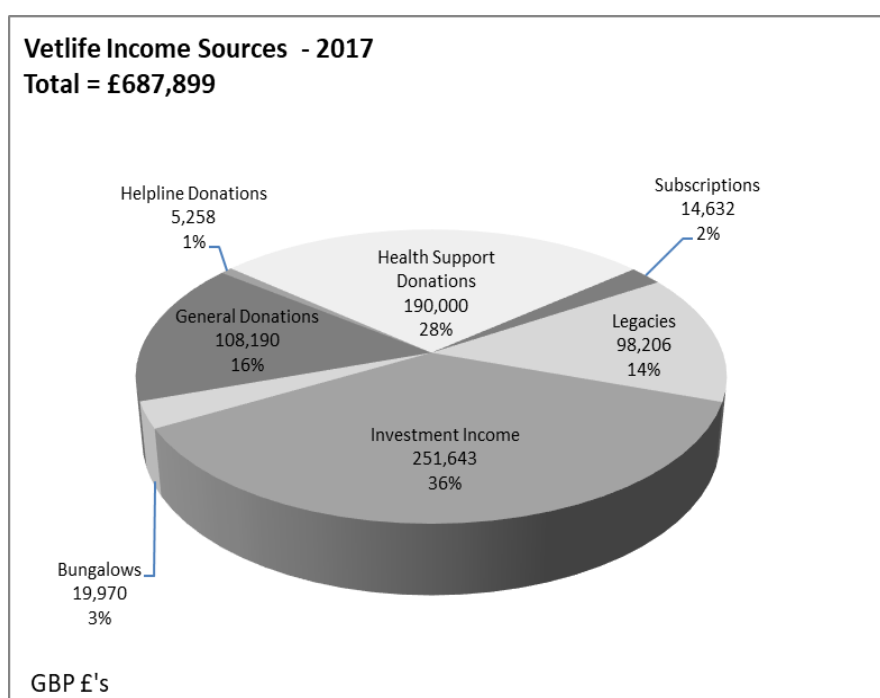
#### Report by Vetlife Honorary Treasurer:

##### Income

The Statement of Financial Activities (SOFA) set out on page 25 shows a 24.5% income improvement in comparison to prior year, providing £687.9K to enable the ongoing work of the Charity. This increase relative to 2016 has been largely due to generous legacies of £98k in 2017, whereas only minimal amounts were received by this means in 2016.

The increased funding of £48K from the principal supportive organisations, Royal College of Veterinary Surgeons (RCVS) and Veterinary Defence Society (VDS), provided additional financial resource for the necessary expansion of Vetlife Health Support. The increased matching support (+31.7%) provided by the RCVS Mind Matters Initiative (MMI) for operation of the Vetlife Helpline call answering service, operated by Moneypenny, reflects the continued growing volume of demand on this, and on the dedicated group of trained volunteers to whom these calls are transferred.

The income generated from membership subscriptions and donations remains a subject of concern against the constantly changing backgrounds of veterinary demographics and practice consolidation. Nonetheless, donations at £108.2K (+0.8%) and subscriptions at £14.6K (+1.9%) have both shown a modest increase over the previous year, helped by ongoing publicity efforts and some one-time individual corporate donations. These overall increases in sourced income positively offset the reduction of £11.2k (-4.3%) in dividend income from investments.



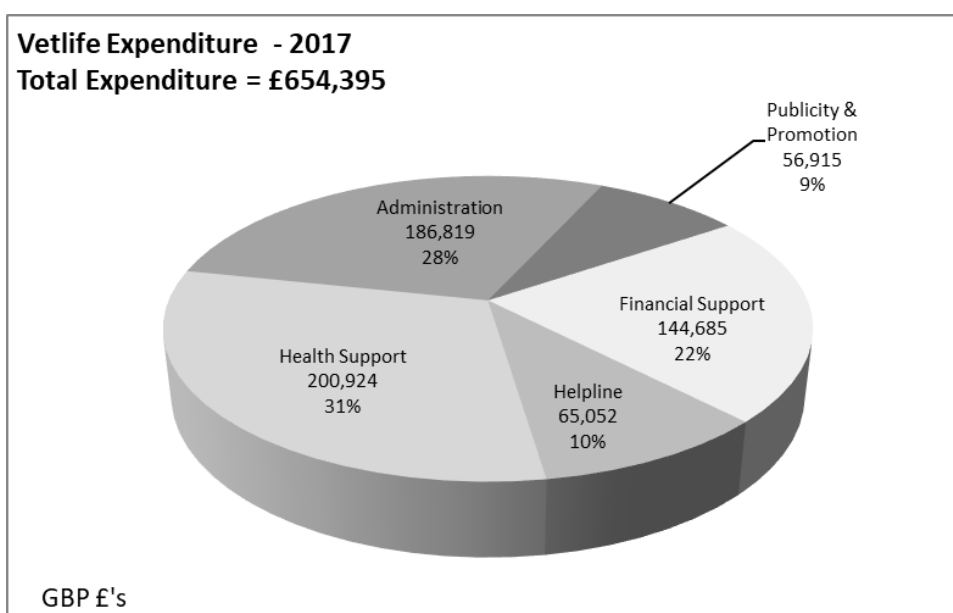
The Board again gratefully recognises the generosity of the Charity's membership, the Veterinary Defence Society, the Royal College of Veterinary Surgeons, the Mind Matters Initiative and those associations, practices, companies and individuals who have made donations, either directly or as a result of various, sometimes arduous, fundraising activities.

### Expenditure

The rising demands on Vetlife services are best exemplified by the fivefold increase in contacts to the Vetlife Helpline over the last 5 years. This has produced an inevitable onward increase in expenditure, not only directly in Helpline administrative costs, but also in resultant higher demands placed on the services of Health Support or Financial Support. The demand has been met by the necessary introduction of dedicated Helpline management, recruitment and training of additional volunteers, and by expansion of the contractual professional Health Support services for those identified as being in need of mental health counselling and support.

The consequent total increase of expenditure by £176k (37.0%) to £654.4k has largely been driven by the engagement of March on Stress (MoS) as the external provider of professional mental health counselling. The net increase of costs attributable to the transfer of the Vetlife Health Support professional service to this contracted service amounted to £114.4K (+132%), influenced by the handover period during Q1 of 2017 and by increased caseload driving the need for MoS to assign further professional staff in Q4.

In response to the substantial increase in demand on its Helpline service, the Vetlife Board of Trustees determined the need for increased volunteer recruitment and training, and for the contractual engagement of external operational management of Vetlife Helpline. The financial increment of £43.2K to £65K cost for the year reflects both the costs of this engagement and of the expansion in numbers of Vetlife Helpline volunteer helpers and their training.



Expenditure of £144.7K on Vetlife Financial Support showed a modest decline from 2016 (-6.5%) largely as a result of a reduction in special gifts issued and through the deferment of representatives' training into the following year.

Legal and professional fees showed an unusual spike in 2017, due to governance need for specific legal advice relating to consultancy contracts, complaints procedures and in relation to management of the Charity's residential properties. This rise in legal costs is not predicted to be a recurring feature of expenditure.

A notable reduction of £12.8K (-68%) in costs against prior year was recorded for development and management of the Vetlife website. This reflects the culmination of the transition from the former Veterinary Benevolent Fund website, to that of Vetlife as the full-range umbrella charity name. No website can remain static, so it may be assumed that further expenditure will be required to enhance and further modernise the site and related social media communications to meet evolving need.

### **Investment Performance**

The benevolent fund is not endowed and has significant free reserves in the form of a liquid investment portfolio, which has performed well over recent years. The investment portfolio is regarded as the primary income generator and is managed for this by the Charity's investment advisers - UBS. The total returns in 2017, net of fees, were 11.49%, somewhat ahead of the benchmark 10.56% of charitable portfolios, resulting in an unrestricted portfolio value at year end of £6.8 million with total reserves for the year of £8.2 million.

Stockbrokers' fees are determined by an agreed combination of transactional commissions and percentage of the portfolio value and may thus vary with portfolio performance and volume of transactions. The fees increase of £15.7K over prior year therefore reflects a strong annualised portfolio performance. These fees are recorded as a function of fundraising management.

To date, the portfolio has been managed with a view to maximising investment income. As a result the Charity's strategic asset allocation consists of a significantly high percentage of UK bonds and UK equities, which currently comprise the highest yielding equity market in the world.

Despite a further turbulent year in global markets, investment income in 2017 was £251.6K, representing a solidly performing yield of 3.7%, and providing the largest proportion (36%) of the total income to the Charity. The costs of funds generation totalled £56.9K representing a 6% increase over prior year, but a reduction from 11.2% to 8.7% of total expenditure in the same period.

The Finance and Investments Committee takes into account investment constraints, declared risk profiles and investment strategy options placed before it, and believes that the performance delivered was acceptable. It has therefore opted to continue the retention of stockbrokers UBS. It will continue to monitor, review and recommend any adjustments to these profiles and options so as to seek best total returns within such guidelines as may be defined by the Board of Trustees.

### **Movement in Reserves and Future Policy**

As part of its financial management policy, Vetlife in recent years mandated its investment brokers to manage a long-term discretionary portfolio, providing a moderate to high risk profile, for which a high equity weight is necessary to produce the high income requirement.

Ethical investment restrictions presently required by Vetlife are that the portfolio managers should not invest in firms that generate 25% or more in turnover from tobacco, armaments, alcohol and high risk (high rate charging) debt and gambling.

The Agreed asset allocation and performance benchmarks are thus: 75% UK Equity; 10% Bonds; 10% property and 5% Cash.

The closing reserves of £8.2million reflect the £33.5k net income for the year and the £501K gain in investment assets, and the consequent £534.6K positive net movement of funds for the year.

The Trustees have considered the current level of reserves designated in the Terms of Reference of the Finance and Investment Committee. This level has for some time been set at a high level of 70% of anticipated expenditure, which the Finance and Investment Committee considers to be higher than required and a potential barrier to efficient financial management.

The Committee has therefore now engaged with its financial investment advisers to determine how this may best be adjusted to allow for investment capital to be maintained at levels likely to provide 40% of annual expected income for the next 5 years. The objective will be to increase flexibility in investment strategy for potential higher net gains, whilst adhering to such ethical constraints as the Board may judge appropriate.

Graham Dick  
Hon Treasurer  
May 2018

### **BOARD STRUCTURE AND PERFORMANCE**

#### **History**

The Veterinary Benevolent Fund was formed in 1978 by the amalgamation of the charitable assets of the Benevolent Fund of the National Veterinary Benevolent and Mutual Defence Society (founded in 1865) with those of the Victoria Veterinary Benevolent Fund (established in 1897). In January 2005 three veterinary care organisations — the Veterinary Benevolent Fund, the Veterinary Surgeons' Health Support Programme and Vet Helpline merged to form the 'new' Veterinary Benevolent Fund. In November 2015 the charity changed its working name to Vetlife and its support services were renamed Vetlife Health Support, Vetlife Financial Support and Vetlife Helpline.

The Veterinary Benevolent Fund is a charitable company limited by guarantee. The Fund's governing document is the Veterinary Benevolent Fund Memorandum and Articles of Association.

#### **Vetlife Board of Trustees**

The Board is the governing body of Vetlife with responsibility for management of the assets, charitable distribution of benefits, day-to-day administration of activities and the employment of staff and consultants.

As agreed at the Annual General Meeting on 24 November 2004, 12 Trustees are appointed to the Board by the Vetlife membership. Since the Annual General Meeting of 2007 all the Trustees are elected by the membership. New Trustees undertake an induction procedure which includes provision of all the Charity's governing documents and a manual for guidance to acquaint them with Vetlife's policies and practices and with what is expected of them under charity law with particular reference to Charity Commission guidance. A register of Trustees' interests is held centrally and Trustees are asked to declare any conflicts of interest at the beginning of every Board meeting.

Trustees are appointed for an initial term of 3 years, which can be extended for a further term or, in the case of the Officers, two further terms, with Board agreement.

Trustees' attendance at Board meetings is recorded throughout the year and reported annually in the Minutes of the November meeting.

Trustees receive no remuneration but are reimbursed for their expenses as noted in the accounts.

For more information on our current Trustees and their biographies, please visit [www.vetlife.org.uk](http://www.vetlife.org.uk).

#### **Vetlife Trustee Communication**

Four Board Meetings and a Strategy meeting were held during the year. Communication was maintained via email between meetings.

### **Changes to Board Composition**

There being seven applications for eight Board vacancies at the Annual General Meeting of July 17th 2017 an election was not required. Geoff Little, Graham Dick and Elaine Garvican were re-elected and Patricia Colville, Sarah Brown, Adrian Nelson-Pratt and Neil Smith were newly elected to serve as Trustees for a three year period. The Board then elected its officers to be Geoff Little (President), Elaine Garvican (Hon. Secretary) and Graham Dick (Hon. Treasurer).

### **Trustee Induction**

All new Trustees take part in an induction process, including a meeting with the Administration Manager, Company Secretary and Honorary Secretary. The Charity's governing documents and the Trustees' Manual are accessible at any time from an online resource. Newsletters with updates on charity governance from the Association of Charitable Organisations and the Charity Commission are regularly circulated to Trustees.

### **Executive Committee**

An Executive Committee - the Honorary Secretary, Honorary Treasurer, President, Chair of Vetlife Helpline and Chair of Vetlife Health Support – has delegated responsibility from the Board to make decisions on the management of the charity between Board meetings, except for those matters set aside for the Board, and may approve expenditure up to a level of £1,000.

### **Vetlife Grant Awards Panel**

The panel comprises the Hon Secretary (as Chair), one other Board member and one long-standing Area Representative. It makes decisions on the level of regular grants and special gifts to be awarded to beneficiaries in line with Vetlife's grant awards policy. The area representative assigned to the beneficiary also plays an important role in the discussions and final decisions.

Applicants for financial support from the Charity complete an application form with details of their monthly income and expenditure. They are also asked to provide copies of recent bank statements and other supporting documents and often receive a home visit from a Vetlife area representative. The widely used Common Financial Statement is also completed to assist the panel in determining a level of support on a par with that which other welfare organisations consider is necessary to have a reasonable standard of living.

### **Vetlife Grant Review Committee**

The Honorary Secretary chairs the Grant Review Committee with four area representatives. The Committee is tasked with carrying out an annual review of the financial support that each person Vetlife helps receives. A Vetlife review form is completed with details of monthly income and expenditure and bank statements and other supporting documents. This information is also used to make a calculation with the Common Financial Statement on-line tool when initial applications are received.

The Charity aims to ensure that every person it assists is visited at home once a year where possible and the report of the home visit and the views of the area representative that made the visit are relied on heavily when the Committee decides on ongoing support. The Committee may also request that other practical support such as professional debt and benefits advice or access to CPD be provided.

### **Vetlife Finance and Investment Committee**

The Finance & Investment Committee is appointed by the Board. The Committee, chaired by the Honorary Treasurer, meets before Board meetings to consider a full report on expenditure and income and a statement on the current bank accounts. The stockbrokers present written reports and join the Committee to give an update on the Charity's investment portfolio. Points arising from the stockbroker's reports are fully discussed by the Committee. At each Board meeting, the Honorary Treasurer reports on the outcome of the Finance & Investment Committee meetings.

### **Vetlife Area Representatives**

Vetlife area representatives are the interface between the Charity and those members of the veterinary community and their dependants who may need charitable support. The area representatives visit new and existing beneficiaries who live in their geographical area, raise awareness of the Charity by attending local veterinary events and inform the work of the Charity by providing knowledge of the veterinary community in their area.

### **Network and other relationships**

Vetlife is a member of the following organisations:

- The Almshouse Association
- The Association of Charitable Organisations
- The National Council for Voluntary Organisations
- Safecic

### **Disclosure and Barring Service checks**

All Trustees were required to provide the necessary documents for submission to the Disclosure & Barring Service and invited to attend a safeguarding training program, held primarily for area representatives. Those unable to attend were invited to complete the training on-line.



### Succession Planning

Trustees interested in seeking nomination as an Officer are invited by the Executive to shadow their work for six months before the July election in order to enable a smoother transition if elected.

### Risk Assessment and Management

The Board carried out its review of risk analysis and management at its November meeting.

The Board has in place a formal risk management process, audits business risks and implements risk management strategies. This involves, on an annual basis, identifying the types of risks that Vetlife faces in the key areas of strategic direction, financial, reputation, legal and statutory, human resources, and IT. The Board prioritises these in terms of potential impact and likelihood of occurrence and identifies means of mitigating the risks. This information is used to develop a risk management strategy for the Charity, including such new controls as the Board considers necessary.

Additional to previous documented risks, the Board determined that the change in its contracted health service provider represented a low likelihood of additional risk, but with potential severe impact. It therefore considered the following additional risks appropriate:

**Risk:** Poor liaison between Vetlife Helpline & Health Service provider.  
**Control:** Full day training for every Helpline volunteer and regular supervision.

**Risk:** Failure by MoS to provide service agreed in contract.  
**Control:** Regular contact with Chair of Health Support for performance monitoring.

### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the profit or loss of the company for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Signed on behalf of the Board of Trustees 23<sup>rd</sup> May 2018:

  
.....

Geoff Little, President

**Veterinary Benevolent Fund**  
**Annual Report - 2017**

**Independent auditor's report to the members of Veterinary Benevolent Fund**

**Opinion**

We have audited the financial statements of Veterinary Benevolent Fund (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. 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).

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our 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.

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

We have nothing to report in this regard.

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

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

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' 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' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## Statement of financial activities Year to 31 December 2017

### Statement of Financial Activities

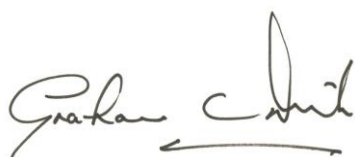
|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2017<br>total<br>funds<br>£ | 2016<br>total<br>funds<br>£ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>Income from</b>   |       |                            |                          |                             |                             |
| Donations and gifts  | 1     | 318,080                    | -                        | <b>318,080</b>              | 267,667                     |
| Legacies and in memoriam   |       | 98,206                     | -                        | <b>98,206</b>               | 120                         |
| Investments  | 2     | 251,643                    | -                        | <b>251,643</b>              | 262,827                     |
| Charitable activities  |       | 19,970                     | -                        | <b>19,970</b>               | 21,905                      |
| <b>Total income</b>  |       | <b>687,899</b>             | <b>-</b>                 | <b>687,899</b>              | <b>552,519</b>              |
| <b>Expenditure on</b>  |       |                            |                          |                             |                             |
| Raising funds  |       | 88,400                     | -                        | <b>88,400</b>               | 62,465                      |
| Charitable activities  |       |                            |                          |                             |                             |
| . Vetlife Financial Support                                      |       | 208,203                    | -                        | <b>208,203</b>              | 209,415                     |
| . Vetlife Helpline   |       | 102,416                    | -                        | <b>102,416</b>              | 39,564                      |
| . Vetlife Health Support   |       | 230,815                    | -                        | <b>230,815</b>              | 97,807                      |
| . Vetlife Website  |       | 24,561                     | -                        | <b>24,561</b>               | 68,569                      |
| <b>Total expenditure</b>   | 3     | <b>654,395</b>             | <b>-</b>                 | <b>654,395</b>              | <b>477,820</b>              |
| Net income before realised (losses) / gains on investment assets |       | 33,504                     | -                        | <b>33,504</b>               | 74,699                      |
| Net gains on investment assets                                   | 6     | 501,143                    | -                        | <b>501,143</b>              | 402,723                     |
| Unrealised gains on tangible assets                              | 5     | -                          | -                        | <b>-</b>                    | 89,040                      |
| <b>Net Income and net movement in funds for the year</b>         |       | <b>534,647</b>             | <b>-</b>                 | <b>534,647</b>              | <b>566,462</b>              |
| Balances brought forward at 1 January 2017                       |       | 7,447,876                  | 211,579                  | <b>7,659,455</b>            | 7,092,993                   |
| <b>Balances carried forward at 31 December 2017</b>              |       | <b>7,982,523</b>           | <b>211,579</b>           | <b>8,194,102</b>            | <b>7,659,455</b>            |

All of the Charity's activities derived from continuing operations during the above two financial periods. The Charity has no recognised gains and losses other than those shown above.

## Balance sheet 31 December 2017

|   | Notes | 2017<br>£        | 2016<br>£ |
|---|-------|------------------|-----------|
| <b>Fixed assets</b>                                   |       |                  |           |
| Tangible assets                                       | 5     | 694,040          | 694,040   |
| Investments   | 6     | 6,805,965        | 6,362,733 |
|   |       | <b>7,500,005</b> | 7,056,773 |
| <b>Current assets</b>                                 |       |                  |           |
| Debtors   | 7     | 65,539           | 111,440   |
| Cash at bank and in hand                              |       | 756,370          | 558,234   |
|   |       | <b>821,909</b>   | 669,674   |
| <b>Creditors: amounts falling due within one year</b> | 8     | <b>127,812</b>   | 66,992    |
| <b>Net current assets</b>                             |       | <b>694,097</b>   | 602,682   |
| <b>Total net assets</b>                               |       | <b>8,194,102</b> | 7,659,455 |
| <b>The funds of the charity</b>                       |       |                  |           |
| Restricted funds                                      | 9     | 211,579          | 211,579   |
| Unrestricted funds                                    |       | 7,982,523        | 7,447,876 |
|   |       | <b>8,194,102</b> | 7,659,455 |

Approved by the Trustees of Veterinary Benevolent Fund, Company Registration Number 206456 (England and Wales), and signed on their behalf by:



Hon. Treasurer

Approved by the Board on 23<sup>rd</sup> May 2018

## Statement of cash flows 31 December 2017

|  | Notes | 2017<br>£          | 2016<br>£   |
|--|-------|--------------------|-------------|
| <b>Cash inflow from operating activities:</b>              |       |                    |             |
| Net cash used in operating activities                      | A     | <b>(111,418)</b>   | (192,434)   |
| <b>Cash inflow from investing activities:</b>              |       |                    |             |
| Dividends and interest from investments                    |       | <b>251,643</b>     | 262,827     |
| Proceeds from the disposal of investments                  |       | <b>1,151,943</b>   | 1,959,981   |
| Purchase of investments                                    |       | <b>(1,094,032)</b> | (2,062,230) |
| <b>Net cash provided by (used in) investing activities</b> |       | <b>309,554</b>     | 160,578     |
| <b>Change in cash and cash equivalents in the year</b>     |       | <b>198,136</b>     | (31,856)    |
| <b>Cash and cash equivalents at 1 January 2017</b>         | B     | <b>558,234</b>     | 590,090     |
| <b>Cash and cash equivalents at 31 December 2017</b>       | B     | <b>756,370</b>     | 558,234     |

Notes to the cash flow statement for the year to 31 December 2017.

### A Reconciliation of net movement in funds to net cash used in operating activities

|   | 2017<br>£        | 2016<br>£ |
|---|------------------|-----------|
| <b>Net movement in funds (as per the statement of financial activities)</b> | <b>534,647</b>   | 566,462   |
| <b>Adjustments for:</b>   |                  |           |
| Gains on tangible assets  | -                | (89,040)  |
| Gains on investments  | <b>(501,143)</b> | (402,723) |
| Dividends and interest from investments                                     | <b>(251,643)</b> | (262,827) |
| Decrease (increase) in debtors  | <b>45,901</b>    | (14,854)  |
| Increase in creditors   | <b>60,820</b>    | 10,548    |
| <b>Net cash used in operating activities</b>                                | <b>(111,418)</b> | (192,434) |

### B Analysis of cash and cash equivalents

|                                 | 2017<br>£      | 2016<br>£ |
|---------------------------------|----------------|-----------|
| <b>Cash at bank and in hand</b> | <b>756,370</b> | 558,234   |



The principal accounting policies which are adopted in the preparation of the Association's accounts are as follows.

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements 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 UK and Republic of Ireland (FRS 102) ("Charities FRS 102 SORP 2015"), and
- ◆ the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and
- ◆ the Companies Act 2006.

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

### **Going concern**

After reviewing the charity's forecasts and projections, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **Significant judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

There are no significant judgements or estimates included in these financial statements.

### **Fixed Assets/Investment Properties and Depreciation**

Land and buildings are included in the accounts at valuation. The Directors consider that the residual value of the buildings at acquisition is not less than net book value and that any depreciation would be immaterial.

The almshouses and related land are included in the accounts at an open market valuation of £694,040 and are not depreciated. The valuation was carried out in March 2017 by Peter G May, Chartered Surveyor.

### **Donations and legacies**

Legacies are included within the accounts once Vetlife has been notified of its legal right based on a reasonable estimate of the value. Donations are included on a receipts basis.

### **Investments**

Investments are stated at market value. Investment income is included in the Statement of Financial Activities on a receivable basis. Realised and unrealised gains and losses on investment assets are shown separately in the Statement of Financial Activities. Realised gains are based on disposal proceeds compared with either opening market value or cost if acquired during the year.

### **Taxation**

The Fund is a registered charity and no liability to taxation arises since Vetlife has no trading income.

### **Special gifts**

Loan repayments were received from 1 person during 2017, totalling a net repayment of £709 (2016 net repayment of £2,035). It is the policy of Vetlife to write these loans off in full in the year they are incurred.

**Fund accounting**

Unrestricted funds are those which are available for the general advancement of Vetlife's charitable objectives. Restricted funds are those the use of which is restricted by the conditions imposed by the donors. The Professor Wortley Axe Fund consists of two alms houses valued at £211,579 and it is the policy of the Directors that these should be sold when the only remaining resident who is dependent on Vetlife support vacates their property.

**Allocations of costs / expenditure**

Cost of generating 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.

**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.

**1 Donations and legacies**

|                        | 2017<br>£      | 2016<br>£      |
|------------------------|----------------|----------------|
| Vetlife                | 122,822        | 121,674        |
| Vetlife Helpline       | 5,258          | 3,993          |
| Vetlife Health Support | 190,000        | 142,000        |
|                        | <b>318,080</b> | <b>267,667</b> |

**2 Investments**

|   | 2017<br>£      | 2016<br>£      |
|---|----------------|----------------|
| Dividends                                     | 251,499        | 262,484        |
| Interest on cash deposits held for investment | 144            | 343            |
|   | <b>251,643</b> | <b>262,827</b> |

**3 Expenditure**

|                                 | Staff costs<br>£ | Direct costs<br>£ | Support costs<br>£ | Governance costs<br>£ | 2017<br>£      | 2016<br>£      |
|---------------------------------|------------------|-------------------|--------------------|-----------------------|----------------|----------------|
| Raising funds                   | 16,725           | 51,036            | 10,808             | 9,831                 | 88,400         | 62,465         |
| Charitable activities           |                  |                   |                    |                       |                |                |
| . Vetlife Financial Support     | 28,433           | 144,685           | 18,371             | 16,714                | 208,203        | 209,415        |
| . Vetlife Helpline              | 16,725           | 65,052            | 10,808             | 9,831                 | 102,416        | 39,564         |
| . Vetlife Health Support        | 13,380           | 200,924           | 8,646              | 7,865                 | 230,815        | 97,807         |
| . Vetlife Website               | 8,362            | 5,879             | 5,404              | 4,916                 | 24,561         | 68,569         |
| <b>Total resources expended</b> | <b>83,625</b>    | <b>467,576</b>    | <b>54,037</b>      | <b>49,157</b>         | <b>654,395</b> | <b>477,820</b> |

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £10,000 (2016 - £9,800).

**Allocation of support costs**

|                              | Office facilities and expenses<br>£ | Printing stationery and equipment<br>£ | Bank interest and charges<br>£ | Total<br>£    |
|------------------------------|-------------------------------------|--|--------------------------------|---------------|
| <b>Raising funds</b>         | 10,420                              | 178                                    | 210                            | <b>10,808</b> |
| <b>Charitable activities</b> |                                     |  |                                |               |
| . Vetlife Financial Support  | 17,713                              | 301                                    | 357                            | <b>18,371</b> |
| . Vetlife Helpline           | 10,420                              | 178                                    | 210                            | <b>10,808</b> |
| . Vetlife Health Support     | 8,336                               | 142                                    | 168                            | <b>8,646</b>  |
| . Vetlife Website            | 5,210                               | 89                                     | 105                            | <b>5,404</b>  |
| <b>Total support costs</b>   | <b>52,099</b>                       | <b>888</b>                             | <b>1,050</b>                   | <b>54,037</b> |

**4 Analysis of current year direct costs**

|   | 2017<br>£      | 2016<br>£      |
|---|----------------|----------------|
| <b>Raising funds</b>                    |                |                |
| Advertising and awareness               | 13,411         | 16,657         |
| Exhibitions and fundraising             | 12,865         | 9,409          |
| Stockbroker fees                        | 24,760         | 9,038          |
|   | <b>51,036</b>  | <b>35,104</b>  |
| <b>Vetlife Financial Support</b>        |                |                |
| Regular grants and special gifts        | 131,878        | 144,766        |
| Bungalow expenses                       | 12,925         | 6,412          |
| Loans                                   | (709)          | (2,035)        |
| Payments to charities                   | -              | 1,303          |
| Council expenses                        | 591            | 4,249          |
|   | <b>144,685</b> | <b>154,695</b> |
| <b>Vetlife Helpline</b>                 |                |                |
| Cost of email and phones facilities     | 3,945          | 3,993          |
| Helpers' expenses and training          | 24,435         | 17,868         |
| Helpline Manager                        | 36,672         | -              |
|   | <b>65,052</b>  | <b>21,861</b>  |
| <b>Vetlife Health Support</b>           |                |                |
| National Coordinator: Fees and expenses | 178,924        | 76,142         |
| Clinic fees and other treatment         | 22,000         | 10,400         |
|   | <b>200,924</b> | <b>86,542</b>  |
| <b>Vetlife Website</b>                  |                |                |
| Vetlife website                         | 5,879          | 18,676         |
|   | <b>5,879</b>   | <b>18,676</b>  |
|   | <b>467,576</b> | <b>316,878</b> |
| <b>Governance costs</b>                 | 2017<br>£      | 2016<br>£      |
| Travel and subsistence                  | 15,868         | 15,591         |
| Audit fees                              | 5,640          | 5,500          |
| Legal and professional fees             | 27,649         | 6,120          |
|   | <b>49,157</b>  | <b>27,211</b>  |

The average number of employees during the year was 2 (2016: 2). Total salary cost for the year was £83,625 which includes £4,085 Employer's National Insurance and £2,785 pension costs. None of the Trustees receive any remuneration from the Fund, except reimbursement of expenses which totalled £15,868 paid to 12 Trustees in 2017 (2016: £15,591 paid to 15 Trustees).

**5 Tangible fixed assets**

The almshouses and related land are included in the accounts at an open market value of £694,040 (2016 - £694,040) and are not depreciated. The valuation was carried out in March 2017 by Peter G May, Chartered Surveyor.

**6 Fixed asset investments**

|  | 2017<br>£          | 2016<br>£   |
|--|--------------------|-------------|
| Quoted investments   |                    |             |
| Market value at 1 January 2017   | <b>6,362,733</b>   | 5,857,761   |
| Additions  | <b>1,094,032</b>   | 2,062,230   |
| Disposals (including realised gains of £51,973: 2016 - losses of £2,029) | <b>(1,099,970)</b> | (1,962,010) |
| Net unrealised investment gains  | <b>449,170</b>     | 404,752     |
| Market value at 31 December 2017   | <b>6,805,965</b>   | 6,362,733   |

Additions and disposals during the year incurred commission charges of £12,300 (2016: £22,757).

The quoted investments are basic financial instruments as defined by FRS102 and are held at fair value with gains and losses charged to the income and expenditure account. All of the charity's current assets and liabilities are basic financial instruments and held at amortised cost.

**Analysis of investments**

|                           | 2017                 |                  | 2016                 |           |
|---------------------------|----------------------|------------------|----------------------|-----------|
|                           | Market<br>value<br>£ | Cost<br>£        | Market<br>value<br>£ | Cost<br>£ |
| <b>Listed investments</b> |                      |                  |                      |           |
| UK – Equities             | <b>5,187,777</b>     | <b>4,119,013</b> | 4,831,665            | 4,177,973 |
| . Fixed interest          | <b>536,281</b>       | <b>514,690</b>   | 561,410              | 545,900   |
| . Money market            | <b>200,274</b>       | <b>200,977</b>   | 175,844              | 176,547   |
| . Property trusts         | <b>667,201</b>       | <b>556,725</b>   | 650,425              | 556,725   |
| Overseas – Equities       | <b>214,432</b>       | <b>202,427</b>   | 143,389              | 128,314   |
|                           | <b>6,805,965</b>     | <b>5,593,832</b> | 6,362,733            | 5,585,459 |

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

|                         | 2017<br>£      | 2016<br>£ |
|-------------------------|----------------|-----------|
| Charities Property Fund | <b>667,201</b> | 650,425   |
| UBS ETF PLC             | <b>842,882</b> | 828,088   |
| Royal Dutch Shell       | <b>438,210</b> | 352,370   |

**7 Debtors**

|                                | 2017<br>£     | 2016<br>£      |
|--------------------------------|---------------|----------------|
| Taxation recoverable           | 13,778        | 10,499         |
| Other debtors                  | 10,314        | 10,247         |
| Prepayments and accrued income | 41,447        | 90,694         |
|                                | <b>65,539</b> | <b>111,440</b> |

**8 Creditors**

Amounts falling due within one year:

|                   | 2017<br>£      | 2016<br>£     |
|-------------------|----------------|---------------|
| Grant commitments | 25,005         | 21,162        |
| Sundry creditors  | 97,167         | 40,330        |
| Accruals          | 5,640          | 5,500         |
|                   | <b>127,812</b> | <b>66,992</b> |

**9 Movement in restricted funds**

|                            | Balance<br>at 1<br>January<br>2017<br>£ | Property<br>revaluation<br>£ | Balance at<br>31<br>December<br>2017<br>£ |
|----------------------------|---|------------------------------|---|
| Professor Wortley Axe Fund | 211,579                                 | -                            | <b>211,579</b>                            |

The Professor Wortley Axe Fund consists of two almshouses.

**10 Analysis of net assets between funds**

|                            | Tangible<br>fixed<br>assets<br>£ | Investments<br>£ | Net<br>current<br>assets<br>£ | Total<br>£       |
|----------------------------|----------------------------------|------------------|-------------------------------|------------------|
| <b>Restricted funds</b>    |                                  |                  |                               |                  |
| Professor Wortley Axe Fund | 211,579                          | -                | -                             | <b>211,579</b>   |
| <b>Unrestricted funds</b>  | <b>482,461</b>                   | <b>6,805,965</b> | <b>694,097</b>                | <b>7,982,523</b> |
|                            | <b>694,040</b>                   | <b>6,805,965</b> | <b>694,097</b>                | <b>8,194,102</b> |