

The World Association for Veterinary Dermatology
Report and Financial Statements
For the 13 Months Ended
30 June 2019

Company Registration Number: SC 209743

Scottish Charity No.: SC 030424

The World Association for Veterinary Dermatology

Report and Financial Statements For the 13 Months Ended 30 June 2019

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The World Association for Veterinary Dermatology

Reference and Administrative Information For the 13 Months Ended 30 June 2019

Company Registration Number:

SC 209743

Scottish Charity Reference:

SC 030424

Registered office:

2a Ainslie Place
Edinburgh
EH3 6AR

Administrative Committee:

Registered directors of the company & trustees of the charity at the year-end:

Dr. Kenneth Kwochka	(President WAVD, Member-at-large)
Dr. Mandy Burrows	(Representative of the Dermatology Chapter of the Australian and New Zealand College of Veterinary Scientists; President WCVD9)
Professor David Lloyd	(Treasurer WAVD, President WCVD5)
Dr. Hans Koch	(President WCVD3)
Professor Richard Halliwell	(President WCVD1)
Dr. Manon Paradis	(President WCVD7, Representative of Canadian Academy of Veterinary Dermatology)
Dr. Emmanuel Bensignor	(Representative of European College of Veterinary Dermatology)
Dr. Wayne Rosenkrantz	(Member-at-Large)
Dr. Brett Wildermuth	(Member-at-Large)
Dr. Stephen White	(Secretary & ex officio President of WCVD8)
Dr Russell Muse	(Secretary of WCVD9)
Dr Jeanne Budgin	(Representative of the American Academy of Veterinary Dermatology)
Dr Vincent Defalque	(Representative of the Canadian Academy of Veterinary Dermatology)
Dr Susan Paterson	(Representative of the European Society of Veterinary Dermatology)
Dr Catherine Outerbridge	(Representative of the American College of Veterinary Dermatology) (Secretary WAVD; President WCVD10)
Professor Koji Nishifuji	(Representative of the Asian Society of Veterinary Dermatology).

Dr Alberto Martin Cordero (Representative of the Latin American Society of Veterinary Dermatology) has been appointed as a director since the year-end, on 15 August 2019.

Independent Examiner

John G. Norman C.A.

Accountants:

John G. Norman Ltd
122 Giles Street
Leith
Edinburgh
EH6 6BZ

Bankers

Bank of Scotland plc
52 Shandwick Place
Edinburgh EH2 4SB

The World Association for Veterinary Dermatology

Report of the Administrative Committee

For the 13 Months Ended 30 June 2019

The members of the Administrative Committee are pleased to present their report together with the financial statements for the year to 30 June 2019.

Structure, Governance and Management

The World Association for Veterinary Dermatology (WAVD) is a company limited by guarantee with the liability of members limited to £1 each and is a registered Scottish charity. The company is governed by the terms of its Memorandum and Articles of Association

Organisations are admitted to membership of the Association in accordance with the criteria set out in Clause 12 of the company's Articles (as amended in February 2017). Each member organisation is entitled to nominate one person to the Administrative Committee, whose members manage the affairs of the Association, as trustees of the charity and generally as directors of the company. Such "appointed members" retire after 4 years and may be reappointed. The Administrative Committee also appoint the President and Secretary of the forthcoming World Congress and past Presidents of World Congresses to the Committee in accordance with Clauses 51-54 of the company's Articles and may also appoint a further 5 members in accordance with Clause 55.

Other reference and administrative information, including those who were members of the Administrative Committee during the year, is shown on page 2.

Objects and Review of Activities

The charitable company's principal objective, as set out in Clause 7 of the company's Articles, is "to advance education about veterinary dermatology". In support of this objective, it is active in education, particularly in those countries where veterinary medicine is less advanced, and it aims to facilitate the development of an infrastructure of professional societies in those countries.

Preparations for the 9th World Congress are proceeding satisfactorily, and a full meeting of the EOC was held in Sydney in October 2018, followed by an informal meeting at Austin, Texas on April 10th 2019. Sponsorship funds are still being attracted, and are likely to meet or exceed those attracted for the 8th World Congress. It had been decided that it would be advantageous to plan earlier for each congress, and to this end site visits to Chicago and Boston were undertaken from 4th-6th April 2019, and these were considered along with Cancun at the AGM held in Austin on April 8th-9th. The decision was made in favour of Boston, and the contract has been signed with the Hynes Convention centre in that city to hold the 10th World Congress from 10th-13th July 2024.

For some years, the Association has been assisting the Latin American Society of Veterinary Dermatology in its development. This has been successful in that the Society was awarded Full Membership of WAVD at this year's AGM. We continue to work with the Latin Americans on the development of a College that will formally certify specialists in the discipline. On a similar note, the Asian College of Veterinary Dermatology, which we supported during their development has been awarded Full membership of WAVD and is now very active in that region.

The construction of the web-based educational program has been completed and consists of 28 webinars each of around one hour. The final details of the marketing program will be agreed and implemented at the meeting of the European Society of Veterinary Dermatology in Liverpool on September 26th 2019.

The Association continues to attract useful publicity concerning its educational provision through its social media program which has been successfully developed and grows in usage.

In furtherance of our goal to reach out to parts of the world that are underserved in terms of education in veterinary Dermatology, we are continuing with the Peter Ihrke Scholarship program by offering one place annually to study at the University of California, Davis on a 3-week externship program, and we will maintain the internship at the University of Pretoria. In addition we will shortly advertise the availability of up to 30 scholarships to enable attendance at WCVD9 in Sydney in October 2020.

The World Association for Veterinary Dermatology

Report of the Administrative Committee (continued)

Financial Review

The accounting reference date has been altered to 30 June 2019 (previously 31 May) to bring this into line with the Australian subsidiary company (see below). Consequently these accounts cover the 13-month period 1 June 2018 to 30 June 2019.

Income amounted to £97,425 and there was expenditure of £104,176, resulting in net expenditure of £6,751 for the period. Details are shown in the Statement of Financial Activities on page 6. Both income and expenditure tend to fluctuate each year in relation to the cycle of quadrennial Congresses. There was an over-accrual of management fee income in the previous year and the comparative figures for that year have been adjusted as explained in note 10 on page 11.

Income includes accrued management fees of £52,406 (USD \$5,000 per month) charged to the Ninth World Congress (WCVD9). In accordance with the Licence and Service Agreement (as amended) total management fees of USD \$210,000 are due to be paid no later than 24 April 2021. These fees are being accrued over the 42 months November 2017 to April 2021 at the rate of USD \$5,000 per month in accordance with invoices issued and reflecting services rendered by WAVD. Bank interest of £13,327 has been received during the period and there was also a net gain on currency exchange rates of £31,692, mainly due to a favourable movement in the value of the USD account in which 75% of cash funds are held. The previous year included one-off income of £86,060, being the final net proceeds from the Eighth World Congress.

Expenditure is included for two annual administrative meetings during the period, in London in June 2018 and Austin, Texas in April 2019. No Administrative meetings were held in the previous year. A final balance of £28,331 was distributed to constituent organisations from the net proceeds of WCVD8 in addition to £152,326 in the previous year (see breakdown in note 3 to the accounts). A new feature this year was expenditure of £12,229 on the webinar education programme. Expenditure last year included a net loss on currency exchange rates of £13,754 in contrast to the gain of £31,692 included in income this year.

WAVD owns 100% of the share capital of WCVD9 Pty Ltd, a company registered in Australia at 4 August 2017 to run the 9th World Congress of Veterinary Dermatology in Sydney, Australia (WCVD9). The investment comprises 100 shares at a cost of AU\$100, equivalent to £61 at the date of registration. Consolidated accounts have not been prepared as there is an exemption from preparing these for a small group.

Debtors includes an amount of £26,337 advanced to WCVD9 for the Congress, accrued income of £78,740 (USD \$100,000) for 20 months' management fees issued to WCVD9 and £3,532 (USD \$4,500) paid as an initial deposit for the venue for the tenth Congress to be held in Boston, Massachusetts in 2024.

A balance of £937,075 is retained in the unrestricted general fund to be used for the planning and promotion of future World Congresses. In accordance with the Licence and Service Agreement (as amended), a licence fee of USD \$385,000 is receivable from WCVD9 in 2 equal instalments in April and September 2020.

Reserves policy

In addition to educational and administrative costs for the charity over the 4-year period between Congresses, the Association aims to hold sufficient reserves to cover the potential failure of the ensuing World Congress. The present reserves are considered to be slightly short of this goal.

Small Company Provisions

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

By order of the Board

Richard Halliwell

Director

Date: 12/11/2019

Report of the Independent Examiner To the Directors of the World Association for Veterinary Dermatology

I report on the accounts of the World Association for Veterinary Dermatology for the 13-month period ended 30 June 2019, which are set out on pages 6 to 11.

Respective responsibilities of directors and examiner

The directors of the company, as trustees of the charity, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006. They consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John G Norman CA

Date: 12 November 2019

John G, Norman Ltd
Chartered Accountants
122 Giles Street
Leith
Edinburgh
EH6 6BZ

The World Association for Veterinary Dermatology

Statement of Financial Activities (including Income & Expenditure Account) For the 13 months ended 30 June 2019

	Note	Unrestricted Funds	
		13 mths to 30/6/19	Year to 31/5/18
Income		£	£ as restated
Net proceeds from 8th World Congress		-	86,060
Management fees for 9th World Congress		52,406	26,334
Bank interest receivable		13,327	7,598
Net gain on currency exchange rates		31,692	-
Total Income		97,425	119,992
Expenditure			
Administrative Committee meetings and planning:			
- Travel, subsistence & venue costs	2	51,193	802
Share of proceeds from 8th World Congress paid to constituent organisations	3	28,331	152,326
Sponsorship of 9th World Congress		-	51,654
Peter Ihrke scholarship costs		3,424	3,146
Other sponsorship & events	4	1,192	14,709
Webinar programme		12,229	-
Website, publicity & promotion		4,683	2,186
Accountancy		1,920	1,800
Net loss on currency exchange rates		-	13,754
Other administrative costs		1,204	773
Total Expenditure		104,176	241,150
Net (expenditure) for period		(6,751)	(121,158)
Net movement in funds		(6,751)	(121,158)
Funds brought forward	10	943,826	1,064,984
Funds carried forward		937,075	943,826

All incoming resources and resources expended are derived from continuing activities. The company has no recognised gains or losses other than those included in the Statement of Financial Activities above.

The notes on pages 8 to 11 form part of these financial statements.

The World Association for Veterinary Dermatology

Balance Sheet at 30 June 2019

	Note	30 Jun 2019	31 May 2018 as restated
		£	£
Fixed Assets			
Investment in subsidiary at cost	6	<u>61</u>	<u>61</u>
Current Assets			
Debtors	7	110,593	71,542
Cash at bank		<u>828,737</u>	<u>874,234</u>
		939,330	945,776
Creditors			
Amounts falling due within one year	8	<u>2,316</u>	<u>2,011</u>
Net Current Assets		<u>937,014</u>	<u>943,765</u>
Net Assets		<u><u>937,075</u></u>	<u><u>943,826</u></u>
Funds			
Unrestricted General fund	9	<u>937,075</u>	<u>943,826</u>
		<u>937,075</u>	<u>943,826</u>

For the 13 months ended 30 June 2019 the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board and authorised for issue on 12 November 2019

Richard Halliwell

Date: 12/11/2019

Director

Company Registration No. SC 209743

The notes on pages 8 - 11 form part of these financial statements.

The World Association for Veterinary Dermatology

Notes to the Financial Statements

For the 13 months ended 30 June 2019

1. Accounting Policies

Basis of accounting

The financial statements of the charity, which constitutes a public benefit entity as defined by FRS102, have been prepared on the historical cost basis and in accordance with the requirements of the Charities SORP (FRS 102): 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)'; and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The charity has applied the alternative structure allowed by paragraph 4.22 of the Charities SORP for smaller charities and has not reported on an activity basis. It has also taken advantage of the exemption permitted for smaller charities not to prepare a Statement of Cash Flows.

The charitable company together with its wholly-owned subsidiary, WCVD9 Pty Ltd (registered in Australia), form a small group with aggregate gross income below the threshold at which preparation of consolidated accounts is required by the Charities SORP or the Companies Act. In accordance with this exemption consolidated accounts have not been prepared for the group.

Going concern basis

The financial statements have been prepared on a going concern basis. The directors have assessed the charitable company's ability to continue as a going concern and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Income

Generally income is recognised and included in the accounts when the charity has entitlement to the funds, any performance or other conditions attaching to the income have been met or are fully within the control of the charity, the income has been received or receipt is considered probable and the amount can be measured reliably.

Management fee and licence fee income is recognised when invoiced and receivable. Net income transferred from World Congresses is recognised on receipt. Bank interest is accrued to the latest interest payment date.

Resources expended

All expenditure is accounted for on an accruals basis and when there is a legal or constructive obligation to make a payment to a third party.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net income or expenditure for the year.

Taxation

The company is a registered charity and is exempt from corporation tax on its charitable activity. The company is not registered for VAT and expenditure includes VAT where relevant.

Fixed asset investments

Fixed asset investments comprise 100% of the share capital of the subsidiary company, WCVD9 Pty Ltd (registered in Australia) which is stated at cost.

The World Association for Veterinary Dermatology

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

Debtors

Fees receivable, comprising management and licence fees, are recognised at the settlement amount due. Prepayments relate to amounts paid in advance for expenditure attributable to future financial periods. Accrued income relates to other income due for the current year, accrued to the accounts date. Other debtors include amounts advanced or paid on behalf of world congresses which are recoverable from the congress proceeds.

Creditors & provisions

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

Other basic financial instruments

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

Fund Accounting

Unrestricted general funds can be used in accordance with any of the charitable objects of the charity at the discretion of the Directors.

Accounting estimates

The trustees do not consider that there are any areas of the financial statements where significant judgements are being carried out.

	13 mths to	Year to
	30/6/19	31/5/18
	£	£
2. Administrative Committee meetings and planning		
Travel, subsistence and venue costs:		
London Administrative Committee meeting, June 2018	32,417	-
Austin Administrative Committee meeting, April 2019	17,740	-
Site selection visits and other costs	1,036	802
	<u>51,193</u>	<u>802</u>
3. Share of proceeds from 8th World Congress paid to constituent organisations	£	£
Dermatology Chapter of the Australian and New Zealand College of Veterinary Scientists (ANZVSC)	968	5,407
The European College of Veterinary Dermatology (ECVD)	6,116	33,608
European Society of Veterinary Dermatology (ESVD)	10,972	61,286
American Academy of Veterinary Dermatology (AAVD)	2,825	12,555
Canadian Academy of Veterinary Dermatology (CAVD)	697	3,653
American College of Veterinary Dermatology (ACVD)	2,786	14,900
Asian Society of Veterinary Dermatology (AiSVD)	3,967	20,917
	<u>28,331</u>	<u>152,326</u>

The World Association for Veterinary Dermatology

Notes to the Financial Statements (continued)

4. Other sponsorship & events	13 mths to 30/6/19	Year to 31/5/18
	£	£
ICADA support costs	771	1,030
Presentation of Clinical Consensus Guidelines	421	4,492
Grant to Veterinary Academic Hospital, South Africa to sponsor an internship.	-	9,187
	<u>1,192</u>	<u>14,709</u>

5. Trustees' Remuneration and expenses

Fees of £1,231 in total were paid to 4 trustees for webinars. No other remuneration was paid to trustees during either year.

Travel and subsistence expenses of £30,349 and other expenses of £1,341 were reimbursed to 15 trustees during the year for their attendance at meetings and venue visits (NIL in previous year).

6. Investment in subsidiary at cost	30/6/19	31/5/18
	£	£
Investment in WCVD9 Pty Ltd	<u>61</u>	<u>61</u>

WAVD owns 100% of the share capital of WCVD9 Pty Ltd, a company registered in Australia at 4 August 2017 to run the 9th World Congress of Veterinary Dermatology in Sydney, Australia. The investment comprises 100 shares at a cost of AUD100, equivalent to £61 at the date of registration.

7. Debtors	30/6/19	31/5/18
	£	£
		as restated
Accrued income (see note 10)	78,740	30,604
Prepayments	1,984	15,764
Amount advanced to 9th World Congress (WCVD9)	26,337	25,174
Amount advanced to 10th World Congress (WCVD10)	<u>3,532</u>	<u>-</u>
	<u>110,593</u>	<u>71,542</u>

8. Creditors

Amounts falling due within one year:

	£	£
Accruals	<u>2,316</u>	<u>2,011</u>
	<u>2,316</u>	<u>2,011</u>

9. Movement in Funds

	At 1/6/18 as restated	Movement in year Income	Expenditure	At 30/6/19
Unrestricted funds:	£	£	£	£
General fund (see note 10)	<u>943,826</u>	<u>97,425</u>	<u>(104,176)</u>	<u>937,075</u>
Total funds (all unrestricted)	<u>943,826</u>	<u>97,425</u>	<u>(104,176)</u>	<u>937,075</u>

The World Association for Veterinary Dermatology

Notes to the Financial Statements (continued)

10. Prior Year Adjustment

In the previous year to 31 May 2018, management fee income was accrued at the rate of £5,000 per month for the 7 months from November 2017 to May 2018, whereas the accrual should have been at USD \$5,000 per month. This led to an over-accrual of £8,666 at the prevailing rate of exchange.

In order to correct the above the following adjustments have been made to the comparative figures in the accounts:

	As previously stated	Adjustment	As restated
	£	£	£
Management fees for 9th World Congress	<u>35,000</u>	<u>(8,666)</u>	<u>26,334</u>
Total income	<u>128,658</u>	<u>(8,666)</u>	<u>119,992</u>
Net movement in funds	<u>(112,492)</u>	<u>(8,666)</u>	<u>(121,158)</u>
Debtors	<u>80,208</u>	<u>(8,666)</u>	<u>71,542</u>
Accrued income (Note 7)	<u>39,270</u>	<u>(8,666)</u>	<u>30,604</u>
Net Current Assets	<u>952,431</u>	<u>(8,666)</u>	<u>943,765</u>
Net Assets	<u>952,492</u>	<u>(8,666)</u>	<u>943,826</u>
General fund carried forward	<u>952,492</u>	<u>(8,666)</u>	<u>943,826</u>