

**The Pet Plan
Charitable Trust**

**Annual Report and Accounts
31 December 2004**

**Charity Registration No.
1032907**

THE PET PLAN CHARITABLE TRUST
LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES	David Simpson (Chair) Clarissa Baldwin OBE Patsy Bloom John Bower BVSc MRCVS Roz Haywood-Butt (Appointed 15 September 2005) Gareth Jones Nicholas Mills MA VetMB MRCVS George Stratford FCA
ADDRESS	The Pet Plan Charitable Trust Computer House Great West Road Brentford Middlesex TW8 9EG
CHARITY REGISTRATION NUMBER	1032907
AUDITORS	Buzzacott 12 New Fetter Lane London EC4A 1AG
BANKERS	Schroder & Co Limited 100 Wood Street London EC2V 7ER
INVESTMENT MANAGERS	Schroder Investment Management Limited 33 Gutter Lane London EC2V 8AS
SOLICITORS	Bates Wells & Braithwaite Cheapside House 138 Cheapside London EC2V 6BB

REPORT AND ACCOUNTS - 31 DECEMBER 2004

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THE PET PLAN CHARITABLE TRUST

REPORT OF THE TRUSTEES

The Trustees present their report together with the accounts of the Pet Plan Charitable Trust for the year ended 31 December 2004

CONSTITUTION

Pet Plan Charitable Trust is a registered charity, Charity Registration No. 1032907, and is governed by a Trust Deed dated 21 January 1994.

AIMS AND OBJECTIVES

The Trust has the following aims and objectives.

- To provide grants for the welfare of dogs, cats, and horses by funding clinical veterinary investigation, education and welfare projects. The Trust does not and will not consider applications which involve experimental or invasive surgery.
- To promote and improve the welfare of animals and relieve their suffering.
- To give Pet Plan policy holders (see Note 10) the opportunity to act as a major collective force for the well being of animals through modest individual donations which, when added together, will allow substantial grants to be made.
- To harness the compassion and concern of the Pet Plan policyholders for the good of all animals.

PRINCIPAL ACTIVITIES

The principal activity of the Trust is to make grants from donations received to fund clinical veterinary investigation, education and welfare projects.

REVIEW OF ACTIVITIES

It is now ten years since the Trust was incepted in 1994 and at the end of 2004 almost £4 million has been given in Scientific, Welfare and Capital Building grants. The Trust is now well known in both veterinary and welfare circles and the Trust receives a steady flow of applications throughout the year.

The Trust has a scientific and welfare committee that comprise some of the most eminent veterinary surgeons and experts in the field of welfare. All applications are scrutinised rigorously. In the case of scientific grants these are peer reviewed and those applicants who reach the final stage are asked to attend interview. The Trust has a strict non-invasive policy.

For Welfare grants these too are carefully looked at and if the organisation is not known to any of the Committee a visit is sometimes carried out. The Trust is very aware of the importance of neutering to prevent unwanted animals and each year part of the welfare budget goes towards this. The Trust believes in encouraging and rewarding those organisations who seek to achieve high standards and those who have a good rehoming track record

The Trust has recently introduced small overseas bursary grants which assist final year or newly qualified veterinary surgeons in travel and subsistence expenses whilst working for well known overseas welfare organisations.

Approximately every three years the Trust gives a larger capital grant to one of the University Veterinary Schools which is spread over three years. These grants go towards some of the major building or improvement works that the Veterinary Schools undertake.

THE PET PLAN CHARITABLE TRUST

REPORT OF THE TRUSTEES

REVIEW OF ACTIVITIES (continued)

The grants pledged in 2004 were:

	£
• Scientific grants	474,751
• Welfare and Educational grants	<u>252,711</u>
	£727,462
	=====

Ten years on there are many organisations and individuals who would wish to join us in thanking the founding Trustees, Patsy Bloom and David Simpson, and also Pet Plan itself for kindly contributing generously to the Trust every year.

FINANCIAL REVIEW

Donation income amounted to £447,466 (2003 - £460,446). Income from investment activity resulted in investment income of £24,544 (2003 - £26,836), interest receivable of £5,516 (2003 - £4,652), realised losses of £17,815 (2003 gains £1,231), and unrealised gains of £78,962 (2003 - £108,099).

Grants of £727,462(2003 - £51,883) were pledged, and other charitable expenditure of £95,856 (2003 - £100,612) was incurred.

The Trust continues to invest funds for the future, and at 31 December 2004 had £1,072,400 (2003 - £984,586) invested in a portfolio under discretionary fund management. Total net assets of the Trust at 31 December 2004 were £426,924 (2003 - £711,569).

INVESTMENT POLICY

In prior years, to achieve capital growth the Trust split its portfolio between two investment managers. Following a review at the beginning of 2004, Smith & Williamson ceased to act as investment managers on 12 May 2004 and all the Trust's funds are now managed by Schroder Investment Management Limited and held in unit trusts. The only restriction on the investment managers is that no monies should be invested in tobacco related stocks, shares, unit trusts, etc.

Whilst the performance of the Trust's portfolio over the last few years has been disappointing due to the volatility of world stock markets, the global economic trading conditions and the continuing uncertainties in the Middle East, the Trustees are pleased to note the continuing recovery over the last twelve months. In the light of the recent stock market performance, the Trustees continue to closely monitor the performance of the portfolio.

In overall terms, the Trustees are satisfied that their investment policy is being achieved.

RESERVES POLICY

Overall the Trust's strategy remains that of establishing a firm capital base so that it can make an enduring contribution through its grants.

In the first years of the Trust's existence the Trustees, unsure as to the likely strength of donations, considered that this strategy would be best achieved by investing a significant portion of donations received. But by 2002 the Trustees felt that a clear pattern of donation level had been established and that the continued commitment of the Pet Plan Ltd (the company marketing Pet Plan insurance policies, see Note 10) to support the Trust allowed them greater flexibility. Therefore since 2002 a greater proportion of funds has been released annually for grants.

THE PET PLAN CHARITABLE TRUST

REPORT OF THE TRUSTEES

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific operational areas of the Trust, its investments and its finances. The Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Trust, they have established effective systems to mitigate those risks. Over the forthcoming twelve months the work carried out with regard to risk assessment will be documented formally.

FUTURE DEVELOPMENTS AND PLANS

The Trust is supported by two committees, the Scientific Committee and the Welfare Committee, whose members have been chosen for their expertise in animal health and welfare. These two committees advise the Trustees on current and future scientific, educational and welfare trends.

The Committee members who served during the period were as follows:

Welfare Committee

Clarissa Baldwin OBE (Welfare Secretary)
Claire Bessant
Edward Chandler BVetMed FRCVS
Derek Conway MP
James Cretney

Scientific Committee

Edward Chandler BVetMed FRCVS (Scientific Secretary)
Professor Mike Day BSc BVMS PhD FASM DipLECVF MRCPATH FRCVS - University of Bristol
Professor David Bennett BSc BVetMed PhD DSAO ILTM MRCVS - University of Glasgow
Professor Jonathan Elliott MA VetMB PhD MRCVS - Royal Veterinary College
Michael Herrtage MA BVSc DVR DVD MRCVS - University of Cambridge
Lynne Hill MVB MBA MRCVS - Royal Veterinary College
Dr Rachel Murray MA VetMB MS PhD MRCVS Diplomate ACVS Diplomate ECVS
- Animal Health Trust
Dr Chris Proudman MA VetMB CertEO FRCVS (Chair) - University of Liverpool
Dr Keith Thoday BVetMed PhD DVD MRCVS - University of Edinburgh

TRUSTEES

The Trust's trust deed states that, at any time, there should not be less than three Trustees. New Trustees are appointed by the existing Trustees. Trustees hold office for a period of two years but are eligible for re-appointment thereafter.

The Trustees who served during the period were as follows:

David Simpson (Chair)
Clarissa Baldwin OBE
Patsy Bloom
John Bower BVSc MRCVS
Gareth Jones (Appointed 19 January 2004)
Nicholas J Mills MA, VetMB, MRCVS
George Stratford FCA
Michael Tucker (Resigned 20 December 2004)

The connections of the trustees to Pet Plan Limited and its group companies (see Note 10) are as stated below.

John Bower	Veterinary Surgeon and a consultant to Pet Plan Limited.
Gareth Jones	A General Manager of Allianz Cornhill Insurance plc (parent undertaking of Pet Plan Ltd in the United Kingdom) and responsible for the Animal Health Division which includes Pet Plan.
George Stratford	Finance director of Allianz Cornhill Insurance plc (parent undertaking of Pet Plan Ltd in the United Kingdom).

THE PET PLAN CHARITABLE TRUST

REPORT OF THE TRUSTEES

TRUSTEES' RESPONSIBILITIES

Charity legislation now applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the Trust's incoming resources and resources expended during the year and of its financial position at the end of the year. In preparing accounts giving a true and fair view the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and Statements of Recommended Practice have been followed subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Trust and which enable them to ensure that the accounts comply with the Charities Act 1993 and the Trust Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved on behalf of the Trustees

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David Simpson) Trustees
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) Date of approval:
-----)
George Stratford

THE PET PLAN CHARITABLE TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PET PLAN CHARITABLE TRUST

We have audited the accounts on pages 6 to 14, which have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and the accounting policies set out on pages 9 and 10.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees, as a body, those matters we are required to state to them in an auditors' 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 charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described on page 4 you are responsible as trustees for the preparation of the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards.

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with the regulations under Section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' report is not consistent with the accounts, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information in the Trustees' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Trust's affairs as at 31 December 2004 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.

BUZZACOTT
Chartered Accountants and Registered Auditors
12 New Fetter Lane
London, EC4A 1AG

THE PET PLAN CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2004

		<u>Unrestricted funds</u>	
	Notes	Year ended 31 December 2004 £	Year ended 31 December 2003 £
INCOMING RESOURCES			
Donations received	2	447,466	460,446
Investment income	3	24,544	26,836
Interest receivable		5,516	4,652
		-----	-----
TOTAL INCOMING RESOURCES		477,526 =====	491,934 =====
RESOURCES EXPENDED			
Charitable expenditure:			
Grants payable	4	727,462	51,883
Cost of activities in furtherance of the charity's objectives	5	16,253	16,003
		-----	-----
		743,715	67,886
Management and administration of the charity	6	79,603	84,609
		-----	-----
TOTAL RESOURCES EXPENDED		823,318 =====	152,495 =====
NET (OUTGOING) INCOMING RESOURCES FOR THE YEAR		(345,792)	339,439
OTHER RECOGNISED GAINS AND LOSSES			
(Losses) / Gains on investments			
Realised	7	(17,815)	1,231
Unrealised	7	78,962	108,099
		-----	-----
NET MOVEMENT IN FUNDS		(284,645)	448,769
BALANCES BROUGHT FORWARD at 1 January		711,569	262,800
		-----	-----
BALANCES CARRIED FORWARD at 31 December		426,924 =====	711,569 =====

THE PET PLAN CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2004 continued

NOTE OF HISTORICAL COST NET MOVEMENT IN FUNDS

	<u>Unrestricted funds</u>	
	Year ended 31 December 2004 £	Year ended 31 December 2003 £
Reported net movement in funds	(284,645)	448,769
Unrealised (gains) on investments in the year	(78,962)	(108,099)
Difference between realised gains (losses) based on historical cost and actual realised gains (losses) calculated on carrying value	(84,160)	(1,733)
Historical cost net movement in funds	<u>(447,767)</u>	<u>338,937</u>
Historical cost balance carried forward at 31 December	320,290	772,294

CONTINUING OPERATIONS

All of the Trust's activities derived from continuing operations in the above two financial periods.

STATEMENT OF RECOGNISED GAINS AND LOSSES

The Trust has no recognised gains or losses other than those included in the above statement of financial activities.

THE PET PLAN CHARITABLE TRUST

BALANCE SHEET AT 31ST DECEMBER 2004

	Notes	£	2004 £	£	2003 £
FIXED ASSETS					
Investments	7		1,072,400		984,586
CURRENT ASSETS					
Debtors	8	-		199	
Cash at bank and in hand		87,902		27,192	
		<u>87,902</u>		<u>27,391</u>	
CREDITORS: Amounts falling due within one year	9	(698,077)		(125,840)	
NET CURRENT LIABILITIES			(610,175)		(98,449)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>462,225</u>		<u>886,137</u>
CREDITORS: Amounts falling due after one year					
Grants payable			(35,301)		(174,568)
TOTAL NET ASSETS			<u>426,924</u> =====		<u>711,569</u> =====
Represented by:-					
FUNDS AND RESERVES					
Unrestricted funds			426,924 =====		711,569 =====

Approved on behalf of the Trustees

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 David Simpson)
) Trustees
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 George Stratford

Date of approval: 2005

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the inclusion of listed investments at market value, and in accordance with applicable United Kingdom Accounting Standards.

The recommendations set out in the Statement of Recommended Practice, "Accounting by Charities" (SORP 2000), issued by the Charity Commission in October 2000 have been followed in the preparation of these accounts.

(b) Cash flow statement

These accounts do not include a cash flow statement because the Trust as a small reporting entity is exempt from the requirement to produce such a statement under Financial Reporting Standard No. 1 "Cash Flow Statements".

(c) Incoming resources

Donations receivable from Pet Plan policyholders, Pet Plan Limited (see Note 10) and private donations are credited to the Statement of Financial Activities in the year in which they are received. Donations arising out of fundraising events are credited to the statement of financial activities in the year in which the event takes place. All other income is credited to the Statement of Financial Activities on a receivable basis.

(d) Expenditure

Expenditure is debited to the Statement of Financial Activities on an accruals basis and is classified as follows:

(i) Grants

Grants comprise amounts pledged in the year to fund clinical veterinary investigation, education, welfare and capital projects for dogs, cats and horses.

(ii) Cost of activities in furtherance of the charity's objectives

This category of expenditure comprises reimbursed expenses of the Scientific, Welfare and Professional Steering Committees, fees of a part time Scientific Secretary who reviews and considers grant applications and advises the Trustees on the feasibility of projects.

(iii) Management and administration of the charity

This category of expenditure comprises central management costs, including the remuneration costs of a full time administrator seconded from Pet Plan Limited (see Note 10), costs associated with the management of the Trust's assets, organisation management, and costs in connection with the administration and compliance with constitutional and statutory requirements.

e) Investments

Investments are included in the accounts at market value. Unrealised and realised gains or losses are credited or debited to the Statement of Financial Activities in the year in which they arise.

THE PET PLAN CHARITABLE TRUST

NOTES TO THE ACCOUNTS - 31 DECEMBER 2004

f) Grant commitments

Where grants are payable by instalment, but those instalments form part of a binding commitment by the Trustees, the total grant is charged to the Statement of Financial Activities in the year in which the commitment is made. Future instalments are shown on the balance sheet as creditors analysed between amounts due within one year and amounts due after more than one year.

(g) Value added tax

Irrecoverable value added tax is aggregated with the expenditure to which it relates.

(h) Fund accounting

The unrestricted funds comprise those funds available for use at the discretion of the Trustees in furtherance of the general charitable objectives of the Trust.

2. **DONATIONS RECEIVED**

	Unrestricted Funds	
	2004	2003
	£	£
Donations from Pet Plan policy holders	397,092	409,724
Donation from Pet Plan Limited (Note 10)	50,000	50,000
Private donations	374	722
	<u>447,466</u>	<u>460,446</u>
	=====	=====

3. **INVESTMENT INCOME**

	Unrestricted Funds	
	2004	2003
	£	£
Equities and unit trusts - U.K.	23,900	25,233
Equities and unit trusts - Overseas	644	1,603
	<u>24,544</u>	<u>26,836</u>
	=====	=====

THE PET PLAN CHARITABLE TRUST

NOTES TO THE ACCOUNTS - 31 DECEMBER 2004

4. GRANTS PAYABLE

During the year the Trustees agreed to pledge the following grants:

Recipient	Purpose	£
<u>Scientific</u>		
Proudman & French/Liverpool	Evidence approach to equine colic surgery	36,704
Catchpole/Royal Veterinary College	Immune responses in dogs & cyclosporine for anal furunculosis	18,000
S Bird	Overseas Bursary Grant Goa	1,950
Tasker/Bristol	Feline immunodeficiency virus	2,650
Bailey & Elliot/ Royal Veterinary College	Blood vessel function in dogs and cats	5,250
Morgan/Bristol	Toxocarosis	4,000
Morris/Glasgow	Canine lymphoma	2,800
Church/ Royal Veterinary College	Feline growth hormone	5,400
Church/ Royal Veterinary College	Incontinence in the bitch	6,000
Dowell & Evans /Glasgow	Urinary incontinence in the bitch	71,103
Tasker/Bristol	Feline infectious peritonitis	6,000
Adams/Animal Health Trust	Longevity, Morbidity and Mortality in cats	20,821
Radford/Liverpool	Feline Calicivirus in the UK	89,612
Campo/Glasgow	Equine sarcoids	82,469
Bennet/Glasgow	Telomeres & Telomerase in canine osteoarthritis	82,469
Elders & Catchpole/ Royal Veterinary College	Canine mast cell tumours	3,425
McKane/Liverpool	Chronic respiratory disease in horses	5,675
Boswood/ Royal Veterinary College	Myocardial injury during routine general anaesthesia	5,232
Sparkes/Animal Health Trust	Aetiopathogenesis & therapy of feline bronchial disease	26,884
		<u>476,444</u>
<u>Welfare</u>		
Jersey society for the Prevention of Cruelty to Animals	New Animal Ambulance	10,000
Border Collie Trust	Neutering of dogs before rehoming	6,000
Greyhound Rescue West of England	Neutering of dogs before rehoming	5,000
Lincolnshire Trust for Cats	Neutering for farm cats	8,000
Lluest Horse and Pony Trust	Purchase of tractor	5,000
Hounslow Animal Welfare Society	Neutering programme	6,000
Greyhound Welfare and Rescue	Promote awareness of Greyhounds	812
Gables Farm Dogs and Cats Home	Help with discounted neutering Scheme	5,000
Ferne Animal Sanctuary	Grooming Facility	3,272
Twinkle Trust Animal Aid	Neutering feral cats in Fuerteventura	2,653
Ashbourne & District Animal Welfare Society	Expansion of cattery facility	9,800
Cat Care & Control Consortium	Neutering & Educational Programme Greater London	10,000
Joseph Clark School	Animal Welfare	500
Battersea Dogs Home	Refurbishment of treatment kennels	10,000
Animal Care Lancaster & District	New Cattery	15,000
Essex Horse & Pony Society	Refurbishment shelter & paddock improvements	5,000

THE PET PLAN CHARITABLE TRUST

NOTES TO THE ACCOUNTS - 31 DECEMBER 2004

4. GRANTS PAYABLE - Continued

Welfare - Continued

Brooke Hospital for Animals	Vet Officer, Farriery, community vet worker	16,000
Retired Greyhound Trust	Refurbishment of kennel doors	6,927
Exmoor Search & Rescue	Support for rescue dogs	6,000
A Fiske Jackson	Overseas Bursary Grant	525

During the year the Trustees agreed to pledge the following grants:

Costa Blanca Feral Cat Trust	Neutering programme in Spain	1,500
Gambia Horse & Donkey Trust	Treatment Room	6,970
Marwar Animal Protection Trust	Education campaign	3,981
SNIP International	Neutering programme overseas	1,133
Greek Animal Welfare	School welfare competition	1,464
Bath Cats & Dogs Home	Neutering Programme	5,000
Pets as Therapy	PAT junior class project	5,000
Montgomeryshire Cat Rescue	Neutering Programme	2,000
Greyhound Rescue Scotland	Neutering Programme	5,000
Leicester Animal Aid	Foster scheme for elderly Animals	4,000
Cottontails Rabbit Rescue	Neutering Programme	1,000
Celia Cross Greyhound Trust	Neutering Programme	2,000
Great Dane Adoption Society	Central Heating for kennels	3,500
Shua Trust	New unit for queens & kittens	2,990
Jigsaw	Field shelter on wheels	3,684
ILPH (International League for the Protection of Horses	Help with 8-horse walker	5,000
Cambeltown Cat Rescue	Isolation Area in cattery	2,500
Crosskennan Lane Animal Sanctuary	Kennel renovation	10,000
Horseworld	Help with outdoor riding school	10,000
Celia Hammond Animal Trust	Help with neutering & Vaccination clinic	5,000
The Blue Cross	Field shelter corrals	25,000
National Equine Welfare Council	Regeneration of website	5,000
The Mayhew Animal Home	Refurbishment of kennels	7,500
Eliot/RVC		2,000

		£729,155
Less Grants Returned		
University of Cambridge		(1,444)
University of Cambridge		(249)

		£727,462
		=====

5. COST OF ACTIVITIES IN FURTHERANCE OF CHARITY'S OBJECTIVES

	<u>Unrestricted Funds</u>	
	2004	2003
	£	£
Fees	12,500	12,500
Expenses	3,753	3,503
	-----	-----
	16,253	16,003
	=====	=====

THE PET PLAN CHARITABLE TRUST

NOTES TO THE ACCOUNTS - 31 DECEMBER 2004

6. MANAGEMENT AND ADMINISTRATION OF THE CHARITY	2004	<u>Unrestricted Funds</u>
	£	2003
		£
Management charge payable to Pet Plan Ltd (Note 10)	34,994	36,107
Remuneration costs recharged by Pet Plan Limited (Note 10)	35,922	32,601
Investment managers' fees	607	6,197
Auditors' remuneration - audit services	5,346	4,406
Other expenses	2,734	5,294
	-----	-----
	79,603	84,605
	=====	=====
7. INVESTMENTS	2004	2003
	£	£
Listed investments at market value		
At 1 January	903,237	786,946
Acquisitions at cost	581,376	27,685
Disposals	(523,578)	(19,493)
Net gains on revaluation at 31 December	78,962	108,099
	-----	-----
At 31 December	1,039,997	903,237
Cash held by investment managers for investment	32,403	81,349
	-----	-----
Total investments at 31 December	1,072,400	984,586
	=====	=====
Cost of listed investments at 31 December	937,600	963,962
	=====	=====

All listed investments were dealt in on a recognised stock exchange.

Listed investments held at 31 December comprised:

	2004	2003
	£	£
Equities and unit trusts - U.K.	915,469	570,106
Equities and unit trusts - overseas	124,528	333,131
	-----	-----
	1,039,997	903,237
	=====	=====

At 31 December 2004 the following individual investment holdings each comprised 5% or more of the market value of the listed investments:

Holding	Value at 31 December 2004	% of Portfolio
	£	%
346,310 Schroder The Charity Equity Fund	716,515	69%
222,800 Schroder UK Alpha Plus Fund Inc Units	144,795	14%
1,170 Schroder Recovery Fund Inc Units	54,159	5%

THE PET PLAN CHARITABLE TRUST

NOTES TO THE ACCOUNTS - 31 DECEMBER 2004

8. DEBTORS

	2004	2003
	£	£
Accrued Interest	-	199
	-----	-----
	-	199
	=====	=====

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Grants payable	684,106	98,640
Amounts due to Pet Plan Ltd (Note 10)	7,137	21,432
Accruals	6,834	5,768
	-----	-----
	698,077	125,840
	=====	=====

10. PET PLAN LIMITED

The Trust's funds are raised by requesting an annual donation with the insurance premiums charged to policyholders of Pet Plan Limited (formerly Treewalk Group Limited), an insurance agency marketing Pet Plan insurance products on behalf of Allianz Cornhill Insurance plc.

Donations are channelled to the Trust and are managed completely separately from the funds of the company.

Pet Plan Ltd has committed itself to donating £50,000 per annum to the Trust. Should Pet Plan Ltd decide to cease this annual payment, the Trust will be given eighteen months notice.

During the period the Trust paid a management charge of £34,994 (2003 - £36,107) to Pet Plan Limited in respect of premises, office services and general overheads. In addition it paid £35,922 (2003 - £32,601) in respect of the remuneration cost of an administrator on full-time secondment to the Trust. At 31 December 2004 the Trust owed Pet Plan Limited £7,137 (2003 - £21,432).

A Deed of Novation was made between Treewalk Group Limited, Pet Plan Limited and the Trustees of the Pet Plan Charitable Trust on 30 January 2004 transferring all the rights and responsibilities of Treewalk Group Limited to Pet Plan Limited. Treewalk Group Limited was dissolved on 20 April 2004.

11. TRUSTEES' REMUNERATION

None of the Trustees received any remuneration in respect of their services during the period (2003 - nil). During the year expenses amounting to £449 (2003 - £398) were reimbursed to 3 (2003 - 4) trustees.

12. TAXATION

As a registered charity the Trust has no liability to income tax, corporation tax or capital gains tax as its income falls within the various exemptions available to registered charities.