



# Annual report and accounts 2019

World Animal Protection is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. World Animal Protection is governed by its Articles of Association.

Charity registration number  
1081849

Company registration number  
4029540

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**Not smiling:** We launched our Fooled by a Smile campaign in 2019 to end the plight of more than 3,000 captive dolphins held worldwide for people's entertainment.

## A message from our chief executive

# Activating and mobilising for animals

Like so many of us, the images from 2019 that I can't get out of my head are the pictures of animals burned alive in the Australian and Amazon fires. The knowledge that so many continue to live in the most appalling pain feels at times overpowering. Their suffering shows that the climate emergency is also an emergency for animals and our organisation must work to address it.

During 2019 we began preparing our strategy for 2021-2030, which will focus on the big global challenges and threats to animals. We are absolutely committed to a bold vision and an outcome where animals are an important, integral part of the world our children and grandchildren will inherit.

Many horrors that animals face are connected with big global issues like climate change, animal trafficking and abuse. An obvious example is industrial farming. This leads not only to deforestation for grazing land and crops to feed factory farmed animals, but also to the use and waste of so much water, electricity and chemicals.

Every day around us, wild animals are treated as commodities. They are ripped from their natural habitats and bred in terrible conditions for use as pets, for food, medicine, clothing, decoration, and in entertainment. The sheer scale of both the illegal and legal trade in wild animals has a huge impact on all areas of life. It extends from their transportation across the globe to the industries built at their expense that leave not only a huge carbon footprint, but death and destruction in their wake.

### Stopping systemic cruelty

By protecting animals from industrial farming and commodification - we can ease the impacts of climate change and help to protect our very fragile world. For farm and wild animals, used for economic gain, it's not about improving the systems and the conditions in which they live. True protection for animals and our planet means stopping systemic cruelty for good.

We know that the fate of animals' lives rests in our hands. In implementing our strategy, we will be their voice. We will build relationships with environmental groups, human rights groups, businesses and others to progress our shared global cause. We will take our fight to the UN, to governments and industry convincing them to change policies and investments that foster animal suffering.

Mobilising even more people globally and locally and inspiring them to become activists, with real power to influence and change the lives of animals, will be key to our success. In 2019 we launched our campaign to make this happen starting with our provocative short film 'Does the life of an animal mean nothing at all?'. It had extraordinary reach and impact. Shown in cinemas worldwide and on social media, it exposed millions to our cause and encouraged them to join us.

I'm pleased to report we are on course to deliver the promises we made in our 2015-2020 strategy. This Annual Report shows the profound improvements we have made to the welfare of millions of animals. You will see we have kept our promises to tackle the big issues affecting animals in the wild, in farming, in communities and by rescuing them from the toughest situations in our disaster work.

Our next steps will be even more ambitious, and I hope you will be proud of how we are going to take on the world's biggest problems by caring for the animals caught up in them. We expect our planet and billions, or even trillions of animals to benefit, particularly in China, India and Africa where populations are growing at the fastest rates.

However, we are acutely aware of the potential financial impact presented by the current coronavirus pandemic. We believe our ambitious strategy is still sustainable but we accept that, in the short term at least, we will probably see some decline in income. We are responding by first, identifying where cost reductions can be made across the organisation and second, including an investment for growth in our plans for the future.

Thank you for your trust and generous support. I'm excited and inspired to work with you to tackle the systems causing the greatest suffering to our animals and our world.



**Steve McIvor**  
Chief executive

# Moving the world in numbers 2019

**3.2 billion**

Through our influencing, advocacy and practical work we helped give more than **3.2 billion** animals better lives.

**370,000**

We saved more than **370,000** animals from suffering in **10** disasters in **7** countries.

**2 million**

We protected more than **2 million** pigs from painful tooth clipping procedures through our work with CP Foods in Thailand.

**18**

We changed the lives of **18** bears abused for entertainment by giving them safe havens at sanctuaries we support in Pakistan and Romania.

**32 million**

We improved the lives of approximately **32 million** chickens by convincing Brazil Foods (BRF) to raise them in higher welfare conditions.

**3,000**

We exposed the suffering of more than **3,000** captive dolphins in the multi-billion dollar entertainment industry with our Fooled by a Smile campaign.

**100 million**

We moved the African Union to protect the lives of **100 million** dogs from rabies through its Animal Health Strategy.

**31**

We persuaded **31** travel companies to commit to phasing out all cruel wildlife attractions. We also convinced **17** more travel companies to commit to becoming elephant friendly.

**614,000**

We inspired more than **614,000** people to join our Wildlife. Not Entertainers campaign.

**14**

We influenced Pret a Manger in the USA to roll out **14** plant-based alternatives as part of our meat reduction campaign.

**1**

We helped buy **1** food shredder to make smoothies for Sow, a 55-year-old elephant with worn-down teeth. Sow lives at Following Giants - one of two venues in Thailand that we supported to become elephant-friendly.

# Our strategic report

## Our vision is of...

A world where animals live free from suffering

## To make our vision a reality...

We move the world to protect animals using our theory of change



Educating and mobilising



Lobbying and advocating



Catalysing sustainable solutions  
to protect animals

To most effectively deliver our vision we will focus on the issues and activities where we can have the biggest impact on reducing the scale, duration and intensity of animal suffering, through the four priority programmes in our 2015-2020 strategy.



### Animals in communities

We will convince the governments of 25 countries to adopt humane and ethical dog population management policies and practices. These will improve the lives of at least 50 million dogs.



### Animals in disasters

We will directly benefit the lives of at least 5 million animals through our disaster response and improve the lives of a further 270 million animals by working with target governments to change policy and practice.



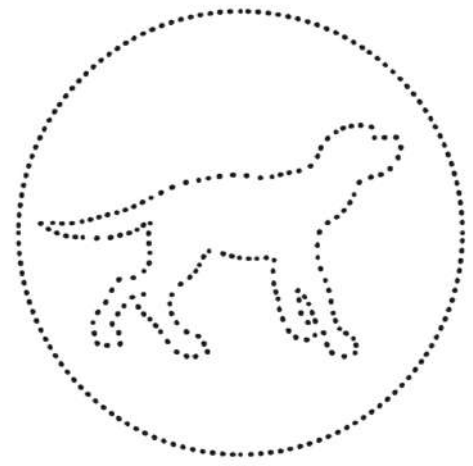
### Animals in farming

We will transform the lives of at least 1 billion farm animals, secure commitments from four global retail brands and 12 national chicken retailers to source higher welfare chicken and move seven of the top 10 global pig producers to end close confinement and barren environments.



### Animals in the wild

We will directly save at least 100,000 wild animals from being traded and used for entertainment, as luxury pets or products, and as traditional medicines. We will also save 1 million marine animals.



# Protecting animals in communities

“Working with global organisations is vital in giving dogs better lives. Our engagement with the World Health Organization (WHO), the Food and Agriculture Organization (FAO) and the World Organisation for Animal Health (OIE) is achieving just that. In 2019, they agreed that mass dog vaccinations and responsible dog ownership must be the focus for rabies elimination. We are now working with these bodies to set up a global financing facility that will make resources available exclusively for mass dog vaccinations across rabies endemic countries.”

Pankaj KC, global programme director, animals in communities



Special care: Just one of the thousands of dogs that we vaccinated against rabies in 2019.

Many of the world's 400 million free-roaming dogs endure horrendous lives. They suffer abuse, hunger, lack of veterinary care, injury and disease. Distressingly, around 10 million are killed in cruel culls. This is very often because of people's fear of rabies or because they are concerned about the number of strays in their communities. Methods used can include beatings, poisonings and electrocutions. Culling is often seen as a quick fix, but is cruel and ineffective.

We move governments and communities worldwide to create better lives for dogs through humane dog population management that ends poor treatment and culling. Our solutions involve educating owners and communities, legislation, dog registration, vaccinating against rabies, sterilisation, rehoming – or a combination of some or all of these.

The only way to truly eliminate rabies from an area is to vaccinate 70% of its dog population. Human and animal health are so tightly linked it is not possible to protect people from rabies without protecting dogs first.

We follow the International Companion Animal Management (ICAM) coalition's dog population management methodology. This is a full cycle of action, addressing the root causes of conflict between roaming dog and communities. We use it to help governments manage dogs humanely and to help communities to live in harmony with dogs. Together we create humane and lasting change.

## What we intended to do in 2019...

**Persuade** two regional governmental organisations the South Asian Association for Regional Cooperation (SAARC) and the African Union (AU) to start the process to introduce regional rabies elimination strategies. We expected the strategies to incorporate humane dog population management and mass dog vaccination against rabies to improve the lives of millions of dogs in the region.

We said we would achieve this by:

- **convincing** intergovernmental bodies to initiate inter-regional collaboration for rabies elimination
- **providing** evidence that vaccination, humane dog population management and responsible pet ownership is more cost effective and sustainable than a human-focussed approach.

## What we did...

- **Moved** the AU to protect the lives of 100 million dogs across the continent. We did this by working with them intensively to pass the Animal Health Strategy for Africa. This landmark decision means that all 55 AU countries must have a rabies strategy that includes humane dog population management by 2025. Rabies is a heavy burden on African people, dogs and governments. An estimated 59,000 people worldwide die of rabies every year and most live in Africa and Asia.
- **Welcomed** 185 delegates representing 38, mostly African and Asian countries, to the only global conference completely dedicated to humane dog population management. We co-organised the conference, held in Mombasa, Kenya, as part of our work with the International Companion Animal Management Coalition (ICAM). The excellent attendance shows how dog population management is gaining in importance. And during the conference, delegates and numerous organisations commended our dog population management work, solutions and methodology.
- **Co-organised** the SAARC meeting in Nepal, highlighting humane dog population management's role in rabies elimination. We achieved unanimous agreement that mass dog vaccination, including those of all free roaming dogs, is of utmost priority. All countries (except Afghanistan) also rejected and strongly disapproved of culling.
- **Followed** up this key SAARC meeting by supporting the drafting of conclusions and recommendations to progress towards rabies elimination 'Zero by 30' in the SAARC region. The document was shared and agreed with all countries except Afghanistan.
- **Produced** scientific reports and case studies on the importance of humane dog population management and responsible dog ownership in eliminating rabies. Our evidence shows that focussing on eliminating rabies in dogs is more cost effective and sustainable than the current approach of expensive vaccinations and after-bite treatment for humans. We will be using these reports to support our campaigns in 2020.



## What we intended to do in 2019...

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**Work** nationally and locally to move more countries towards humane dog population management, implementing rabies elimination strategies and conducting mass dog vaccinations.

We said we would achieve this in several ways including:

- **focussing** on India, China, Thailand and Brazil where our work would help 137,000 dogs
- **working** with the Global Alliance for Rabies Control (GARC), in Kenya, Benin, Madagascar, Zanzibar and Zimbabwe to support vaccinations and national rabies elimination strategies. Our aim was to benefit more than 500,000 dogs.

## What we did...

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- **Supported** Benin, Mali and Gabon to develop and approve their national rabies elimination strategies. Our experts ensured these strategies incorporated humane dog population management as required by the new Animal Health Strategy for Africa.
- **Continued** to work with GARC in Kenya, Benin, Madagascar, Zanzibar and Zimbabwe. These efforts supported vaccinations and national rabies elimination strategies that benefited more than 500,000 dogs in all five countries during the year.
- **Finished** our five-year year pilot project in Makueni County, Kenya which aimed to vaccinate 70% of the dog population annually over three years. Through this project we also intended to raise awareness of the disease and show that humane dog population management is the key to eliminating rabies. Of the six Makueni districts involved, two successfully vaccinated more than 70% of their dog population; two counties achieved 60-65% and two others reached 50-55% coverage.

Throughout the project we highlighted the importance of the One Health approach. This focusses on the close links between human and animal health and the crucial involvement of those working in both sectors to eliminate rabies. The Makueni project has become an example of good practice to promote and expand rabies elimination efforts in Kenya and other African countries.

- **Formed** a good working relationship with Public Security Bureau Beijing, through our proposals regarding the dog management bylaw in China's capital. We are now in a good position to improve dog management policies in Beijing in 2020. The bylaw currently stipulates how many dogs are allowed in a household and the type that can be owned. It does not include microchipping and sterilisation. Furthermore, the fee to register a dog with the local authority is too high. We want to change all this to reduce abandonment and maintain the dog population.
- **Trained** 120 volunteers, department of livestock development assistants and local authority representatives from Sri Saket province, Thailand in dog vaccination and sterilisation. We then carried out an exchange programme for different districts to share their best practice on dog population management and rabies elimination.

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**Help** protect 59,000 dogs in Kenya and Sierra Leone.

We said we would achieve this by:

**supporting** the expansion of on-the-ground vaccinations, microchipping, sterilisation and treatment projects.

- **Vaccinated** more than 58,000 dogs against rabies in Kenya and Sierra Leone, and more than 70,000 globally in countries including Ghana, Thailand, India and Brazil. Depending on resources these vaccination drives were linked with health checks and sometimes sterilisations.
  - **Supported** microchipping initiatives in two cities in Brazil – Rio Claro and Vinhedo – where more than 700 dogs were microchipped.
-

## During 2019 we also...

**Celebrated** when Mexico became the first country to be validated by WHO for eliminating rabies in humans that has been transmitted by dogs. The Mexican government built on our successful work in Puebla – one of the worst rabies-affected areas. In this state, by working with the National Mexican Zoonoses Deputy Directorate from 2000 to 2006 we designed a dog rabies control strategy which focussed on welfare, not ineffective culling. This approach was so successful that it was rolled out nationwide.

**Inspired** more than 90,000 people, through our work in Kenya, India, Thailand, Brazil and China, to protect dogs. Some contacted governments asking them to introduce humane dog population management programmes and classify rabies as ‘notifiable’ – a disease that must be reported to government authorities. Other people acted at more personal level by signing pledges to be better dog owners and vaccinating their pets against rabies.

**Awarded** Bogota, Colombia first place in our first ‘Animal-friendly City’ competition. We ran the competition with the OIE, the Pan American Health Organisation and Brazil’s Federal Council of Veterinary Medicine. The award celebrates the best humane dog population management initiatives in more than 50 cities in Latin America. Second and third places were awarded to Conselheiro Lafaiete and São Paulo in Brazil. The award winners’ best practices have been compiled into an e-book for sharing with other local governments around the world.

**Marked** our powerful partnership with the World Small Animal Veterinary Association (WSAVA) through a new Memorandum of Understanding (MoU). Together, we will raise awareness of animal welfare issues and promote animal welfare education globally. This will involve mobilising veterinary professionals worldwide to ensure that all dogs are treated more humanely and to help build a world where dogs and people live in harmony.

**Created** and launched the textbook ‘Dogs, our little friends’ with our government partner, Beijing Animal Disease Control (BADC). Through our collaboration with BADC, we visited six schools where we trained 780 students, 90 teachers and parents in responsible dog ownership and rabies awareness. This work is part of our MoU with BADC to work together on rabies elimination and responsible dog ownership education in Beijing. It is our first MoU with a Chinese government partner for our Better Lives for Dogs campaign.



**Hands on:** Vets sterilising a dog during our training work in Sri Saket province, Thailand.

## Our challenges – 2019

We wanted to improve dog management policies in China and expand the National Rabies Control Programme (NRCP) in India. We also wanted to ensure that humane dog population management is universally accepted by authorities and part of legislation Brazil. However, these policies were not achievable for several reasons including: changes in national government, political turbulence or changes in policy. We managed to build strong partnerships with local governments in these countries which will help our work in 2020.

In Makueni County, Kenya we did not fully meet our 70% vaccination coverage in four areas. This is because vaccination drives depend on people presenting their dogs for vaccination. We notified Makueni community members about the mass dog vaccinations campaigns through mobile vehicles with public address systems, public bazaars, schools, churches, brochures, pamphlets, posters and local radios.

The households that did not have their dogs vaccinated cited the following reasons:

- not aware of the vaccination exercise
- difficulty in restraining their dogs for vaccination
- the vaccination sites were far from their households
- their dogs were too young to be vaccinated against rabies.

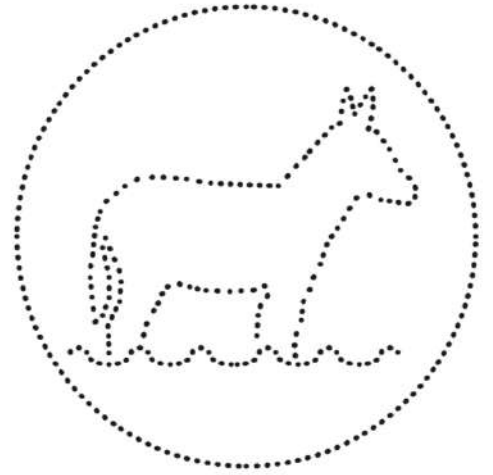
Furthermore, elections in 2017 and subsequent changes in government in 2018, affected vaccination programmes and there was a decline in vaccination numbers. Also, an outbreak of distemper after one vaccination season caused people in that area to fear taking their dogs for vaccination in the next season's round.

## In 2020 we will project animals in communities by...

**Establishing** a global finance facility that will ensure resources are made available for mass dog vaccination in rabies endemic countries. This initiative will galvanise a global partnership between donor countries, international donor organisations, NGOs, the private sector and rabies endemic countries to eliminate rabies and protect dogs.

**Continuing** to promote humane dog population management. We will do this by presenting our research, regarding its effectiveness, at key regional and global platforms and through our membership of the International Companion Animal Management coalition (ICAM).

**Convincing** more national governments to include humane dog population management in their national rabies elimination and control strategies. To help us do this we will share the effectiveness of Latin American initiatives with other rabies endemic regions. We want to ensure dogs are not killed and abused from fear of rabies.



# Protecting animals in in disasters

“We successfully lobbied the United Nations in 2015 to champion the inclusion of farm and working animals into the disaster management policies of each country in the world. Since then we have been developing tools, advocating and working with the governments of several countries in three continents to bring this inclusion about.

My team is incredibly adept, skilful, dynamic and compassionate. They work at many different levels. They not only lobby governments to include animals in disaster management policies; they rescue and bring emergency relief and care to countless individual animals. And in 2019 we deployed to 10 disasters, providing emergency relief to more than 370,000 animals that needed it.”

Gerardo Huertas, global programme director, animals in disasters



Sharing skills: We gave a three day workshop on the protection of animals in disasters to Red Cross workers and volunteers in Costa Rica

Each year disasters kill and injure millions of animals owned by more than a billion of the world's poorest people who are dependent on them for food, transport, livelihoods and companionship.

For over 55 years we have deployed to disaster zones, getting our help to the animals that need it most. We treat their injuries and diseases and save them from starvation, thirst and lack of shelter. We also evacuate them from danger, and reunite animals and owners if they are separated.

As well as our vital response work, we work year-round to help countries prepare and reduce the impact of disasters on animals and their owners.

We do this by encouraging governments, international bodies, and local and national partners and communities to include animals in their plans, policies and practice. We lobby and publicly campaign for animal-inclusive disaster risk reduction strategies at international and national levels. And we train local authorities, our partners and owners in protecting animals from disasters

## What we intended to do in 2019...

**Mobilise** people, and advocating through our International Animals in Disaster Initiative (IAiD), to move Brazil, Guatemala, Kenya, Thailand and India to include animals in disaster risk reduction strategies. We expected that the powerful examples set by these nations would encourage other countries to follow suit leading to much wider impact for millions of animals beyond their borders.

We said we would achieve this by:

- **pressing** for disaster risk reduction policies, animal disaster management strategies and by offering practical assistance and training programmes.

## What we did...

- **Influenced** national governments, regional bodies and international humanitarian organisations to include the protection of animals in their disaster planning. During the year this work led to the protection of approximately 282 million animals worldwide.
- **Celebrated** the launch of Africa's first continent-wide animal health strategy. Thanks to the hard work of our Africa team, who pushed hard for disaster management to be included, it will better protect nearly 200 million animals from disasters. The 55 countries of the African Union will be required to develop animal disaster plans, disaster funds, animal shelters and holding sites. Disaster training for vets and laboratory facilities to support disease emergencies are also essential strategy components.
- **Persuaded** Kenya's government to include the draft animal disaster fund and animal disaster management plan within their animal health strategy. Once implemented, this work could protect more than 35 million animals from disasters. Our campaign for the plan generated widespread support from Kenyan people whose animals are regularly and severely affected by droughts and floods.
- **Moved** the state government of Bihar, India to better protect more than 13 million animals through its launch of a dedicated animal disaster management plan. Also in India, Tamil Nadu's state government started work on its own animal disaster management plan after we mobilised 10,000 people in the state to call for action. Bihar and Tamil Nadu are regularly affected by disasters including cyclones, tsunamis and floods. They plunge millions of animals and the people who depend on them into crisis by causing widespread disease, injury, and by destroying livelihoods.
- **Convinced** Guatemala's government to adopt a national protocol for animals in emergencies that will help protect more than 31 million animals at risk. Our #DontForgetThem campaign galvanised more than 160,000 people in the country to help us. The need for such a protocol became very clear in 2018 during the government's work with us after Fuego Volcano's deadly eruption. This disaster forced evacuations and caused great animal suffering.

## What we intended to do in 2019...

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**Rescue** animals facing distress in disaster situations. Where possible, we use our disaster response operations to press governments of the countries where we deploy to include animals in disaster risk reduction strategies. We believe response operations create an atmosphere conducive to convincing governments of the clear connection between protecting animals and protecting their citizens' livelihoods and wellbeing.

We said we would achieve this by:

- **deploying** our disaster response teams to areas that need our help the most.

## What we did...

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- **Inspired** the director general of the Thailand's Department for Livestock Development (DLD) to implement an action plan for animals in disasters. This plan could protect more than 3 million animals annually. Our work in the country, stopping thousands of animals starving after Tropical Storm Pabuk, prompted this decision. We worked with the DLD and provided 30 tonnes of food (pineapple fodder) for 12,150 animals in the worst-affected districts.
  - **Saved** the lives of more than 370,000 suffering farm, wild and pet animals in our 10 response operations in seven countries - Brazil, India, Kenya, Malawi, Mozambique, Thailand and Zimbabwe. We gave veterinary treatments, emergency food supplies, advice, and other practical help in disasters including cyclones, floods and wildfires.
  - **Deployed** three teams to countries affected by cyclone Idai which hit southern Africa. Idai is one of the worst tropical storms on record and severely affected 2.1 million people and their animals. From March to October we worked in the worst affected areas of Malawi, Mozambique and Zimbabwe with our local partners providing medical treatment and other vital aid for more than 200,000 animals including cattle, sheep, goats and chickens.
  - **Supported** wildlife treatment centres and authorities battling to save Amazonian animals from the horrific wildfires affecting the region. We gave three CETAS - wildlife rescue units - and one university vital equipment, food and veterinary medicines. They treated thousands of animals, ranging from tapirs to macaws, suffering from agonising and life-threatening burns to their bodies and their lungs. We also trained firefighters in specialist wildlife capture and handling techniques.
  - **Took** our life-saving help to Patna in Bihar when monsoon floods left clean water and animal feed in short supply. We worked with the Patna veterinary emergency response unit to ensure that 1,000 cattle and buffalo had mineral supplements to protect them from flood-borne diseases and starvation. This support is just one of our several interventions in the state over 11 years.
  - **Provided** milk supplements to 70 orphaned camel calves whose mothers had died after drinking toxic water from an abandoned well in Marsabit County, Kenya. People in the local community were forced to use the well after their usual water source failed. The calves were between one and two weeks old and desperately needed their mothers' milk. We gave owners enough supplements to feed them for two to three months to ensure their calves had enough nutrients to grow up healthily.
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## What we intended to do in 2019...

**Influence** the International Federation of Red Cross and Red Crescent Societies (IFRC) to continue to use and extend animal-friendly examples and solutions to help people affected by disasters.

We said we would achieve this by:

- **working** jointly with them wherever possible
- **sharing** our skills and expertise
- **continuing** our partnerships with IFRC chapters in Thailand, Mongolia, the Philippines, and regional offices.

## What we did...

- **Achieved** vital recognition for animals from the IFRC for Asia and the Pacific. They worked with us to include animal protection in their livelihoods programme; this sent a global message on the importance of animals to people's welfare.
- **Confirmed** the 2020 action plan for our collaboration on the livelihoods programme.
- **Ensured** that by working with the IFRC for Asia and the Pacific on their disaster law programme that animal protection was included in the checklists they issue to governments.
- **Trained** IFRC teams in India and Costa Rica on protecting animals in disasters.
- **Worked** with the Thai government in a task force that included the Thai Red Cross and achieved recognition for animals when the government committed to include animals in their official policies.

## During 2019 we also...

**Reminded** governments and international organisations, attending the disaster risk reduction global platform organised by the UN, of the importance of protecting animals from disasters. Our silent protest in Geneva, using large inflatable 'animal ambassadors' representing goats, horses, pigs, cows, dogs and camels, greeted arriving delegates. One billion of the world's poorest people depend upon animals who continue to suffer and die in disasters. Online, our protest reached 2.7 million people.

**Researched** the vulnerability of animals in factory farming. We found that it is nearly impossible for large numbers of animals in intensive conditions to survive disasters. The high casualty numbers give hard evidence that this industry is failing to address the welfare of animals. We also found that current schemes from the banking and insurance sectors are providing no incentives for factory farmers to adequately protect their animals against disasters.

**Updated** our team skills by organising a drill of a fire rescue in Copenhagen at the Danish Rescue Training Centre and our Denmark office. Using mannequin animals, we rescued an elderly man with three dogs who was trapped in a third floor apartment fire. We produced a video from the drill to train emergency responders. The video is also relevant to members of the public, helping ensure they understand the importance of preparing to protect animals from these types of situations.

## Our challenges – 2019

We did not reach our direct impact target of saving 500,000 animals from disasters. This was due to our reduced budget for the disaster fund and the nature of our response to the Amazon wildfires. This was a large operation in terms of budget and geographical reach, however, the number of animals that our partners could rescue was relatively small – 1,000.

We were also unable to advocate effectively for animal protection in Minas Gerais state, Brazil. We wanted the government to include animals in their disaster management plans. However, they were unresponsive, so we decided to postpone our planned public mobilisation activities and advocacy work until 2020.

We expected Tamil Nadu state, India to publish their animal disaster management plan in 2019, but it is postponed until 2020 because of other commitments.

We were unable to work as we wished with the regional chapter of the IFRC in the Philippines due to their budgetary restraints. We also officially closed our Mongolia project in 2019 because of our own limited resources. However, our involvement may continue through providing technical advice to the regional chapter of the IFRC in Mongolia, through our work with the IFRC's livelihoods department. The department will focus on Mongolia as a pilot country for its livelihoods work.



## In 2020 we will protect animals in disasters by...

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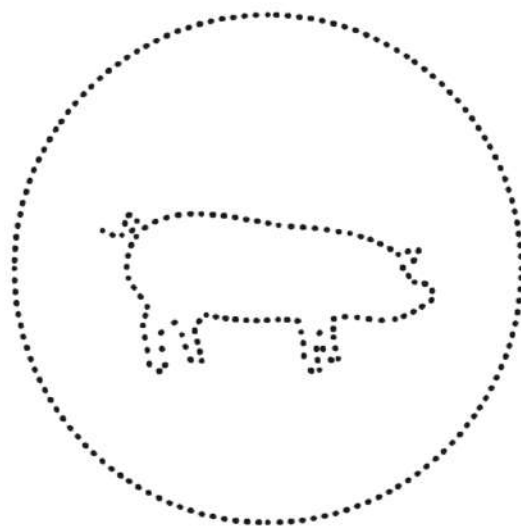
**Moving** government authorities in Assam state, India and Minas Gerais state, Brazil to include animals in their disaster management plans. We also will encourage other governments to fulfil the UN's Sendai Framework 2020 deadline, which requires including animals in their national disaster risk reduction strategies.

**Persuading** the IFRC's local chapters to include animals in their guidelines and training programmes. We will promote the importance of animal protection in disasters with the United Nations Office for Disaster Risk Reduction during its regional platform in Australia.

**Deploying** our expert teams to disaster-stricken areas where we will save more than 250,000 animals from death, injury and disease through our relief operations.



**Emergency aid:** Dr Judy Kimaru, our disaster operation manager, walks among goats in Yaa Gara, Kenya on a mission to help animals affected by a poisoned well.



# Protecting animals in farming

“We aimed high and worked with a sense of real urgency in 2019. Our goal was to move influential companies to speed up the momentum for change for farm animals. Too many are suffering and too much damage is being done by industrial farming for it not to be a key priority. Our efforts resulted in major steps being taken across the world that will benefit more than a 100 million farm animals.

Reducing the number of farm animals living in cruel conditions and eventually stopping the practice of factory farming altogether is central to our work and our vision. We work in a climate where any gains we make in farm animal welfare can be easily swamped by factory farming increases to meet the exploding demand for cheap meat.

The challenges are massive, but our determination is stronger. We will keep on innovating and seek out strategic partnerships to put farm animal welfare on the global agenda.”

Mark Dia, global programme director, animals in farming



Farming matters: Approximately 40 billion chickens are intensively and cruelly farmed annually.

Billions of the world's farm animals are suffering behind closed doors enduring the miserable, cramped and barren conditions inflicted on them by intensive farming systems. Most are denied any opportunity to behave naturally.

For example, mother pigs may be caged in structures no bigger than a refrigerator, their piglets subjected to procedures like tail docking and tooth clipping which cause great pain. And chickens reared for their meat are subjected to fast growth rates which put unacceptable strains on their bodies causing respiratory and heart problems and broken limbs.

We are taking action to end such misery. Through our evidence-based approach we work with farmers and governments to find solutions for better animal welfare, solutions that improve peoples' wellbeing too. And our innovative campaigns mobilise consumers exposing them to the harsh reality of farm animal lives and galvanising them to call for change.

## Change for Chickens

### What we intended to do in 2019...

**Engage** iconic fast-food brands around the world, challenging them to improve their chicken welfare policies.

We said we would achieve this in a number of ways including:

- **releasing** the second issue of 'The Pecking Order' our fast-food chicken welfare ranking system to help us press fast-food brands to give the chickens they use better lives
- **launching** our research on the economics of higher-welfare chicken production to show consumers and businesses the cost effectiveness of giving chickens lives worth living.

### What we did...

- **Exposed** appalling conditions in industrial farms, challenging companies and producers to treat the chickens, upon which their businesses depend, more humanely. Unnaturally fast growth rates and cramped confinement in sheds with thousands of other birds cause great suffering to 40 billion chickens every year.
- **Launched** a high-profile public campaign, backed by harrowing footage gathered by our investigators, to make fast food giant Nando's stop raising their chickens in low-welfare conditions. Thousands of supporters have signed our petition asking the company to stop using fast-growing chicken breeds and switch to chickens that grow at a slower, more natural rate. Slower growth rates will prevent the animals suffering from the serious health issues that cause them pain and suffering.
- **Convinced** KFC in the UK, Ireland, Netherlands, Belgium, Germany and Sweden to commit to transform the lives of an estimated 73 million chickens every year by 2026. They will do this by using slower growing chicken breeds, giving them more space, natural light, and perches and pecking materials which will help the animals behave naturally. KFC's improvements resulted from our 2018 petition signed by 500,000 people calling for change.
- **Highlighted** how higher welfare chicken production is not as expensive as companies might think through our report 'Valuing higher welfare chicken'. The report, that we commissioned from Wageningen University and Research Institute in the Netherlands, revealed a cost increase of only 6.4-13.4% above conventional production costs. This is much lower than increases of up to 49% previously projected by a US industry-funded study.
- **Persuaded** Africa's largest poultry producer Kenchic to work with us to develop an animal welfare policy covering their operations in Kenya, Tanzania and Zambia. Kenchic is a major producer in Africa and supplies high profile brands such as KFC, Domino's, Pizza Hut and Carrefour. We expect the policy to be complete in 2020 and become an example of good practice on the continent.

## During 2019 we also...

**Worked** with other animal protection groups to pass legislation in Oregon and Washington establishing bans on the production and sale of eggs from caged hens. This means that with the success of California's Proposition 12, the entire west coast of the USA will be 100% caged-egg-free by the end of 2023. The lives of more than 9,000,000 hens will be improved as a result.

**Achieved** US\$400,000 of grant funding to expand our Change for Chickens campaign in China, Thailand and Indonesia. We will engage in a range of stakeholders to drive chicken welfare improvements and highlight the links between animal welfare and other concerns such as anti-microbial resistance and climate change.

## Our challenges – 2019

We postponed the launch of 'The Pecking Order' until January 2020, due to time and resource constraints. However, this was not a problem as the launch date was still timely – exactly 12 months from the launch of the first issue of 'The Pecking Order' in 2019.



**Industrial misery:** Mother pigs kept in individual cages cannot move, turn around or socialise during their pregnancies.

## Raise Pigs Right

### What we intended to do in 2019...

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**Improve** the lives of more than 5.7 million pigs overall through our Raise Pigs Right campaign.

We said we would achieve this by:

- **targeting** supermarkets locally and globally, galvanising them to oppose the caging of sows and the mutilations of piglets and adapt their policies and supply chains accordingly
- **extending** our successful pilot projects with pig producers in China, Thailand and Latin America to give 93,000 sows and 1,690,000 pigs raised for meat better lives.

### What we did...

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- **Moved** Carrefour Brasil to source more humanely reared pigs for their own-brand pork products. They are expecting their suppliers to stop keeping sows in cages and move them to group housing by 2022. They are also demanding their suppliers end the painful castration of male piglets by 2025.

Other welfare improvements demanded include: an ear notching ban by the end of 2022, the stopping of routine teeth clipping and environmental enrichment at all production stages by 2020.

- **Galvanised** 30,000 people successfully in the UK and Thailand to convince Tesco Lotus, Thailand's biggest supermarket, to only source packaged pork from producers keeping sows in group housing. The changes will be effective by 2027.
- **Called** on Walmart in the USA, Canada and Mexico, to set a timeline to end the use of cages for sows. At the company's AGM, we questioned corporate leadership about their failure to protect pigs. When they refused to act we escalated the pressure by releasing our report 'US pork and the superbugs crisis'. The report was launched during World Antibiotics Awareness week in November. It revealed that more than half of the Walmart pork products tested were found to be positive for at least one multi-drug resistant strain, or 'superbug'.
- **Changed** the lives of five million factory-farmed pigs for the better in China, Thailand, Brazil and the USA. Mother pigs – sows – were moved from harsh confinement in individual, cramped metal cages to group housing which better suits pigs' social natures and intelligence. And painful procedures on piglets like tooth clipping, tail docking and surgical castration were phased out.
- **Supported** three Chinese producers to test higher welfare systems in their businesses. Shandong TUHE Food Company and Agro-pastoral Ecological Technology have committed to phase out sow stalls and implement enrichment for all pigs. This will benefit 140,000 pigs annually. Charoen Pokphand Group China (CP China) will trial group sow housing and enrichment initially in one farm which will immediately improve conditions for 6,000 sows. CP Group is one of the top pig producers in the world and if they expand these trials to all their farms in China, this could potentially benefit 10 million pigs annually.
- **Celebrated** when CP Foods improved the lives of 100,000 sows by giving them more natural group housing. The company also spared more than 700,000 piglets from painful castration by using immunocastration instead.

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### During 2019 we also...

**Developed** and launched the FARMS Initiative in the Netherlands with other animal protection groups. The UN Principles on Responsible Banking describe the initiative as a 'key resource' on animal welfare. FARMS is a tool aimed at major financial institutions. It aims to encourage them to identify and support those companies which have responsible minimum standards regarding the ways farm animals are raised, transported and slaughtered.

## India dairy

### What we intended to do in 2019...

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**Convince** five Indian dairy companies to stop sourcing milk from the worst facilities that keep cows and buffaloes in terrible conditions.

We said we would achieve this by:

- **discouraging** suppliers from sourcing from these substandard dairies
- **mobilising** 50,000 people to call for good welfare in supply chains.

### What we did...

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- **Gained** commitments from nine Indian dairy companies responsible for more than 535,000 cows and buffaloes, to improve the lives of their animals by signing up to our minimum welfare dairy requirements. They also announced that they will not source from urban and semi-urban dairies.
  - **Continued** to work with health care company Abbot Nutrition through our two-year agreement, signed in 2018, which aims ultimately to protect nearly 1 million dairy cows in India. More than 500 farms supplying Abbott Nutrition implemented the four minimum dairy welfare requirements during 2019 and 9,000 farmers were trained how to fulfil them.
  - **Mobilised** more than 50,000 consumers in Delhi through online outreach and 17 public events in schools, shopping malls and elsewhere. We asked them to call for better conditions for the cows that produce their milk. The worst living conditions for dairy animals are in the urban and semi-urban dairies where around 50 million animals suffer life-long cruelty.
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## Our challenges – 2019

We found it very difficult to move the Indian government to adopt our goal of completely phasing out urban and semi-urban dairies in cities. This is because the government's approach involves developing solutions to improve them. This approach is not in alignment with our campaign and also undermines it, so we focussed mostly on corporate engagement and public mobilisation.

## What next for our India Dairy campaign?

We are exploring other organisations in India who are well placed to lead the campaign and work for better treatment of dairy cows in India. We plan to exit the campaign by June 2020.

## Focus on meat reduction – our new campaign

We launched our meat reduction campaign in the USA in September to convince consumers and businesses that reducing meat consumption is crucial in protecting animals and the planet. Meat reduction could potentially end many of the cruellest industrial farming practices such as extreme confinement, the overuse of antibiotics, and brutal mutilations.

### We intend to:

- **persuade** major influential food companies to provide nutritious plant-based protein alternatives and showcase those who made significant achievements in meat reduction and protein diversification
- **build** a movement of people who pledge to reduce their meat consumption and choose higher welfare meat.

### So far we have...

- **Developed** our business case for protein diversification to persuade companies to offer more plant-based alternatives.
- **Influenced** Pret A Manager through meetings and supporter contact to offer 14 new plant-based options, and non-dairy alternatives at no extra charge to customers. Our plant-based product focus has opened doors to meetings with companies like Starbucks and Taco Bell where we have been able to discuss animal welfare issues too.
- **Conducted original** research revealing that 140,000 pigs and 110,000 cows will not be in the food system annually thanks to fast-food chains offering Beyond Meat and Impossible Foods burgers. Our findings were widely reported and prompted Just Salad to contact us to begin a conversation about meat reduction.
- **Inspired** more than 18,000 people since the campaign launch in September to pledge to reduce their meat consumption and choose higher welfare meat.

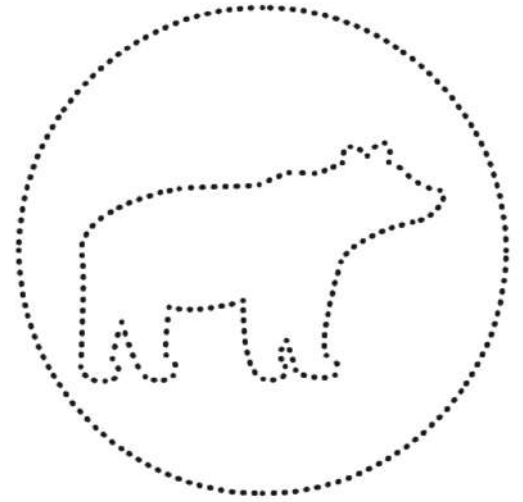
## In 2020 we want to protect animals in farming by...

**Pressing** multinational supermarkets to end the caging of mother pigs and mutilations of piglets in their pork supply chains. We'll also be influencing industry and governments to improve pig welfare and highlight good practice examples from around the world.

**Extending** our work to protect chickens to China, Australia, Thailand, India and Indonesia and continue to demand that fast food brands improve their chicken welfare policies. We will also highlight company double standards regarding better protection for chickens who promise this in some supply chains in some of their countries, but not in others.

**Galvanising** major influential food companies to provide nutritious, plant-based protein alternatives to their customers and showcasing those food companies that have already done it. We'll also build a movement of people who pledge to reduce their meat consumption and choose higher welfare meat.





# Protecting animals in the wild

“We took two really bold steps in our wildlife work in 2019.

We launched *Wildlife. Not Pets*, our new global campaign to cause maximum disruption to the exotic pet industry. Billions of wild animals suffer and die each year, yet hardly anyone knows about it.

*Wildlife. Not Pets* aims to protect the welfare of parrots, snakes, otters, Indian star tortoises and so many other species cruelly poached, or captive bred to supply the global exotic pet industry. Many animal lovers keep exotic pets without realising the suffering that a life in captivity inflicts on wild animals.

Our next brave move was launching a new campaign, *Fooled by a Smile*, to end the cruel dolphin entertainment industry. Over the past five years we have transformed wildlife tourism, and stopping dolphin entertainment is our biggest challenge given the profit and power of the companies involved.

We have further to go in re-directing consumer demand, as well as locking in changes in laws and regulations. But with your help we are moving the world in favour of wild animals. Please keep it up!”

Kate Nustedt, global programme director, animals in the wild

Better wild: African grey parrots captured for the pet trade have very high mortality rates.



Worldwide, wild animals face unimaginable abuse and exploitation. All too often they are poached from their natural habitats, traded, bred and even brutally trained to be used for cruel entertainments. Others are killed for their body parts.

And wild animal suffering is not just confined to land. Millions of sea animals, including whales and dolphins, get trapped, mutilated and killed in ghost gear – abandoned, lost and discarded fishing gear, annually. They endure serious and painful injuries, mutilations and slow, lingering deaths.

But long-lasting, genuine change is possible. We are doing what it takes to move governments and businesses and mobilise people worldwide to protect wild animals and keep them wild where they belong.

## Wildlife. Not Pets

### What we intended to do in 2019... What we did...

**Launching** our Wildlife. Not Pets campaign to disrupt the trade in wild animals as pets.

We said we would achieve this by:

- **targeting** the illegal poaching of wild animals focussing on the trade in African grey parrots
  - **campaigning** to change international policies to reduce the number of wild animals to be traded as pets
  - **driving** down the public acceptability and demand for wild animals as pets through our innovative public mobilisation approaches.
- **Investigated** the illegal trade of African grey parrots, one of the world's most trafficked animals, and secured a global embargo from Turkish Airlines to stop transporting them. Thousands of African grey parrots are poached from the wild annually. Many die after capture, in transit and never make it to their final destination. Post-capture and pre-export mortality rates for grey parrots have been estimated between 30-60% and as high as 70%-90% in some instances. We mobilised more than 190,000 people who called on Turkish Airlines to commit to the embargo.
  - **Ensured** that Asian small-clawed and smooth-coated otters, and Indian star tortoises are protected from the exotic pet trade through our work with Convention of International Trade of Endangered Species (CITES). All three species were elevated to Appendix 1 status. This means the commercial trade of these wild-caught animals is now banned. We were also one of the key NGO coalition members that were able to influence the EU to oppose the ongoing trade in live elephants from Zimbabwe and Botswana.
  - **Revealed** the welfare and safety problems caused to animals and people by the wild animal pet trade in Canada through our 'Risky business' report. We also launched an interactive map highlighting the patchy approach in Canada to legislation regarding the keeping of wild animals as pets. They have both helped us secure meetings with provincial ministers to call for legislative improvements to the trade. There are an estimated 1.4 million wild animals, ranging from leopards to frogs, kept as pets in Canada.
  - **Released** our 'Cruelty for sale' report in Brazil which exposes the scale and cruelty of the trade in exotic birds in the country. Hundreds of thousands of birds are stripped out of Brazil's forests and traded annually. We joined forces with the Boys and Girls Scout movement and took to the streets of Sao Paulo and Rio de Janeiro to educate thousands of people about the suffering of wild animals in the illegal trade.
  - **Highlighted** the threats and cruel treatment suffered by African wildlife in our 'Big 5 Little 5' report. An estimated 2.7 million animals, ranging from common hippopotamuses to ball pythons, were illegally traded internationally between 2011 and 2015. This number represents the top five 'big' and 'little' species taken from the wild and farmed for their skins and the exotic pet trade. We urged consumers, businesses and governments to stop their exploitation.
  - **Celebrated** when we were awarded Best Foreign Film at the Wildlife Conservation Film Festival in New York City for our documentary 'Otters and the exotic pet trade'.

## Our challenges – 2019

Throughout the year, the exotic pet industry coordinated attacks on our social media platforms defending their practices. We can expect further attacks as we will continue to expose the cruelties of this industry that occur through both the illegal and legal trade.

Also, many exotic pet owners are still unaware of the animal welfare issues involved in the trade. It is vital that we continue to mobilise their support as we continue to disrupt the industry.

## Wildlife. Not Entertainers

### What we intended to do in 2019...

**Demonstrate** how to move elephant venues from low to high welfare.

We said we would achieve this by:

- **transforming** two venues in Thailand that would become examples, supported by the international tourism industry, that other venues can replicate.

### What we did...

- **Supported** two elephant venues in Thailand – ChangChill and Following Giants – to become elephant-friendly, observation-only venues. Elephants can behave naturally and socialise as they would in the wild while tourists watch them from viewing platforms. We hope ChangChill and Following Giants to be models of elephant-friendly businesses that will be replicated elsewhere. Thailand has more than 3,000 captive elephants used in tourism – the largest number of any country in Asia.

### We also...

**Agreed** a project with Nepal to make it the first elephant-friendly country in Asia. We signed a Memorandum of Understanding with Nepal's ministry of tourism, the Nepalese tourism board, the Jane Goodall Institute Nepal and Intrepid Group. There are approximately 62 elephants in Nepal, used by the Elephant Owner Cooperative for tourism and these are the focus of our project.

**Persuaded** 17 more travel companies to commit to becoming elephant friendly and 31 travel companies to commit to phasing out sales to all cruel wildlife attractions. There are now 260 elephant-friendly travel companies and more and more travel companies are making commitments to protect wildlife in their supply chain. Thanks to our expert advice, online travel giants Airbnb, Booking.com and TripAdvisor all launched or updated their animal welfare policies during the year.



Chok, one of four elephants at Following Giants a venue in Thailand that we supported to become elephant friendly. It opened for business in December 2019.

## What we intended to do in 2019...

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**Launch** a global campaign targeting the cruelty of dolphinariums.

We said we would achieve this by:

- **starting** a shift in the social acceptability of dolphin entertainment by highlighting the suffering of dolphins in captivity
- **changing** consumer behaviour so that they no longer visit venues and participate in interactions and shows
- **using** high profile public pressure to move travel companies away from supporting the captive industry.

## What we did...

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- **Launched** Fooled by a Smile, our global campaign to end the suffering of the more than 3,000 captive dolphins held worldwide. Our accompanying report 'Behind the smile' outlines the massive scale and profitability of the multi-billion-dollar dolphin entertainment industry.
  - **Celebrated** when through our efforts, Virgin Holidays, TripAdvisor, Booking.com, Air Canada, British Airways Holidays and Air Transat committed not to sell or promote any attractions featuring captive cetaceans for entertainment purposes. We are campaigning for travel giants Expedia Group and TUI to follow their example.
- 

## We also...

**Inspired** 614,197 people to join our Wildlife. Not Entertainers movement. Nearly 2,254,000 people have signed up since 2015. They are dedicated to protecting wild animals from the abuse and cruelty caused by entertainments including elephant rides and performances and dolphin shows.

**Worked** with the Association of British Travel Agents (ABTA), one of the world's leading travel associations, to launch the 2nd edition of their 'Animal Welfare Guidelines'. These guidelines now make it unacceptable for their member companies to offer tourists direct contact with elephants. Other unacceptable activities include: tourist contact or feeding for great apes, bears, crocodiles or alligators, orca, sloths, and contact, feeding and walking with wild cats. This sets a precedent for other travel associations, companies and governments to follow suit.

**Exposed** the suffering of wild animals at cruel visitor attractions in zoos and aquariums linked with World Association of Zoos and Aquariums (WAZA). This is despite the association's code of ethics stating that activities should 'not demean or trivialise the animal in any way'. Our research 'The show can't go on' documented elephant rides, wildlife selfies and circus-like performances all taking place at WAZA member venues.

## Our challenges – 2019

Following Giants, the elephant-friendly venue which opened in December, is doing extremely well. However, ChangChill which opened earlier in the year is taking longer to become financially viable. We are working with our office in Thailand and the ChangChill owners to understand the reasons. And although the acceptability of elephant camps is reducing, this has not stopped more low welfare elephant camps opening in Thailand.

Our campaign to stop the travel industry profiting from cruel dolphin entertainment is being challenged vigorously by corporate travel giants with serious commercial interests in captive dolphin experiences. This is because dolphin entertainment is clearly a highly profitable business for both the venues and the travel companies. Consequently, they are highly resistant to change. We will continue to mobilise the public to bring about change.

## Sea Change

### What we intended to do in 2018...

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**Secure** lasting solutions to tackle the problem of ghost gear.

We said we would do this by:

- **transitioning** the stewardship of the Global Ghost Gear Initiative (GGGI) to a new lead partner, Ocean Conservancy
- **continuing** our involvement with GGGI members to protect marine life from harm and improve the health of marine ecosystems.

### What we did...

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- **Convinced** the Canadian government to commit significant funding to tackle ghost gear – abandoned, lost and discarded fishing gear. They announced a new programme that will provide up to CAD\$8.3 million to help find and retrieve harmful ghost gear from the ocean and dispose of it responsibly. More than 640,000 tonnes of ghost gear pollutes our seas, coastlines and oceans annually, killing and mutilating millions of sea animals.
  - **Recycled** 100 tonnes of ghost gear in Chile. We did this through our Net100-Net + Positive Project with telecommunications company Satlink and recycling company Bureo. The project was nominated as a finalist for the Latin America Green Awards.
  - **Retrieved** more than 13.5 tonnes of derelict ghost gear through our work with the Fathoms Free project in the South-West of England. The project sent a further 54 tonnes of net to Plastix in Denmark for recycling.
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### We also...

**Created** an award to honour our former head of sea change, Joanna Toole, who was tragically killed in the Ethiopian Airways disaster in March. The Joanna Toole Ghost Gear Award will be given to innovative projects providing solutions to ghost gear.

### Our challenges – 2019

Our core international Sea Change campaign team left World Animal Protection to continue the campaign with Ocean Conservancy. Their presence continues to give the GGGI great momentum, but their absence from World Animal Protection means our work to exit the campaign is under-resourced.

## Wildlife. Not Medicine

### What we intended to do in 2019...

**Develop** a Wildlife. Not Medicine Campaign which will focus on ending the exploitation and cruel use of bears, lions and tigers in traditional medicine products. We said we would continue working with partners to lobby the government in Vietnam to enact strict regulations on bear breeding to end bear bile farming in the country once and for all.

We said we would achieve this by:

- **developing** a new strategic approach and partnerships in China to end the acceptance and tolerance of wild animals being used in traditional Asian medicine
- **continuing** our partnership with Education for Nature Vietnam (ENV) to develop a new law to stop bears being abused for bile production for traditional Asian medicine
- **working** with ENV to mobilise the public against bear bile farming and the consumption of medicinal products containing bear bile
- **microchipping** all remaining bears on farms to ensure that no more bears can be captured from the wild to restock the captive supply of bears
- **continuing** to work with our partner Green Korea United to increase penalties for illegal breeding of bears and raise government funds to build a confiscated animal shelter.

### What we did...

- **Championed** ending the cruelty to wildlife involved in the production of traditional Asian medicine with key opinion leaders and experts in China.
- **Researched** the awareness and attitude of traditional Asian medicine practitioners in China towards the use of wild animals. We intend to combine this with our worldwide consumer research to inform and develop our campaign.
- **Partnered** with Price Waterhouse Coopers to move two leading pharmaceutical companies to protect wildlife by signing a pledge not to use wildlife in traditional Asian medicine. We also partnered with leading academic bodies to undertake new research into plant-based alternatives to wildlife products in traditional Asian medicine.
- **Worked** closely with our partner Education for Nature Vietnam to mobilise more than 103,000 people to call for farmers to stop bear bile farming in the country. Although bear farming is illegal and clearly decreasing, it still happens covertly to fuel the demand for bear bile use in traditional Asian medicine.  
  
ENV's national letter writing contest resulted in more than 97,000 young students urging bear bile farmers to surrender their bears to rescue centres. With ENV we campaign to: reduce the demand for bear bile, introduce stricter enforcement of wildlife protection laws and reform legislation relating to bears.
- **Microchipped** a total of 205 farmed bears in Vietnam. Microchipping is vital in preventing more bears being snatched from the wild to be farmed for their bile. It sends a clear message that farming is unacceptable and illegal. Twenty-seven bears were confiscated and transferred to rescue centres through the Bear Coalition. Since 2005, our joint efforts with ENV have led to a 90% reduction in the number of bears held captive on farms in Vietnam. At the end of 2019 there were only 432 farmed bears left in Vietnam and 28 bear-free provinces.

### We also...

**Gained** wide global media coverage of misery caused to tigers, lions and other big cats because of use in traditional Asian medicine through our report 'Trading cruelty'. We formed partnerships with South African NGOs Blood Lions and Lion Coalition to work on ways of ending captive lion breeding in the country for traditional Asian medicine. South Africa is the main legal exporter of lion products, often sold as tiger bone in Asia. Around 6,000-8,000 lions are held captive in 200 facilities across the country.

### Our challenges – 2019

Traditional Asian medicine is a highly sensitive issue in China and our campaign approach requires a long-term understanding of how to influence politically and socially. There were also changes to the law in China regarding the way NGOs operate. This meant we had to form a new relationship with a sponsoring agency. Consequently, it has taken us longer than expected to develop and assess our approach.

The strategy we agreed with ENV for a bear breeding ban was unrealistic given levels of process and bureaucracy in Vietnam. We will be reassessing this in 2020 and looking at how we realign it with our global approach to transform the traditional Asian medicine industry.

## In 2020 we want to protect animals in the wild by...

**Mobilising** the public to influence the travel industry and reduce the profitability of cruel wildlife entertainment. As part of this, we will increase our focus on first time Chinese travellers to Thailand encouraging them to only participate in responsible, wildlife-friendly activities. We will also expose companies continuing to promote or profit from cruelty through the wildlife entertainment industry and press them to become wildlife friendly. And we will push for the elephant-friendly transformation of more low-welfare elephant venues across Thailand, India and Nepal.

**Continuing** to disrupt the trade in wild animals as pets by reducing their acceptability and availability. This will involve releasing innovative research and a behaviour change campaign to disrupt Africa's highly prolific and cruel reptile trade.

**Developing** our Wildlife. Not Medicine campaign to end the horrific use of wild animals in traditional Asian medicine. We will develop new evidence and commission ground-breaking science to explore plant-based alternatives and use this evidence to engage pharmaceutical companies and key officials in China. We will also test creative new ways to raise public awareness of the cruelties of wild animal use in traditional Asian medicine in different markets across the world.

## Protecting bears from bear baiting in Pakistan

### What we intended to do in 2019...

**Support** our long-term partner, the Bioresource Research Centre of Pakistan (BRC), to lobby for a tighter legislative framework and effective enforcement to protect bears in Punjab Province.

**Continue** to support BRC in their work convincing landlords and bear owners to stop using bears for entertainment.

**Provide** funding for the running of the Balkasar bear sanctuary enabling them to give the highest possible level of care to all bears formerly used for baiting and dancing.

**Help** BRC develop a business plan to ensure the long-term sustainability of their campaigns in Pakistan.

### What we did...

- **Supported** BRC to successfully lobby to get bears better protection under the Punjab Wildlife Act. Our joint work means it is now illegal to hunt or poach brown bears. Traditionally, brown bear cubs have been taken from the wild in Pakistan and sold for use in cruel baiting and dancing entertainments.
- **Celebrated** with BRC when they confirmed that no bear baiting events were held in 2019. This is a huge achievement for our campaign dedicated to stopping the cruelty to bears, unable to defend themselves, being set upon by dogs for 'sport'. Just 10 years ago BRC reported more than 100 bear baiting events held in public fairs in Pakistan. Since 2009 our work has led to 671 landlords agreeing to stop holding the events, 89 former bear owners taking up alternative careers and the confiscation or surrender of 112 bears.
- **Funded** three new enclosures for BRC at the Balkasar bear sanctuary, in Punjab province; these have enough space to care for 30-40 more bears. During 2019, seven bears were taken in by Balkasar and received the very best of care to help them recover from their trauma. This brought the total of rescued bears at the sanctuary to 55.
- **Worked** with BRC to develop a business plan that will enable them to take over the running and development costs of Balkasar. The volatile political and economic climate in Pakistan has meant that BRC has been unable to secure a high-level announcement on increased penalties for animal cruelty. This would effectively lock in the advances we have made with BRC to protect brown bears in Pakistan.

## Our challenges – 2019

The volatile political and economic climate in Pakistan meant that BRC could not secure a stronger legislation increasing penalties for animal cruelty. This would effectively lock in the advances we have made with BRC to protect brown bears in Pakistan.



## Protecting bears in Romania from entertainment

### What we intended to do in 2019...

**Support** our long-term partner, Asociația Milișoane de Prieteni – AMP – (also known as Asociația de Protecție a Animalelor) in Romania, to develop and implement the long-term sustainability and business plan of the bear sanctuary.

**Ensure** that AMP has enough support to cover all operating costs so they can provide high welfare protection for all sanctuary bears.

### What we did...

- **Helped** AMP raise nearly 62% of the sanctuary's running costs. AMP welcomed 11 new bears to the sanctuary in 2019 bringing the total they care for to 106.
- **Worked** with them to finalise their business plan for 2020 which will help them achieve even more self-sufficiency.
- **Support** AMP to reach their financial self-sustainability target – 70% of the bear sanctuary's running costs.

## In 2020 we want to protect bears in Pakistan and Romania by...

**Supporting** BRC to lobby for the second amendment of the Punjab Wildlife Act that will increase penalties for cruelty against wild animals. This will lock in the advances we have secured for brown bears in recent years, and create a tighter legal framework ensuring wild and captive bears are adequately protected.

**Helping** AMP reach their financial self-sufficiency target – 70% of the bear sanctuary's running costs.



**Sitting pretty:** A rescued bear enjoys the peace and freedom of the Romanian bear sanctuary.

# Our global reach

World Animal Protection is a truly global organisation, working in over 50 countries across the world, with offices in every habited continent.



## Our offices

- |               |               |           |              |                |
|---------------|---------------|-----------|--------------|----------------|
| 1 Costa Rica* | 4 Brazil      | 7 Denmark | 10 India     | 13 Australia** |
| 2 Canada      | 5 UK*         | 8 Sweden  | 11 Thailand* | 14 New Zealand |
| 3 USA**       | 6 Netherlands | 9 Kenya*  | 12 China***  |                |

\* These offices form part of the UK-registered charity and are included in the 'charity' accounts.

\*\* These offices are subsidiaries of the UK charity and are included in the 'consolidated' accounts.

\*\*\* From January 2019 due to a change in registration our China office became a part of the UK registered charity

# Financial review

## Our income

### Every dollar, baht and pound fuels our work to protect animals

Diversifying and growing our income is a critical component of our work to build a worldwide movement of people who value animals and agree to join us in helping to protect them. With generous support from our supporters, we made significant progress in achieving our vision of a world where animals live free from cruelty and suffering.

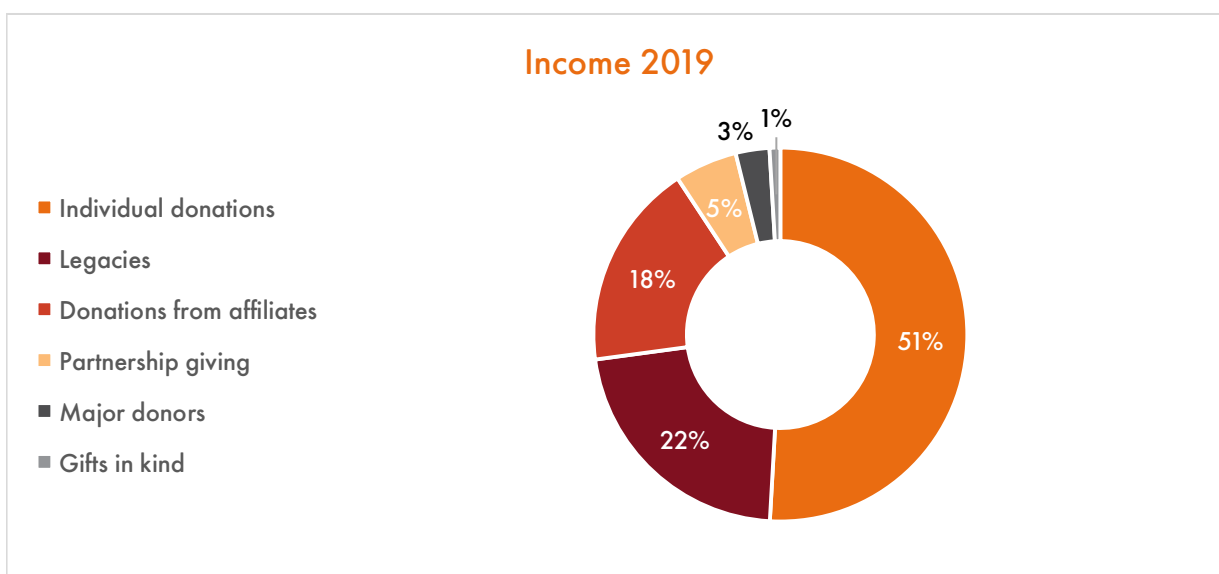
World Animal Protection is committed to delivering sustainable and reliable income in alignment with our mission to protect animals and improve the wellbeing of people and our planet. In 2019, we secured £32.8m in income, an increase of 4.5% from 2018. This is largely due to an increase in support from major funding partners to deliver key elements of our wildlife and farming programmes, as well as from legacies.

We greatly appreciate the generous support we received from our individual supporters, which totalled £16.7m in 2019. This is a decrease of less than 1% compared to 2018.

Major gifts and grants from individuals, governments, businesses and trusts and foundations increased by 71% - from £1.6m in 2018 to just over £2.6m in 2019. Government support included grants from the Kingdom of Belgium and from the UK government via the Centre for Environment, Fisheries and Aquaculture Science in support of the final year of World Animal Protection's leadership of the Global Ghost Gear Initiative. The Open Philanthropy Project in the US made several generous, multi-year commitments to our work to improve the lives of farmed animals in China, Southeast Asia and beyond. Also in the US, we collaborated with Airbnb to ensure the wellbeing of animals in the company's Animal Experiences category, which includes activities organised and led by local hosts. As part of our partnership, Airbnb made a major unrestricted gift in support of our mission. These are just some of the major funding partners who joined us in creating change for animals in 2019.

Finally, our global work would not be possible without the support we receive from our network of affiliated entities in Canada, Denmark, Netherlands, and Sweden. In 2019, they contributed £5.9m to our animal protection mission.

For more information on our fundraising efforts, please see our 2019 Global Review, which includes a financial summary of all World Animal Protection entities.



We continuously monitor the impact of the current coronavirus pandemic on levels of Group income. Other UK charities, particularly those relying on retail income and events income, have publicly stated their concerns that their income may fall by 30% or even more. World Animal Protection does not rely on either of these income sources and, following higher than expected income in the first four months of 2020, we predict a much lower drop in income.

# Our expenditure

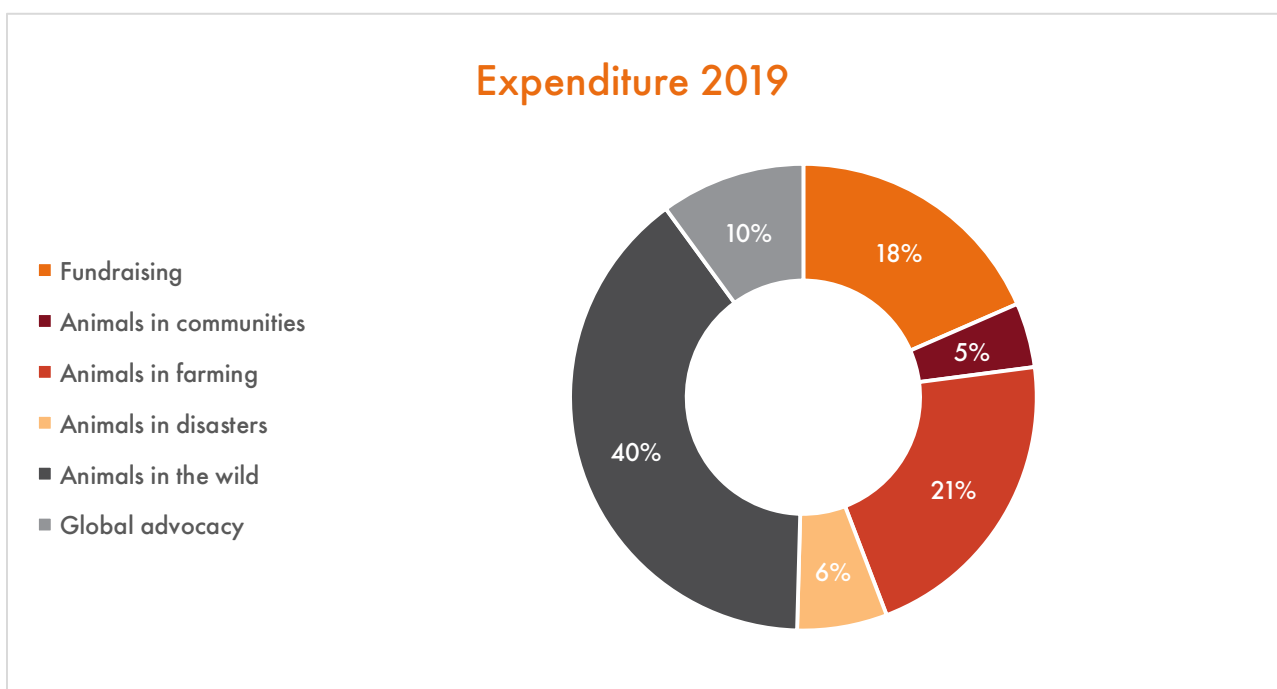
During 2019 our total expenditure rose by 7.6% to £38.6m from £35.9m in 2018. We have built on our success from 2018 and undertaken significant campaigning activities during the year across all programmatic areas. We also launched a couple of new campaigns to tackle cruelty against wildlife.

We ensure that our fundraising is effective and are mindful how we spend our income. In 2019, we spent £7.1m on fundraising activities, which is a 1.3% increase over 2018. At the end of the year, the rate of return was £3.78 for every £1 spent.

A key performance indicator is our spend on charitable activities and in 2019, this was 81.6% of total expenditure, compared to 80.4% in 2018. This demonstrates our commitment to the work we do.

Staffing costs stayed fairly consistent at 35.7% compared to 35.2% in 2018. The increase in staffing levels was required to ensure that we had sufficient capacity to deliver the activities from the various campaigns.

As well as our four key programmatic areas, we also highlight our expenditure in relation to global advocacy. This activity is key to our theory of change as we move the world to protect animals. These costs relate to communication, education and advocacy across the world.



World Animal Protection's new strategy includes the maintenance of a balanced annual, financial budget which requires a number of cost reductions to be made. The Trustee Board has decided to implement these cost reductions in 2020, earlier than originally planned, to mitigate the impact of the coronavirus pandemic on income in the short-term.

# Our fundraising approach

World Animal Protection UK endeavours to adhere to the highest standards of fundraising practice and all fundraising and data protection regulations.

We are registered with the Fundraising Regulator. We are members of the Institute of Fundraising, the Direct Marketing Association, the Lotteries Council, the Institute of Legacy Management, the Withers Indemnity Project and the National Council for Voluntary Organisations. We are also licensed by the Gambling Commission.

We produce much of our fundraising marketing activity in-house. However, in looking to make best use of our resources and to create more impactful activity, we recognise that third-party partners are better placed to develop our high profile fundraising campaigns. Therefore, we continued working with these suppliers who are skilled in relevant areas of our work and compliance. We employ a telemarketing agency and monitor telephone activity through an agreed call listening process, shadow professional fundraisers and provide feedback on their performance.

In 2019 we continued to invest and build on our individual giving fundraising programme. During the year, we successfully rolled out our weekly lottery. In addition, we continued to enhance our direct response television advertising to bring on board new donors. In doing so, our aim is to appeal to a wide range of audiences through a variety of fundraising activity.

We are committed to giving a positive supporter experience and we continue to monitor and value all feedback, queries and complaints closely. We pride ourselves in helping our supporters understand our work in protecting animals through their donations. In 2019, from the estimated total supporter interactions of 4 million we saw an overall fall in the number of supporter complaints compared to 2018 by 28%. This totalled 73 complaints, 53 of these related to fundraising and 20 to campaigning and how we operate. All these complaints were successfully resolved.



Showing support: Meeting animals owners in Suratthai, Thailand, an area devastated by Tropical Storm Pabuk.

# Financial policies

## Reserves policy

An important role for trustees is to manage the long-term sustainability of the organisation. The reserves policy sets out the basic principles that it should:

- give confidence to funders by demonstrating good stewardship and active financial management
- demonstrate, to beneficiaries, funders and the public, the charity's resilience and capacity to manage unforeseen financial difficulties
- give voluntary funders an understanding of why funding is needed to undertake a project
- give assurance to creditors that the charity can meet its financial commitments

As part of this policy, trustees decided to move away from traditional methods of calculating reserves to a method linked to liquid cash balances.

Our minimum reserves level will incorporate the following principles:

- include liquid cash and investment balances in our branches and subsidiaries
- ensure we have sufficient cash holdings to meet our organisational needs
- embed monitoring of this target into our management information.

## Reserves performance

The consolidated reserves are £14.2m (2018: £18.8m) of which £2.2m (2018: £2.0m) is restricted or endowed, and £1m (2018: £800k) is a revaluation reserve showing the cumulative uplift in the value of the investments.

At the end of 2019 our liquid reserves were £14.8m (2018: £20.0m), of which £8.0m was held in the UK. This exceeded the minimum target set for the year which was £6m.

The minimum liquid reserve target is calculated as follows: Restricted plus endowment reserves plus 10% of budgeted income; with 25% contingency added to the total.

## Investment policy

The trustees reviewed the investment policy during 2017 for the cash holdings which are held by the World Animal Protection UK entity.

The objective of the policy is to balance various requirements:

- to maintain appropriate liquidity in case reserves are needed at short notice
- to achieve the highest possible return on investments
- to minimise risk
- to meet our ethical standards.

The investment policy is to invest surplus funds for the short term in fixed-term or call deposits with a high security rating.

Funds which are not expected to be needed except in the longer term are transferred to an investment manager, whose role is to protect World Animal Protection's investments and generate a return while observing our investment restrictions. As part of the trustees' oversight of this portfolio, the investment manager attends a committee meeting each year to present the results of the investment.

## Investment performance

During the third quarter of 2019, we withdrew £3m from the UK investment portfolio to help fund various programmatic activities, which in turn enabled us to achieve greater impact globally.

Our investment portfolios held in the UK and USA performed well in 2019, achieving significant investment gains of just under £1.1m. In the UK, our average investment returns during the past 5 years are 8.0%.

In the latter part of 2019, we also started reviewing our policies to ensure we have the highest ethical standards balanced with security and returns. However, due to the Covid-19 situation, we have not been able to progress this further. We are continuously monitoring our investment portfolios and keeping up to date with changes in the market.

## Grant-making policy

We make grants to other entities in the global World Animal Protection network to contribute to their running and programme costs. We also give grants on a proactive basis to independent partner organisations and institutions to support joint work on strategic campaigns and projects. We may occasionally offer financial support to other bodies for their own activities which clearly contribute to fulfilling our strategic animal welfare objectives.

Grants to entities within the World Animal Protection network are routinely monitored through narrative and financial management reports which include explanations of variance from agreed budgets. Grants to other organisations are awarded only after a due diligence process has been carried out with them in accordance with the detailed procedures that sit beneath our Partnership and Finance policies. This process is aimed at giving us assurance that grantees are financially stable and that they can reliably manage and account for all the funds they may receive from us. Grants are subsequently governed by formal agreements which lay out agreed terms of reference and requirements for regular reporting, so as to ensure the effective use of funds and delivery of our strategic objectives.



## Fraud resilience

We are clear that we do not tolerate fraud and corruption. Our approach and policies aim to make the honest majority feel empowered to tackle fraud and corruption through robust whistleblowing policies.

We are not complacent, we provide training to staff and publish articles in our internal newsletter promoting anti-fraud to raise awareness.

We are part of the Charity Finance Group Counter Fraud initiative and use the resources produced by them and the Fraud Advisory Panel to promote a fraud resilience culture.

## Data protection

Following on from the work started in 2018, the organisation carried on implementing measures to strengthen our data protection procedures in light of the new General Data Protection Regulations (GDPR). These measures included data audits, improvements in policy and practice and improving staff awareness through workshops to introduce a culture of privacy management and security.

## Remuneration policy

We operate a global remuneration policy, approved by the board, which requires an annual review of all salaries. Reviews take into account factors such as local market rates, the level of salary increases within the sector in a given year, general inflation and affordability. Any proposed increases are in line with budgets approved by the board as a part of the annual budget process. Where there are proposed salary increases as

per external data on inflation, the cost of living and affordability, these are awarded to staff in July.

Aligned with our overall pay policy, we benchmark the chief executive's salary against salaries of chief executives in global charities of a similar size and income. For the global leadership team, salaries are based on data relating to senior roles in comparable organisations in their respective countries.

## Safeguarding

As an organisation we have always taken seriously our duty to protect the welfare of our staff and partners. Within the charity sector there is increasing pressure from regulators and the media to maintain high levels of transparency and integrity. We reviewed our safeguarding policy and it was approved by the board in March 2020. The policy outlines our approach to protect the health, safety and welfare of all staff, volunteers, beneficiaries and others who come into contact with the organisation. This policy sets standards of behaviour and accountability for our staff and partners to ensure a workplace free from abuse and harassment. This is a requirement if World Animal Protection is to remain a credible partner for the major global stakeholders we hope to influence as we seek to deliver our mission.

We must also protect the integrity of our brand, the most valuable asset any charity has. We will do this by ensuring that our effort is not just focused on delivering the maximum impact for the animals we serve, but also that the way we go about our work reflects who we are and what we stand for as an organisation. This is reflected in the set of shared principles enshrined in the global policies we have developed together, and those standards expected of the charity sector more widely.

## Modern slavery statement

World Animal Protection has a zero tolerance approach to modern slavery and human trafficking and is fully committed to acting ethically and with integrity in all its business dealings and relationships. We are also committed to implementing and enforcing effective systems and controls to ensure that no modern slavery is taking place anywhere within its offices or in its supply chains.

World Animal Protection has robust governance and risk management framework in place and a number of global policies which aim to minimise the risk of modern slavery in relation to our work. These include:

- Recruitment – as an equal opportunities' employer, we have a rigorous recruitment process. Our recruitment practices include 'right to work' checks for all prospective employees.
- Procurement – our processes ensure we take into consideration the different risks associated in our supply chains. We carry out due diligence checks on key suppliers and ensure we are satisfied that they have appropriate policies in place.

# Risk and uncertainties

We believe that sound risk management is integral to both good management and good governance practice. In the last year we have introduced an enhanced risk management policy to ensure that risk management forms an integral part of our decision-making and is incorporated within strategic and operational planning.

## Our risk management strategy ensures...

- Risk assessments are conducted on all new activities and projects to ensure they are in line with the charity's objectives and mission.
- Any risks or opportunities arising are identified, analysed and reported at an appropriate level.
- A risk register covering key strategic risks is maintained as a living document and will be presented at least quarterly to the board and more frequently where risks are known to be volatile.
- More detailed operational risk registers are maintained in aspects where this is considered appropriate, taking account of the impact of potential risk and the cost benefit of the exercise.
- All staff are provided with adequate training on risk management and their role and responsibilities in implementing this.
- We regularly review and monitor the effectiveness of our risk management framework and update it as considered appropriate.
- The board receives regular reports on continuing and emerging high concern risks and those where priority action is needed to effect better control.

## Our current significant risks include...

- In an uncertain financial environment and with the effects of a global pandemic, we continue to evaluate on long-term **financial stability** diversifying income and reducing costs. We need to remain realistic in what we can deliver in the transitional period.
- **Ability to deliver strategy** as we make the organisation sustainable any necessary budget reductions may lead to low morale and limit our impact. We continue to be open and manage expectations as we work on solutions together.
- **Maintaining relationships** with our affiliates who provided 17.9 % of 2019 income
- **Operational complexity** We make every effort to meet expectations and comply with the all laws and regulations of a UK registered charity and the relevant regulations where our subsidiaries and branches are located.
- **Ability to retain and attract staff** We continue to invest in people initiatives and create a defined set of values and behaviours that everyone understands, own and defines the way in which we work.



# Structure, governance and management

## Our structure

World Animal Protection is a registered UK charity and a company limited by guarantee and the legal parent of three overseas subsidiaries, a UK trading subsidiary and three branches.

The board of trustees consists of no more than 13 people and is responsible for the governance of World Animal Protection ensuring it is effectively and properly run and is meeting its overall purposes as set out in the governing document.

## Charity governance

The board is committed to taking good governance and leadership to a higher level and aspire to comply with the Charity Governance Code. The latest review highlighted a good level of compliance overall and has led to some proactive steps being taken to address areas of improvement identified.

## Governance

The board meets at least four times a year to review the performance of the charity and make any decisions necessary to its governance and strategic direction. The board has recently undertaken a review and established a revised committee structure:

### Audit and finance committee:

- to oversee, with delegated authority on behalf of the board, all financial aspects of the charity, and report back to the board as appropriate
- to guide, advise and make recommendations to the board regarding the approval of budgets, accounts and financial statements and relevant financial policies
- to advise the board on the financial implications of the organisation's strategic plans and its on-going financial viability
- to review the performance of charity investments
- oversee the processes related to risk management and internal control and
- to oversee the internal and external audit processes.

### Standing committee:

- discharge the functions of the board between regular board meetings.

### Programme and policy committee:

- Review the quality of progress and impact of the organisation's four strategic programme areas, ensuring they are consistent with the global strategy, its theory of change, strategic objectives and goals
- keep under review the organisation's animal welfare policy ensuring that it is consistent with international best practice and evidence, external policy developments, and World Animal Protection's global strategy and brand.

### People and culture committee:

- review the CEO's performance, remuneration and appraisal process
- maintain oversight of World Animal Protection's policies on HR and pay to ensure they are consistent with the needs of the business, current legislation and best practice and the board's requirements as expressed from time to time and
- Maintain an oversight of the organisation's development and culture.

The board appoints the CEO who has delegated responsibility for the day to day running of the charity in accordance with policies and strategy set by the board.

## Trustee recruitment

World Animal Protection will act positively to create and maintain a skilled, balanced and effective board. Every effort will be made to ensure that there are strong candidates to fill any vacancies that arise. This will include:

- reviewing the board's collective skills, knowledge and experience
- interviewing candidates to explore their commitment, knowledge and skills etc.

During the period an external agency was appointed to commence the search for at least three new trustees.

## Trustee induction

All new trustees will be provided with training and support necessary to fulfil their responsibilities effectively. An induction pack will be issued, and a programme implemented to ensure they:

- understand their roles and responsibilities as a trustee, and charity law
- have access to our governance documentation, structures and all our approved policies and procedures
- are provided with background information that enhances their understanding of World Animal Protection
- meet staff through office visits or presentations.

Three new trustees were recruited in May 2020 and are in the process of being inducted.

## Management

The CEO is appointed by the board of trustees to manage the day-to-day operations of the charity. The CEO works with a Global Leadership Team (GLT) which comprises the directors of the key functions.

During 2019 the team was expanded to include representation from the country offices.

The full list of 2019 and current members of the GLT and board can be found on page 43 under Reference and administrative details.



Good example: An elephant roaming free at Following Giants, the second venue in Thailand that we helped become elephant friendly.

## Reference and administrative details

World Animal Protection is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. World Animal Protection is governed by its Articles of Association.

Charity registration number 1081849

Company registration number 4029540

Registered office 222 Gray's Inn Road, London WC1X 8HB

## Board of trustees

(who are directors for Companies Act purposes)

**Paul Baldwin** Chair

**Nesta Hatendi**<sup>2,4</sup> Deputy chair

**Franc Alarcon de Barrientos**<sup>3</sup> (appointed 2 June 2020)

**Sandra Lynn Bereti**<sup>2</sup>

**Jamie Craig**<sup>1</sup> (appointed 2 June 2020)

**Franc Cortada**<sup>3</sup>

**Svetlana Ignatieva**<sup>1</sup> (appointed 2 June 2020)

**Sarah Ireland**<sup>3,4</sup>

**Thomas Jones**<sup>1,4</sup>

**Christine Lloyd**<sup>2,3,4</sup>

**Berangere Michel**<sup>1</sup>

**Mwikali Muthiani**<sup>2</sup>

**Mark Watts** (resigned 14 September 2019)

**Karen Winton**<sup>2</sup>

<sup>1</sup>Member of finance and audit committee as of June 2020; <sup>2</sup>Member of people and culture committee as of June 2020

<sup>3</sup>Member of policy and programmes committee as of June 2020; <sup>4</sup>Member of standing committee as of June 2020

Chief executive officer: **Mr Steve Mclvor**

Company secretary: **Mr Stephen Corri** (resigned 27 September 2019)

### Investment managers

Vanguard Asset  
Management Limited  
4th floor, The Walbrook Building  
25 Walbrook  
London EC4N 8AF

### Solicitors

Bates Wells and Braithwaite LLP  
10 Queen Street Place  
London EC4R 1BE

### Auditors (External)

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2A 1AG

### Bankers

Barclays Bank PLC  
99 Hatton Garden  
London EC1N 8DN

### Auditors (Internal)

RSM  
25 Farringdon Street  
London EC4A 4AB

## Global leadership team

**Steve Mclvor**  
Chief executive

**Kevin Geeson** (left October 2019)  
Chief operating officer

**Michael Hammer**  
Global director of development

**Lena Ahlby**  
Global director of programmes

**Rachel Briggs**  
Global director of people

**Stephen Sibbald** (joined December 2019)  
UK country director

## Our public benefit requirement

Under the Charities Act 2011, charity trustees have a duty to explain in their annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the board of trustees. The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the charitable purposes falling within this description include:

- charities promoting kindness and seeking to prevent or suppress cruelty to animals
- animal sanctuaries
- the provision of veterinary care and treatment
- charities concerned with the care and rehoming of animals that are abandoned, mistreated or lost
- feral animal control, e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the board of trustees has paid due regard to the Charity Commission's guidance on public benefit when deciding on and planning the activities of World Animal Protection.

The report on pages 4-33 demonstrates how we met our charitable purposes in 2019 and our principal achievements under our respective strategic priority areas of work.

**Happy together:** Piglets at a higher welfare indoor farm in the Netherlands run by the Ten Have-Mellema family. Mother pigs are not kept in cages and are free to move and bond with their piglets. We are using the farm as a case study to influence others to improve standards in indoor pig farming.



## Statement of trustees' responsibilities

The board of trustees (who are also directors of World Animal Protection for the purposes of company law) is responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations. Company law requires the board of trustees to prepare financial statements for each financial year.

Under that law, the board of trustees has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Northern Ireland. 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the board of trustees is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice SORP (FRS102)
- make judgements and accounting 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 including Financial Reporting Standard FRS 102;
- prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charitable group will continue in business.

The board of trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In the case of trustees in office at the date the Trustees' Annual Report is approved:

### The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

### Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

### Going concern

The trustees have reviewed the consolidated position of World Animal Protection. They have taken into account the level of reserves and cash, the annual business plan and forecast process, and the systems of financial and risk management.

In particular, the trustees have considered the potential impact of the coronavirus pandemic on future income and also expenditure. They have considered a wide range of scenarios, including a degradation in Group income over the next two years equivalent to 30% of the 2019 actual income, and the mitigating actions necessary to maintain a sustainable financial position.

As a result, the trustees believe that World Animal Protection is well placed to manage operational and financial risks successfully. Accordingly, the trustees expect that World Animal Protection has adequate resources to continue in operational existence for the foreseeable future. Consequently, it can continue to adopt the 'going concern' basis of accounting in preparing the financial statements.

This report, including the Strategic Report, was approved by the board of trustees and signed on their behalf by:



**Paul Baldwin**  
Chair

## Independent auditor's report to the members of World Animal Protection

### Opinion

We have audited the financial statements of World Animal Protection (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement, the Summary Income and Expenditure Account and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2019 and of the group's and the parent charitable company's incoming resources and application of resources including, the group's and the parent 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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 group and parent 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.

### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

### 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 group's or the parent 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.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 3 to 48 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.

## Opinion 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 Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

## Matter on which we are required to report under the Companies Act 2006

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

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

## Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 45, 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 group and the parent 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 group or parent 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.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

### **William S Devitt FCA**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

Date:



## Consolidated financial statements

Consolidated statement of financial activities for year ended 31 December 2019

	Note	Unrestricted funds £ '000	Restricted funds £ '000	Endowment funds £ '000	Total 2019 £ '000	Unrestricted funds £ '000 (restated)	Restricted funds £ '000 (restated)	Endowment funds £ '000	Total 2018 £ '000
Income and endowment from:									
Donations and legacies	2	27,487	5,287	-	32,774	28,545	2,821	-	31,366
Other trading activities	4	19	-	-	19	85	-	-	85
Investments	3	207	-	-	207	195	-	-	195
<b>Total</b>		<b>27,713</b>	<b>5,287</b>	<b>-</b>	<b>33,000</b>	<b>28,825</b>	<b>2,821</b>	<b>-</b>	<b>31,646</b>
Expenditure on:									
Raising funds	5	(6,144)	(979)	-	(7,123)	(7,029)	-	-	(7,029)
Charitable activities	6	(26,480)	(5,034)	-	(31,514)	(24,242)	(4,641)	-	(28,883)
<b>Total</b>		<b>(32,624)</b>	<b>(6,013)</b>	<b>-</b>	<b>(38,637)</b>	<b>(31,271)</b>	<b>(4,641)</b>	<b>-</b>	<b>(35,912)</b>
Net gains/(losses) on investments		1,088	-	-	1,088	(386)	-	-	(386)
Net movement in funds		<b>(3,823)</b>	<b>(726)</b>	<b>-</b>	<b>(4,549)</b>	<b>(2,832)</b>	<b>(1,820)</b>	<b>-</b>	<b>(4,652)</b>
Reconciliation of funds:									
Fund balances brought forward		13,711	3,327	1,808	18,846	17,625	3,806	1,763	23,194
Foreign exchange movement		(158)	108	(27)	(77)	180	79	45	304
<b>Fund balances carried forward</b>		<b>9,731</b>	<b>2,708</b>	<b>1,781</b>	<b>14,220</b>	<b>13,711</b>	<b>3,327</b>	<b>1,808</b>	<b>18,846</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All the incoming resources and resources expended derive from continuing activities.

The income for the Charity was £23,722,743 (2018: £23,314,970) and expenditure was £29,467,817 (2018: £27,794,784).

The Charity also generated £880,714 (2018: incurred net realised and unrealised losses of £169,360) of net realised and unrealised gains leading to an overall net loss of £4,864,359 (2018 net loss of £4,649,174).

The notes on pages 53 to 71 form part of these accounts.

## Consolidated financial statements

Consolidated and charity balance sheets at 31 December 2019

	Note	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000 (restated)	Charity 2018 £'000 (restated)
<b>Fixed assets</b>					
Tangible assets	11	291	180	324	144
Investments	12	5,845	4,672	7,808	6,804
		6,136	4,852	8,132	6,948
<b>Current assets</b>					
Stock		2	-	4	-
Debtors	13	2,013	1,708	1,812	1,491
Cash on deposit	25	752	-	1,313	632
Cash at bank and in hand	25	8,243	5,847	10,903	8,362
		11,010	7,555	14,032	10,485
Creditors: amounts falling due within one year	14	(2,749)	(2,120)	(2,853)	(2,126)
Net current assets		8,261	5,435	11,179	8,359
Provisions	15	(177)	(118)	(465)	(406)
<b>Net assets</b>		<b>14,220</b>	<b>10,169</b>	<b>18,846</b>	<b>14,901</b>
<b>Unrestricted funds</b>					
Designated funds	16	-	-	9,606	9,606
Revaluation funds		1,041	1,041	809	809
General funds		8,690	5,433	3,296	172
		9,731	6,474	13,711	10,587
Restricted funds	17	2,708	2,708	3,327	3,327
Endowments	18	1,781	987	1,808	987
<b>Total funds</b>		<b>14,220</b>	<b>10,169</b>	<b>18,846</b>	<b>14,901</b>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The notes at pages 53 to 71 form part of these accounts. The financial statements were approved and authorised for issue by the trustees on 16 June 2020.

P Baldwin  
Chair

Registered company no: 4029540

## Consolidated financial statements

Consolidated statement of cash flows for year ended 31 December 2019

	Note	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Cash flows from operating activities:					
Net cash used in operating activities			(6,330)		(3,292)
Cash flows from investing activities:					
Interest received	3	62		65	
Investment income	3	145		130	
Purchase of tangible assets	11	(95)		(207)	
Purchase of investments	12	(10)		(7)	
Sale of investments	12	3,007		-	
Net cash used in investing activities			3,109		(19)
Change in cash and cash equivalents in the reporting period					
			(3,221)		(3,311)
Cash and cash equivalents at the beginning of the reporting period					
			12,216		15,527
Cash and cash equivalents at the end of the reporting period	25		8,995		12,216
<b>Reconciliation of net income to net cash flow from operating activities</b>					
Net loss for the reporting period (as per Statement of Financial Activities)					
			(4,549)		(4,652)
Adjustments for:					
Depreciation charges	11		104		97
Net (gains)/losses on investments			(1,072)		403
Foreign exchange differences			(32)		243
Investment income	3		(207)		(195)
Loss on disposal of fixed assets			17		6
Decrease in stocks			2		-
(Increase)/decrease in debtors			(201)		(2)
(Decrease)/Increase in creditors			(392)		808
<b>Net cash used in operating activities</b>			<b>(6,330)</b>		<b>(3,292)</b>

The notes on pages 53 to 71 form part of these accounts.

## Consolidated financial statements

Summary income and expenditure account for the year ended 31 December 2019  
The World Animal Protection Group

	Note	2019 £'000	2018 £'000
<hr/>			
Income			
Voluntary income	2	32,774	31,366
Activities for generating funds	4	19	85
Investment income	3	207	195
		<hr/>	<hr/>
		33,000	31,646
Expenditure			
Costs of generating voluntary income	5	(7,087)	(7,005)
Fundraising trading	5	(21)	(7)
Investment managers' fees	5	(15)	(17)
Charitable activities	6	(31,514)	(28,883)
		<hr/>	<hr/>
		(38,637)	(35,912)
Deficit before realised/unrealised gains		(5637)	(4,266)
Unrealised gains/(losses) on investment	12	1,088	(386)
Foreign exchange movement		(77)	304
		<hr/>	<hr/>
Net movement in funds		(4,626)	(4,348)
		<hr/> <hr/>	<hr/> <hr/>

An income and expenditure account is an alternative summary of the information contained in the Statement of Financial Activities. As recommended in the Charities SORP, this statement excludes gifts of capital that are not currently available for revenue expenditure (see Note 18). The income and expenditure account is included in the accounts in order to comply with the Companies Act 2006.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 53 to 71 form part of these accounts.

# Notes to the consolidated financial statements

## 1. Accounting policies

### a) Basis of preparation

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

World Animal Protection meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements are for the legal entity which is World Animal Protection, a charity incorporated in the UK, registered with the Charity Commission and with Companies House as a company limited by guarantee. All figures have been converted into sterling.

#### Going concern

After discussions with key management personnel and reviewing the Group's forecasts and projections, the Trustees have a reasonable expectation that the Group has adequate resources to continue its activities for the foreseeable future.

Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements as outlined in the Trustees' responsibilities statement.

### b) Basis of consolidation

The consolidated financial statements of the group incorporate the accounts of the charity including branches in Costa Rica, China, Thailand and Kenya, and its wholly owned trading subsidiary World Animal Protection Trading Company Limited. The branches are also registered as legal entities in their local jurisdictions to comply with the relevant laws and regulations.

The charity is the sole member of World Animal Protection USA, World Animal Protection Australia, and World Animal Protection China. These are included in the consolidated accounts as subsidiaries. The registered offices for the subsidiaries are listed on our website:

<https://www.worldanimalprotection.org/contact-us>

A separate Statement of Financial Activities (SOFA) is not presented because the charity has taken advantage of the provisions of Section 408 of the Companies Act 2006.

### c) Fixed asset investments

Fixed asset investments are stated at their market value at the balance sheet date. Any gain/loss on revaluation is recognised in the consolidated SOFA.

### d) Tangible fixed assets

Tangible fixed assets acquired with a fair value over £5,000 are capitalised and depreciated on a straight-line basis over their expected useful lives as follows:

- Computer equipment - 3 years
- Software - 3 years
- Office equipment - 3 years
- Short leasehold property - The life of the lease

### e) Fund accounting

Funds held by the charity are:

**Unrestricted funds** - funds which can be used in furtherance of the charity's objectives at the discretion of the board of trustees.

**Designated funds** - funds which have been designated by the board of trustees for a particular purpose, but this designation does not legally restrict the board of trustees' discretion to apply the funds.

**Restricted funds** - funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**Endowment funds** - funds that have been given to the charity to be held as capital. Endowments can either be permanent endowment funds which means that they cannot be converted to funds, or expendable endowment funds where the trustees do have a discretionary power to use the funds as income. The endowment funds are accounted for on the basis of any restrictions imposed by the donors.

### f) Incoming resources

#### Appeals, grants and donations

Income from appeals, grants and donations is included in incoming resources when: the charity has entitlement to funds, any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably.

#### Legacies

Entitlement to legacies is taken as the earlier of the date on which either: the charity is aware probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised, and reference should be made to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### Interest receivable

Interest is included when receivable by the charity.

### Commercial trading activities

Income from commercial activities of World Animal Protection Trading Company Limited is included in the period in which the group is entitled to receipt.

**Legal business:** African elephants are among the big five wild animal species are traded legally on the continent.



## Notes to the consolidated financial statements

### g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs incurred in generating donations, the costs of trading for fundraising purposes and the costs directly attributable to managing the investments
- Expenditure on charitable activities comprises those costs directly related to the objects of World Animal Protection. It includes both the costs which can be directly allocated to such activities and the costs of an indirect nature necessary to support them. These costs are apportioned on an appropriate basis as set out in Note 6
- Other expenditure represents those items not falling into any other heading.

### Grants

Grants payable are accounted for as expenditure in the period in which an irreversible binding commitment to make payment has been entered into and upon receipt of satisfactory management reports.

### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated have been set out in Note 8.

### h) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

### i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### j) Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount.

### k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### l) Foreign currency

Transactions in foreign currencies are translated at the exchange rate in effect at the time of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. Exchange differences are included in the consolidated SOFA for the period in which they are incurred.

### m) Pensions

The charity operates a defined-contribution pension scheme. The assets of the scheme are held separately from the charity in an independently administered fund. The amount charged in the SOFA represents the contributions payable to the scheme in respect of the accounting period.

World Animal Protection USA contributes to a multi-employer defined-benefit scheme, but the charity is unable to separately identify its share of the scheme's assets and liabilities and hence has accounted for the scheme under a defined-contribution basis.

### n) Significant accounting estimates and judgments

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually. The main estimates in the financial statements relate to depreciation, legacies and provisions. Further information about key assumptions concerning the future, and other key sources of estimation of uncertainty, are set out in the notes.

## Notes to the consolidated financial statements

### 2. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000
Appeals and gifts (individual donations)	16,639	42	16,681	16,695	139	16,834
Legacies	6,906	293	7,199	4,913	1,118	6,031
Corporate donations, trusts, foundations and society grants	520	1,084	1,604	336	317	653
Governments	-	99	99	-	38	38
Major donors	610	347	957	430	431	861
Gifts in kind	306	-	306	226	-	226
Other income	54	-	54	14	-	14
Donations from World Animal Protection organisations	5,502	355	5,857	5,931	778	6,709
Gifted assets	17	-	17	-	-	-
	<b>30,554</b>	<b>2,220</b>	<b>32,774</b>	<b>28,545</b>	<b>2,821</b>	<b>31,366</b>

### 3. Investments

	Unrestricted Funds £'000	Restricted funds £'000	Total 2019 £'000	Unrestricted Funds £'000	Restricted funds £'000	Total 2018 £'000
Interest receivable	62	-	62	65	-	65
Investment income from investments	145	-	145	130	-	130
	<b>207</b>	<b>-</b>	<b>207</b>	<b>195</b>	<b>-</b>	<b>195</b>



**Pangolin poaching:** Pangolins are the world's most illegally trafficked mammal. They are cruelly stripped from the wild and killed so their scales can be used in traditional Asian medicine.



## Notes to the consolidated financial statements

### 4. Subsidiary companies

	Trading company		USA		Australia*		China	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Income	19	85	5,859	3,815	8,236	7,933	812	1,205
Expenditure	(22)	(7)	(4,606)	(3,754)	(8,236)	(7,933)	(863)	(1,369)
Net incoming/(outgoing) resources before gains and losses and gift aid	(3)	78	1,253	61	-	-	(51)	(164)
Gift aid	(66)	(25)	-	-	-	-	-	-
Net (outgoing)/incoming resources before gains and losses	(69)	53	1,253	61	-	-	(51)	(164)
Gains on investments	-	-	207	(77)	-	-	-	-
Net movements in funds	(69)	53	1,460	(16)	-	-	(51)	(164)
Assets	81	154	4,720	3,351	1,978	1,460	32	87
Liabilities	(67)	(71)	(343)	(296)	(1,280)	(710)	(62)	(49)
Funds	14	83	4,377	3,055	698	750	(30)	37

\*Includes the results for New Zealand, which is a branch of Australia

### 5. Expenditure on raising funds

	Unrestricted funds 2019 £000	Unrestricted funds 2018 £000
Appeals and gifts (individual giving)	6,488	6,338
Legacies	53	116
Corporate donations, trust foundations	477	473
Major donors	69	78
Fundraising trading	21	7
Investment managers' fees	15	17
Total	7,123	7,029

Included in the above are governance costs of £94,838 (2018: £138,302)

The 2018 figures have been amended to reallocate some costs from charitable activities to expenditure on raising funds, to ensure these are in line with our cost allocation principles.

## Notes to the consolidated financial statements

### 6. Charitable Activities

	Animals in communities	Animals in farming	Animals in disasters	Global advocacy for animals	Animals in the wild	Total 2019 £'000	Total 2018
Grants (see note 7)	116	90	18	-	1,294	<b>1,518</b>	1,731
Direct expenditure	1,209	6,321	1,856	2,990	10,543	<b>22,919</b>	19,828
Support costs	369	1,643	484	812	3,133	<b>6,441</b>	6,606
Governance costs	41	155	57	83	300	<b>636</b>	718
Total 2019	1,735	8,209	2,415	3,885	15,270	<b>31,514</b>	28,883
Total 2018	1,581	7,747	2,347	4,038	13,170	<b>28,883</b>	

The 2018 figures have been amended to reallocate expenditure between charitable activities, and to fundraising expenditure, to ensure these are in line with our cost allocation principles.

**Water risk:** Grazing animals are very vulnerable to disease after floods.



## 7. Grants

<b>Grants were made to the following institutions:</b>	<b>2019</b>	<b>2018</b>
<b>Institution name:</b>	<b>£'000</b>	<b>£'000</b>
Bioresource Research Centre	262	491
Asociatia de Protectie a Animalelor (AMP)	200	227
Ocean Conservancy	118	-
University of Oxford	114	150
Zoological Research Museum Alexander Koenig	93	27
Education for Nature Vietnam	84	88
Compassion in World Farming	82	127
Eco Tourism Koh Lanta	59	-
Happy Elephant Care Valley	51	112
Sierra Leone Animal Welfare Society	48	86
Global Alliance for Rabies Control	48	60
Mahouts Elephant Foundation	41	-
Elephant Livelihood Initiative Environment (ELIE)	36	-
Manchester Metropolitan University	33	20
Green Korea United	30	29
Elephant Valley Thailand	26	-
Kenya Veterinary Association	21	-
The International Pole & Line Foundation	18	-
Four Corners Institute	16	-
AIUNAU	15	30
Hillswick Wildlife Sanctuary	15	10
University of Calgary	12	-
MandaLao Elephant Conservation	11	-
Rabies in West Africa	11	12
China Association for NGO Cooperation	11	9
World Cetacean Alliance	10	-
University of Lincoln	9	-
Myanmar Ocean Project	9	-
Blood Lions	8	-

## 7. Grants (cont'd)

Grants were made to the following institutions:	2019	2018
Institution name:	£'000	£'000
The Good Food Institute	8	-
Fathoms Free	6	15
Zimbabwe National Society for the Prevention of Cruelty to Animals	5	-
Makueni County Government	-	55
International Cooperation Committee of Animal Welfare	-	34
University of Nairobi	-	32
University of Surrey	-	25
Bureo Chile SpA	-	21
World Parrot Trust	-	10
Ghost Fishing UK	-	10
Istituto Oikos	-	7
Colonia Felina di Torre Argentina	-	5
Change for Animals Foundation	-	5
The Jane Goodall Institute Nepal	-	5
Odyssey Innovation	-	5
Wild Welfare	-	5
Other grants to institutions (all under £5,000)	8	19
	<b>1,518</b>	<b>1,731</b>

## Notes to the consolidated financial statements

### 8. Analysis of support and governance costs

	Animals in communities £'000	Animals in farming £'000	Animals in disasters £'000	Global advocacy for animals £'000	Animals in the wild £'000	Consolidated 2019 £'000	Consolidated 2018 £'000
CEO and executive management	106	415	109	202	765	<b>1,597</b>	1,316
Finance	70	253	85	115	423	<b>946</b>	1,564
IT	30	178	41	93	375	<b>717</b>	762
Facilities	112	472	179	221	872	<b>1,856</b>	1,725
HR	51	325	70	179	700	<b>1,325</b>	1,293
Governance	41	155	57	83	300	<b>636</b>	710
	<b>410</b>	<b>1,798</b>	<b>541</b>	<b>893</b>	<b>3,435</b>	<b>7,077</b>	<b>7,370</b>

### 9. Net incoming resources

This is stated after charging	2019 £'000	2018 £'000
Operating lease expense	<b>1,234</b>	1,221
Depreciation charges	<b>104</b>	97
Loss/(profit) on disposal of fixed assets	<b>17</b>	(6)
Auditor's remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b>93</b>	77
Fees payable to the charity's auditor and its associates for other services:		
- Audit of the accounts of subsidiaries	<b>37</b>	43
- Other non-audit services	-	-
Amounts paid to other auditors - internal audit	<b>77</b>	78
Amounts paid to other auditors - Marks Paneth	<b>28</b>	26
Investment managers' fees	<b>15</b>	17

- Audit remuneration in relation to the group audit was £53,150 (2018: £50,660) and this was paid to Grant Thornton UK LLP.
- Audit remuneration for overseas offices was £77,486 (2018: £69,522) and this was paid to Grant Thornton International member firms.
- Internal audit remuneration was paid to RSM UK Group LLP.

## Notes to the consolidated financial statements

### 10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Consolidated 2019 £'000	Consolidated 2018 £'000
Wages and salaries	12,060	11,037
Social security costs (national insurance and other taxes)	982	906
Other pension costs	750	688
	<b>13,792</b>	<b>12,631</b>

In addition, a great amount of time, the value of which is impossible to reflect in these financial statements, was donated by our volunteers.

The average number of contracted employees throughout the year, calculated on a full-time equivalent basis, was:	2019 Number	2018 Number
Charitable activities, campaigns and publicity	154	137
Fundraising	46	48
Managing and administration	56	54
Leadership and governance	11	10
	<b>267</b>	<b>249</b>

The emoluments of members of staff, including benefits in kind within the range of £60,000 to £169,999, are:	2019 Number	2018 Number
£60,000 - £69,999	20	17
£70,000 - £79,999	13	11
£80,000 - £89,999	6	7
£90,000 - £99,999	5	1
£100,000 - £109,999	6	4
£110,000 - £119,999	2	2
£130,000 - £139,999	1	2
£160,000 - £169,999	1	-
	<b>54</b>	<b>44</b>
The pension costs paid in respect of these employees amounted to	<b>£223,970</b>	<b>£200,703</b>

Within our branches and subsidiaries, we employ staff with the required skills and experience to enable our organisation to meet our goals. We attract and retain staff and the salaries are based on the local market. Many of our staff team could make use of their skills elsewhere in the charitable or private sector for considerably higher salaries and of the high earners' number quoted above, only 18 out of 54 staff were employed within the UK.

The key management personnel of the charity are considered to be the Global Leadership Team (GLT). The GLT comprises the CEO, chief operating officer, the global director of programmes, the global people director and the global director of development. The key management personnel of the charity received £600,167 (2018: £489,502) in salaries and fees. The employer contributions into the charity's pension scheme with respect to key management personnel amounted to £31,878 (2018: £28,044). The total employee benefits of the key management personnel of the charity were £1,982 (2018: £1,419).

## Notes to the consolidated financial statements

Redundancy and termination payments	2019	2018
Redundancy/Termination payments (£'000)	191,161	-
Number of employees made redundant	7	-

Redundancy payments are made as compensation for loss of office. Such payments are recognised in the period they arise.

### Trustee expenses

Total board/committee expenses incurred in respect of travel, accommodation and subsistence was £28,016 (2018: £26,896).

Included in the above are £2,379 (2018: £2,364) of expenses reimbursed to five trustees (2018: six).

None of the trustees receive any remuneration for their services as trustees of the charity.

**Close goats:** After Cyclone Idai our disaster team visited the worst hit areas to help the animals affected. Many of the surviving animals like these goats were living next to relief camps.



## Notes to the consolidated financial statements

### 11. Tangible fixed assets (consolidated)

	Short leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2019	892	317	459	229	1,897
Additions	39	7	50	-	96
Foreign exchange differences	(7)	(7)	(7)	(3)	(24)
Disposals	-	(94)	(31)	(19)	(144)
At 31 December 2019	924	223	471	207	1,825
Depreciation					
At 1 January 2019	678	280	391	224	1,573
Disposals	-	(89)	(20)	(19)	(128)
Foreign exchange differences	(1)	(7)	(4)	(3)	(15)
Depreciation in year	48	19	35	2	104
At 31 December 2019	725	203	402	204	1,534
Net book amount at 31 December 2019	199	20	69	3	291
Net book amount at 31 December 2018	214	37	67	6	324

### Tangible fixed assets (charity)

	Short leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2019	724	73	303	164	1,264
Additions	34	5	39	-	78
Foreign exchange differences	3	1	2	-	6
Disposals	-	-	-	(19)	(19)
At 31 December 2019	761	79	344	145	1,329
Depreciation					
At 1 January 2019	610	61	285	164	1,120
Foreign exchange differences	1	1	-	-	2
Disposals	-	-	-	(19)	(19)
Depreciation in year	29	4	13	-	46
At 31 December 2019	640	66	298	145	1,149
Net book amount at 31 December 2019	121	13	46	-	180
Net book amount at 31 December 2018	114	12	18	-	144



## Notes to the consolidated financial statements

### 12. Fixed Asset Investments (consolidated and charity)

	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Market value as at 1 January 2019	7,808	6,804	8,148	7,128
Add: acquisitions at cost	10	-	7	-
Less: investment manager's fees	(15)	(13)	(17)	(16)
Foreign exchange differences	(38)	-	56	-
Less disposals at opening book value	(3,007)	(3,000)	-	-
Unrealised gains/(losses) on revaluation	1,087	881	(386)	(308)
Market value at 31 December 2019	5,845	4,672	7,808	6,804
Historical cost at 31 December 2019	4,539	3,630	6,935	5,995

An analysis of the market value of investments at 31 December 2019 is as follows:	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Overseas equities	2,084	2,084	3,055	3,035
UK stock/bond mixed indexed funds	1,000	1,000	1,456	1,456
US stock indexed funds	805	-	568	-
Bonds	1,420	1,420	2,107	2,069
Bond indexed funds	533	168	564	245
US fixed-interest stock	3	-	58	-
	5,845	4,672	7,808	6,804

At 31 December 2019, the charity owned the entire issued share capital of World Animal Protection Trading Company Limited (£2 cost), a company which supports the charity by carrying out ancillary trading activities. The trading results are set out in Note 4. At 31 December 2019, the amount of this company's assets, liabilities, share capital and reserves was:

	2019 £'000	2018 £'000
Current assets	81	154
Creditors: amount falling due within one year	(67)	(71)
Creditors: amount falling due after more than one year	-	-
	14	83
Called-up share capital - (£2 rounded down to nil)	-	-
Profit and loss account	14	83
	14	83

## Notes to the consolidated financial statements

### 13. Debtors

	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Trade debtors	121	10	135	91
Amounts owed by subsidiary undertakings	-	258	-	108
Amounts owed by other WAP entities	258	257	132	132
Accrued income	285	275	384	369
Prepayments	859	736	859	640
Other debtors	490	172	302	151
	<b>2,013</b>	<b>1,708</b>	<b>1,812</b>	<b>1,491</b>

### 14. Creditors: amounts falling due within one year

	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Trade creditors	1,247	739	1,348	1,107
Other creditors	137	46	146	32
Taxes and social security	338	258	311	255
Accruals and deferred income	632	404	866	398
Amounts owed to other World Animal Protection entities	395	394	182	180
Amounts owed to subsidiary undertakings	-	279	-	154
	<b>2,749</b>	<b>2,120</b>	<b>2,853</b>	<b>2,126</b>

### 15. Provisions

	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Opening balance	465	406	151	94
Provision released during the year	(304)	(300)	(1)	-
Provision built up in the year	16	12	315	312
Closing balance	<b>177</b>	<b>118</b>	<b>465</b>	<b>406</b>

The provision relates to lease dilapidations for the London and Australian offices, and a tax provision for London. The latter was reversed in 2019.

## Notes to the consolidated financial statements

### 16. Unrestricted funds (Consolidated and Charity)

#### Consolidated

	Balance at 1 January 2019 £'000 (restated)	Income £'000	Expenditure £'000	Realised and Unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2019 £'000
Designated funds	9,606	-	(3,339)	-	(6,267)	-
General & revaluation funds	4,105	27,713	(29,285)	930	6,267	9,731
<b>Total unrestricted Funds</b>	<b>13,711</b>	<b>27,713</b>	<b>(32,624)</b>	<b>930</b>	<b>-</b>	<b>9,731</b>

#### Charity

Designated funds	9,606	-	(3,339)	-	(6,267)	-
General & revaluation funds	981	18,435	(20,116)	906	6,267	6,474
<b>Total unrestricted funds</b>	<b>10,587</b>	<b>18,435</b>	<b>(23,455)</b>	<b>906</b>	<b>-</b>	<b>6,474</b>

### 17. Restricted funds

#### Consolidated

	Balance at 1 January 2019 £'000 (restated)	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2019 £'000
Animals in farming	204	1,045	(795)	(47)	407
Animals in the wild	8	875	(886)	10	7
Animals in communities	-	12	(12)	-	-
Global advocacy for animals	-	31	(31)	-	-
Animals in disasters	-	257	(257)	-	-
Geographical restrictions	3,115	3,067	(4,032)	145	2,294
	<b>3,327</b>	<b>5,287</b>	<b>(6,013)</b>	<b>108</b>	<b>2,708</b>

#### Charity

	Balance at 1 January 2019 £'000	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2019 £'000
Animals in farming	204	1,045	(795)	(47)	407
Animals in the wild	8	875	(886)	10	7
Animals in communities	-	12	(12)	-	-
Global advocacy for animals	-	31	(31)	-	-
Animals in disasters	-	257	(257)	-	-
Geographical restrictions	3,115	3,067	(4,032)	145	2,294
	<b>3,327</b>	<b>5,287</b>	<b>(6,013)</b>	<b>108</b>	<b>2,708</b>

## Notes to the consolidated financial statements

### 18. Endowments

Consolidated	Italy/ Isle of Capri £'000	General Operations £'000	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2019	37	784	654	333	1,808
Net realised and unrealised gains	-	-	-	-	-
Sale of assets - realised gains/losses	-	-	-	-	-
Foreign exchange differences	(1)	(26)	-	-	(27)
<b>Balance at 31 December 2019</b>	<b>36</b>	<b>758</b>	<b>654</b>	<b>333</b>	<b>1,781</b>

Charity	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2019	654	333	987
Net realised and unrealised gains	-	-	-
Sale of assets - realised gains/losses	-	-	-
<b>Balance at 31 December 2019</b>	<b>654</b>	<b>333</b>	<b>987</b>

The Eberle Capital Investment Fund arises from a legacy received in 1991 for the protection of small animals "if possible". The capital of the fund cannot be used for other charitable purposes unless prior approval is given by the trustees. The income arising from this fund is part of unrestricted investment income.

The Ruth Whist Capital Cash Fund arises from a donation for use in work for animals in need. The capital of the fund cannot be spent, and interest should be withdrawn annually for use at the discretion of World Animal Protection's global director of programmes. The income arising from this fund is part of unrestricted investment income.

In World Animal Protection USA, since 1980, numerous donors have contributed to the endowment fund for General Operations. In 1990 the estate of Mona Bismarck contributed an endowment gift for Italy/Isle of Capri. For both funds, the capital amounts must be held in perpetuity and cannot be spent. The income arising from these funds are part of investment income.

## Notes to the consolidated financial statements

### 19. Analysis of net assets between funds

#### For 2019

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	291	-	-	291
Investments	4,064	-	1,781	5,845
Net current assets	5,562	2,699	-	8,261
Provisions	(177)	-	-	(177)
	<b>9,731</b>	<b>2,708</b>	<b>1,781</b>	<b>14,220</b>

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	170	10	-	180
Investments	3,685	-	987	4,672
Net current assets	2,736	2,699	-	5,435
Provisions	(118)	-	-	(118)
	<b>6,474</b>	<b>2,708</b>	<b>987</b>	<b>10,169</b>

#### For 2018

Consolidated	Unrestricted funds £'000 (restated)	Restricted funds £'000 (restated)	Endowment funds £'000	Total funds £'000
Tangible fixed assets	317	7	-	324
Investments	6,000	-	1,808	7,808
Net current assets	7,859	3,320	-	11,179
Provisions	(465)	-	-	(465)
	<b>13,711</b>	<b>3,327</b>	<b>1,808</b>	<b>18,846</b>

Charity	Unrestricted funds £'000 (restated)	Restricted funds £'000 (restated)	Endowment funds £'000	Total funds £'000
Tangible fixed assets	137	7	-	144
Investments	5,817	-	987	6,804
Net current assets	5,039	3,320	-	8,359
Provisions	(406)	-	-	(406)
	<b>10,587</b>	<b>3,327</b>	<b>987</b>	<b>14,901</b>

### 20. Commitments

Capital commitments: There were no capital commitments by the charity or group, contracted or authorised, at 31 December 2019 or 31 December 2018.

## Notes to the consolidated financial statements

### 21. Operating lease

Operating lease payments relate to total contractual rent commitment for premises within the group.

	Consolidated 2019 £'000	Charity 2019 £'000	Consolidated 2018 £'000	Charity 2018 £'000
Due in one year or less	1,128	845	1,126	847
Between one and five years	4,769	3,426	4,140	3,613
In five years or more	1,877	188	367	327
	<b>7,774</b>	<b>4,459</b>	<b>5,633</b>	<b>4,787</b>

### 22. Gifted assets

During 2019 it was decided to change the status of the Beijing office from being a subsidiary to being a branch. The branch is registered as World Animal Protection (UK) Beijing Representative Office. Wosipu Consulting (Beijing) Co., Ltd, the former Chinese subsidiary, ceased operations and was deregistered on 22 August 2019.

The net assets transferred into the branch from the subsidiary have been treated as gifted assets within income of the parent charity. The treatment adopted is in line with the guidance from Charities SORP (FRS 102), which says that if assets and liabilities of one charity are transferred into the control of another charity at nil or nominal consideration, the excess of the fair value of the assets acquired over the fair value of the liabilities assumed should be treated as a gain and recognised as income.

	Consolidated and Charity 2019 £'000	Consolidated and Charity 2018 £'000
Cash at bank	17	-
Debtors and prepayments	-	-
Creditors and other liabilities	-	-
	<b>17</b>	<b>-</b>

### 23. Related party transactions

	Paid by World Animal Protection £'000	Received by World Animal Protection £'000	Amounts owed by World Animal Protection £'000	Amounts owed to World Animal Protection £'000
World Animal Protection Brazil	1,226	-	2	5
World Animal Protection Canada	384	288	1	390
World Animal Protection Denmark	-	2,999	29	-
World Animal Protection India	487	-	2	-
World Animal Protection Netherlands	-	1,339	-	-
World Animal Protection Sweden	-	1,231	224	-
	<b>2,097</b>	<b>5,857</b>	<b>258</b>	<b>395</b>

## Notes to the consolidated financial statements

### 24. Guarantee

The charity is also a company limited by guarantee. In the event of winding up, its members would be liable to pay an amount not greater than £1.

### 25. Analysis of cash and cash equivalents

	At 1 January 2019 £'000	Cash flows £'000	At 31 December 2019 £'000
Cash at bank and in hand	10,903	(2,660)	8,243
Cash on deposit	1,313	(561)	752
	<b>12,216</b>	<b>(3,221)</b>	<b>8,995</b>

Some of the year-end cash balances are held in a number of foreign currency accounts including US dollars and euro.

### 26. Pensions

The charity contributed towards a defined contribution scheme for the benefit of employees.

World Animal Protection USA contributed to a multi-employer defined benefit scheme, but the charity is unable to separately identify its share of the scheme's assets and liabilities and hence has accounted for the scheme under a defined contribution basis.

## Notes to the consolidated financial statements

### 27. Restatement of prior year figures

It has been identified that the funds raised in our branch in Thailand are subject to geographical restrictions. Therefore, the reserves of the Thailand branch have to be classified as restricted instead of unrestricted. The reclassification is considered by the Trustees to be material

	2018 £'000	Adjustment £'000	2018 (Restated) £'000
<b>Impact on statement of financial activities</b>			
Raising funds - unrestricted funds	(6,983)	979	(6,004)
Raising funds - restricted funds	0	(979)	(979)
<b>Impact on charity balance sheet</b>			
General funds	3,287	(3,115)	172
Restricted funds	212	3,115	3,327
<b>Impact on consolidated balance sheet</b>			
General funds	6,411	(3,115)	3,296
Restricted funds	212	3,115	3,327
<b>Impact on net analysis between funds - consolidated</b>			
Tangible fixed assets - unrestricted funds	324	(7)	317
Tangible fixed assets - restricted funds	0	7	7
Net current assets - unrestricted funds	10,967	(3,108)	7,859
Net current assets - restricted funds	212	3,108	3,320
<b>Impact on net analysis between funds - charity</b>			
Tangible fixed assets - unrestricted funds	144	(7)	137
Tangible fixed assets - restricted funds	0	7	7
Net current assets - unrestricted funds	8,147	(3,108)	5,039
Net current assets - restricted funds	212	3,108	3,320

### 28. Legacies

The value of legacies notified to the Charity, but which do not meet the recognition criteria (and so are not accounted for within the financial statements) is approximately £4.1 million (2018: £3.0 million).

### 29. Post balance sheet events

We are continuously monitoring the impact of the current coronavirus pandemic on levels of Group income. Other UK charities, particularly those relying on retail income and events income, have publicly stated their concerns that their income may fall by 30% or even more. World Animal Protection does not rely on either of these income sources and, following higher than expected income in the first four months of 2020, we predict a much lower drop in income. Our new strategy includes the maintenance of a balanced annual, financial budget which requires a number of cost reductions to be made. The Trustee Board has decided to implement these cost reductions in 2020 to mitigate the impact of the coronavirus pandemic on income in the short-term. We are also regularly monitoring the value of our investment portfolio and other assets, and there have been no material changes in value that need to be disclosed.



# Thank you

## To our supporters

We would like to say a sincere thank you to all our supporters. Ending animal suffering starts with moving people to care and contribute; you have made life-changing work for animals possible in 2019. With your continued generous support, we will work hard in 2020 and beyond to move the world to join us in protecting animals.

## To our volunteers

Volunteers are important to World Animal Protection in many ways, from raising vital funds to helping with office administration and support. Many thousands give their time and support by engaging with us in forms of campaign action. So, we would like to express our warmest thanks to you all for your dedication and hard work during 2019. You make a fundamental contribution to our mission to move the world to protect animals.

**Bringing hope:** Many piglets will no longer suffer painful procedures thanks to our work.



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