



# Annual report and accounts 2015

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.

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Registered office  
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### About the cover:

Emergency action:  
Disaster team vet Juan Carlos Murillo vaccinates a goat in Atacama, Chile, to protect it from disease after flooding affected the region.

# A message from our Chair and Chief executive

Thanks to our donors and active supporters, our influence is growing and in partnership with governments, major companies and international institutions, we are changing the lives of millions of animals.

## Protecting animals in communities

The enormous impact we can make became very clear during the 'Global elimination of rabies: the time is now' conference in December. Here the World Health Organization, the World Organisation for Animal Health (OIE) and Food and Agriculture Organization (FAO) committed to ending dog-mediated rabies by 2030.

This was a huge moment for us. Evidence of our mass dog vaccination programme successes with our government partners prompted the conference to make humane solutions, rather than dog culls, part of its rabies elimination plan. This result, and our presence at such a key meeting, encapsulates how we work with international partners to catalyse change.

## Protecting animals in the wild

During the year the unacceptable pain and suffering inflicted upon so many of the world's wild animals was flung into the spotlight through the horrific death of Cecil the lion. No one could ignore the way in which the lives of such wonderful, noble creatures are sacrificed for entertainment.

The generosity of our supporters helped us respond quickly and authoritatively to condemn the tourist entertainments that are killing our precious wildlife. Hundreds of thousands of outraged people and many travel companies supported our 'Wildlife - not entertainers' campaign.

## Protecting animals in farming

We also took great steps forward for farm animals this year. Our global partnership with Nestlé, launched in 2014, is benefitting millions and not just those in the Nestlé supply chain. The company's commitment to stop using eggs from chickens farmed in barren battery cages in North America prompted other corporates to follow suit. Such decisions fill us with optimism. It means all hens in North America could be laying their eggs free from cages in the very near future.

## Protecting animals in disasters

We pride ourselves on giving hands-on help to animals when natural disasters turn their worlds upside down. We responded to 12 different disasters in 10 countries during 2015, including Vanuatu after Cyclone Pam devastated the island nation in March. Here our team saved animals from injury, disease and starvation, and brought hope to their distraught owners.

Uniquely, we also work at a global level to protect animals from disasters and in 2015 we achieved an incredible milestone. After two years of our campaigning work, the UN formally recognised the importance of protecting livestock from disasters in the Sendai Framework for Disaster Risk Reduction 2015-2030. The implications of this world-moving decision are enormous and will prevent the deaths and suffering of millions of animals.

## Protecting our future

We are committed to doing everything we can to maximise our supporters' and the public's confidence in us and the work we do. In 2015 we paid special attention to how we govern and manage ourselves. This has included reviewing and revising the way in which our board operates and putting in place the highest possible standards of governance for the longer term. We believe that this will bring practical benefits to the pursuit of our mission and delivery of our strategy. With the same purpose in mind we shall be reviewing our structure in the course of 2016.

We would also like to take this opportunity to thank several long-serving trustees who have left the board in the past year. They have given us many years of dedicated service, which have seen us undergo huge change leading to our exciting plans for the future.

## Protecting animals together

We deeply appreciate the generosity of all our supporters and partners, whether with their financial donations or through their active engagement in our campaigns. That is crucial to the impact we make and we hope they will find this Report an inspiring tribute to the trust they have placed in us. Together we are making a world of difference.



**Paul Baldwin**  
Chair



**Steve McIvor**  
Chief executive

**“We are committed to doing everything we can to maximise our supporters' and the public's confidence in us and the work we do. In 2015 we paid special attention to how we govern and manage ourselves.”**

# Moving the world in numbers

With your help we...

Vaccinated **416,577 dogs** against rabies in **6 countries**

Protected **263,321 animals** in Kenya by vaccinating them against Rift Valley Fever before heavy rains and flash floods

Removed **15 tonnes** of life-threatening ghost fishing gear from UK shores with our partners Surfers against Sewage

Told **70 million people** in Vietnam about the horrendous cruelty of the bear bile industry with our public service announcements

Gave **56,000 sows** in Brazil better lives by helping farms switch from using individual stalls to group housing methods

Persuaded **88 travel companies** to stop selling or promoting elephant rides and shows

Rescued **10 bears** in Pakistan from bear baiting abuse and took them to our Balkasar sanctuary

Inspired more than **185,000 people** to become 'Boto Guardians' to protect botos – pink Amazonian river dolphins – and stop them being used as fishing bait

Sent our disaster response teams to **12 disasters** in **10 countries**

# Our strategic report

## How we move the world for animals

### A world where animals live free from suffering

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



Educating and mobilising



Lobbying and advocating



Catalysing sustainable solutions to protect animals

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. These are our 4 priority programmes.



#### 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.



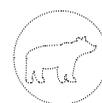
#### Animals in disasters

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

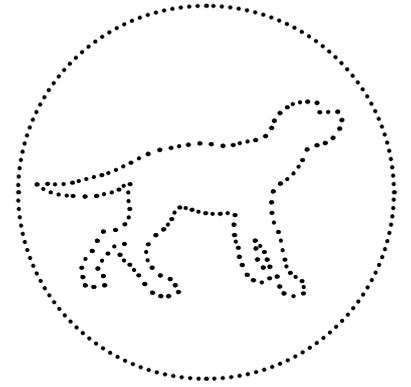
By 2020, we will transform the lives of at least 1 billion farm animals and secure commitments from 4 global retail brands and 12 national chicken retailers to source higher welfare chicken.



#### 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.

**Image on next page:** 11-year-old Mohamad Bipul brought his puppy Raja to be vaccinated in Gaibandha District, Bangladesh.



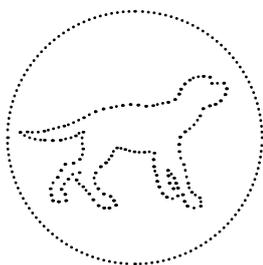
# Protecting animals in communities



Thousands of dogs suffer or are needlessly killed each year in cruel and ineffective attempts to control rabies.

But we are tackling their suffering head on. Worldwide, we are making a big difference to the lives of dogs. We are convincing governments and educating communities worldwide to adopt humane dog population management policies.

Our mass vaccination and education projects are inspiring examples showing other countries how dogs and people can be protected and how cruel culling can become a thing of the past.



## In 2015 we promised to...

**Collaborate** with the Bangladeshi and Kenyan governments in their efforts to eliminate rabies. We said we would give guidance and support in implementing effective measures, including vaccination, to improve dog welfare and human health.

**Work** with our local partners in Romania on the development of a national education plan to promote responsible dog ownership.

**Continue** to influence governments, institutions and communities around the globe to improve the lives of 50 million dogs by 2020.

## So in 2015 we...

**Pushed** forward our mass dog vaccination programme in Bangladesh by funding eight veterinary consultants. Thanks to their hard work, all local authority leaders in eight districts have agreed not to cull dogs. And in January alone, 22,484 dogs were vaccinated in just one district.

In Kenya, we focussed on helping the government in its mission to make the country rabies free by 2030. With our help Kenya became the first African nation to adopt a countrywide rabies elimination strategy.

Central to our work in the country during the year was a dog census we carried out in Makueni county. Here we surveyed people's attitudes to dogs, responsible pet ownership and rabies. This information is vital in helping us target vaccination and education programmes effectively. So far, 16,332 Kenyan dogs have been vaccinated against rabies.

**Developed** with our Romanian partners Save the Dogs, Red Panda and CHANCE C.A.R.E.S, a national animal welfare education programme for children aged 6-12, with the support of the Romanian Ministry of Education. This will be piloted in the country in 2016. The programme focuses on responsible pet ownership with a special emphasis on dogs. It includes our own dog bite prevention materials and our dog care leaflet.

**Vaccinated** a total of 416,577 dogs against rabies through our projects and partnerships in Bangladesh, China, Indonesia, Kenya, Sierra Leone and Tanzania. We continued our work with governments, communities and institutions globally to promote the benefits of humane dog population management.

We insisted that culling is not an option at the leading conference 'Global elimination of rabies: The time is now', and funded government officials from Zanzibar, South Africa, Mexico and China to present their successful work fighting rabies.

We will influence individuals, governments, institutions and communities around the globe to take action to improve the lives of 50 million dogs by 2020.

## Our successes also included...

**Winning** the backing of the Association of Southeast Asian Nations (ASEAN) for our approach of vaccinating rather than culling dogs to eliminate rabies. This influential political and economic organisation endorsed our approach for its rabies elimination action plan.

They have also identified us as their key partner to work with on dog population management issues. Such endorsements give us a great opportunity to protect dogs and people from rabies in all 10 ASEAN countries.

**Launching** the 5 Keys for the Prevention of Dog Bites education pack in both Spanish and Portuguese in Latin America. This resource, supported by the Global Alliance for Rabies Control and the Pan-American Health Organization, is aimed at primary school teachers and their students. Its friendly and simple cartoon style is expected to develop respectful and kind behaviour towards dogs.

**Protecting** 85,281 dogs against rabies in our three Chinese pilot sites. This was the third round of vaccinations since 2012 when our work started with China's Centre for Animal Disease Control (CADC). We expect that the pilot projects will be used to help CADC develop national guidelines for rabies control and protect the country's dogs on a huge scale.

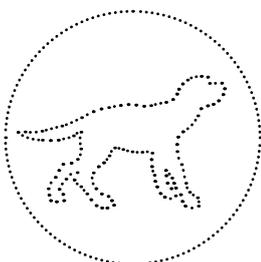
**Developing** our Indonesian vaccination programme with 250,863 dogs vaccinated on the islands of Flores and Lembata and 35,384 on Nias. We also helped the government's Ministry of Agriculture develop a humane national plan for rabies control.

## In 2016 we will...

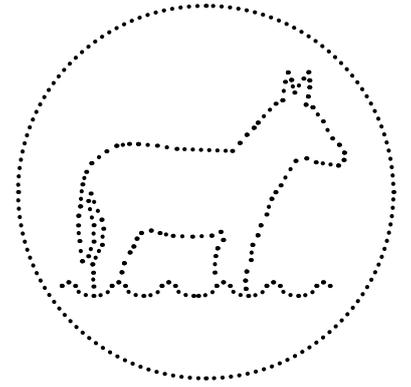
**Mobilise** at least 10 governments worldwide to commit to stop culling dogs in favour of humane dog population management and vaccination programmes. These will protect the welfare of both dogs and people in their countries and help end the cruelty of culling.

**Work** with our local partners in Sierra Leone, Philippines, Kenya, Brazil and Romania to develop education programmes on dog bite prevention and responsible dog ownership.

**Influence** individuals, governments, institutions and communities around the globe to take action to improve the lives of 50 million dogs by 2020.



**Image on next page:** When the Calbuco volcano erupted in Chile many dogs lost their homes and were searching for food in the debris. We stepped in to help.



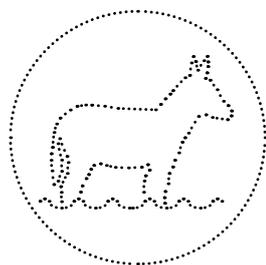
# Protecting animals in disasters



Every year the lives of as many as 40 million animals are threatened by natural disasters like floods, droughts, earthquakes and cyclones.

When disaster strikes, our highly trained teams travel to devastated communities across the globe. We provide hands-on care to suffering animals and help distraught owners rebuild their futures.

And to help prevent this suffering, we train and educate communities to prepare to protect animals from natural catastrophes. We also work with governments and humanitarian organisations to include animal protection in emergency planning responses.



## In 2015 we promised to...

**Continue** to influence the humanitarian and development sector through our partnership with the International Federation of Red Cross and Red Crescent Societies (IFRC). This means we can ensure animals become a vital part of the solution in helping people prepare for and recover from disasters.

**Deliver** our lifesaving aid where it is needed most in the expectation that by 2020 we will have saved 5 million animals from suffering.

**Support** the governments of India, Mexico, Kenya, New Zealand, Costa Rica and Australia to include animal welfare in their national emergency plans.

## So in 2015 we...

**Created** a global first when, after two years of our campaigning work, the United Nations (UN) formally recognised the importance of protecting animals from disasters. Animal protection is now a firm part of the Sendai Framework for Disaster Risk Reduction 2015-2030.

This world-moving decision is expected to prevent the deaths and unimaginable suffering of millions of animals. We continue to work in partnership with governments and international partners including the IFRC and the Kenyan Veterinary Service.

**Saved** more than 1.4 million animals from death, injury and starvation in 10 countries through direct, hands-on action with governments and international partners.

**Worked** with several national governments to include animal welfare in their national emergency plans and helped others develop new animal protection solutions.

In Costa Rica, we celebrated the government's landmark recognition to protect animals in disasters through their National Risk Management Policy 2016-2030.

In Australia, we promoted our Protect Your Pet information pack and video via social media. We also audited all the state and territory emergency service websites which showed that almost all of them now promote pet disaster planning.

Animal welfare is now recognised in New Zealand's emergency management legislation and we have been officially recognised by the government as a support agency. Through our involvement, animal welfare has now been included in India's draft National Disaster Management Plan.

In Kenya, we protected 263,321 animals by vaccinating them against deadly Rift Valley Fever and rabies as part of a project with the University of Nairobi and the Kenya government. This will help protect animals from devastating weather patterns.

And in Mexico we worked with the Red Cross in Tabasco to help people protect their animals and families. We launched a pilot project to develop innovative farming solutions to problems caused by flooding.

We will take our lifesaving aid to where it is needed most. By 2020 we expect to have saved 5 million animals from suffering.

## Our successes also included...

**Helping** animals suffering in two separate disasters in Chile. Our teams worked day and night to save cattle, goats, pigs, horses and pets after severe flooding swept through the Atacama region in March. Then in April, the Calbuco volcano in Chile's Los Lagos region showered farmland with poisonous ash. Altogether we helped 35,826 animals by providing emergency feed and veterinary treatment. We also trained farmers in basic veterinary care.

**Setting up** teams of veterinary volunteers and veterinary camps to work in Nepal's ravaged landscape after the horrific earthquakes of April and May. We took emergency treatment to more than 27,000 animals and brought comfort to their grateful owners in the earthquakes' aftermath.

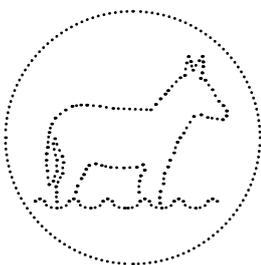
**Taking** our lifesaving aid to Vanuatu after Cyclone Pam tore through the country in March. Our vets worked quickly, treating badly injured animals and those at risk of disease. We also supplied emergency feed for 30,010 animals including pigs, goats and poultry. With our help, Vanuatu communities are now cyclone-proofing their lives with locally made, storm-proof animal shelters.

## In 2016 we will...

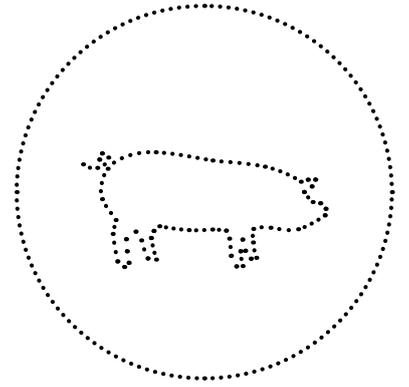
**Continue** to work with international humanitarian and development organisations, including the IFRC and the UN, to ensure global progress is made in preventing the deaths and suffering of animals during disasters.

**Urge** the governments of Mexico and Kenya to include animal welfare in their national emergency plans. We will also continue to work with the Indian government to ensure that animal welfare is included in its final National Disaster Management Plan.

**Take** our lifesaving aid to where it is needed most. By 2020 we expect to have saved 5 million animals from suffering.



**Image on next page:** Throughout 2015 we campaigned to keep cows on grass rather than in intensive dairies.



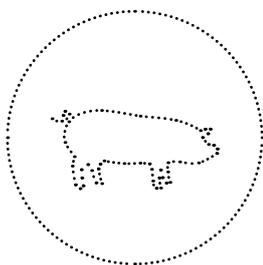
# Protecting animals in farming



Hidden away on industrial farms, billions of animals live in cramped, barren conditions and endure untold pain and untold distress.

They may be forced to stand on concrete floors, bred to grow unnaturally quickly and prevented from expressing their natural behaviour. The suffering of farm animals is on a massive scale.

But we are determined to help them. Working with food producers, governments and consumers, we are promoting farming practices and systems that transform the lives of animals and protect the environment and people's livelihoods.



## In 2015 we promised to...

**Influence** governments, international organisations and policy makers to make farm animal protection and welfare vital to sustainable agriculture and essential to national and international policies, standards and practices.

**Inspire** people worldwide to work with us and call for the protection of billions of farm animals enduring harmful close confinement, barren environments and other poor treatment.

**Transform** the lives of 1 billion farm animals by 2020. We said we would convince major food companies and producers to phase out the worst production methods and practices, replacing them with humane alternatives that we champion globally.

## So in 2015 we...

**Lobbied** governments ahead of a landmark UN agreement on how to achieve sustainable development. We worked at the heart of the process to show how good animal welfare is part of the solution to massive global challenges such as world hunger and poverty. We'll continue to push for better animal welfare when countries and companies invest in farming.

And in India, we developed a Code of Practice with the country's National Dairy Institute. The practice is designed to improve the lives of 50 million dairy cows kept in poor or intensive conditions that often involve life-long tethering.

**Galvanised** thousands of our supporters to take action and help persuade businesses to improve the lives of farm animals.

Our US supporters were inspired to help the 400,000 caged hens that lay 120 million eggs annually for Panera Bread's chain of 1,800 cafés. By writing directly and passionately to the Panera CEO about the hens' plight, they helped convince the company to switch to cage-free only eggs by 2020.

In the UK and the Netherlands our campaigns motivated 12,000 people to join an e-action asking supermarkets to stock more dairy products from animals guaranteed access to graze on pasture. In intensive dairies, cows are kept year round in large barns where they may never see the sun or chew on fresh grass.

**Joined** forces with Brazil-based BRF, one of the world's biggest food companies, to plan how they can completely phase out sow stalls by 2026. We are also helping them assess and improve the welfare of the 1.6 billion broiler chickens they farm each year. Across the world, chickens reared for their meat are confined to intensive systems and are bred to grow at twice the rate of traditional breeds. As many as 10,000 - 20,000 birds may be crowded together in large sheds with no natural light and little fresh air.

We will launch a global public campaign to persuade major food brands to commit by 2020 to transforming the lives of 10 billion chickens. This will include mobilising in the first year more than 100,000 people to put pressure on the brands.

## Our successes also included...

**Ensuring** that more than 80 million chickens, 7.2 million pigs and 480,000 beef cattle experienced less suffering and a kinder end, by training more than 2,200 Brazilian and Chinese slaughterhouse staff in animal care, handling and treatment.

**Inspiring** two Chinese pork producing companies to pilot group housing systems for their sows. We'll use their successes to persuade other producers to also switch to group housing. More than 600 million pigs are farmed in China each year in intensive conditions, in row upon row of tight metal cages where they can't turn around. These intelligent animals are denied any chance to behave naturally. The severe frustration and distress they suffer is unimaginable.

**Working** closely with our partner Nestlé on farm animal protection issues throughout the company. This included verifying Nestlé's farm assessment programme in 12 countries and providing training for Nestlé staff and suppliers. It also involved advising on solutions to identified problems and helping Nestlé develop its global animal protection programmes.

## In 2016 we will...

**Launch** a global public campaign to persuade major food brands to commit by 2020 to transforming the lives of 10 billion chickens. This will include mobilising in the first year more than 100,000 people to put pressure on the brands.

**Work** with pig production companies in Latin America, China and Thailand to ensure that 50,000 sows are given better lives by being reared in group housing instead of cages.

**Influence** key Food and Agriculture Organization and other UN decision-making platforms – such as the Committee for Food Security and the Global Agenda for Sustainable Livestock. We will urge them to include farm animal welfare in their recommendations for a healthy future for people and our planet.

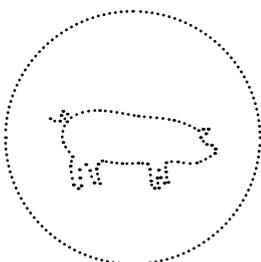
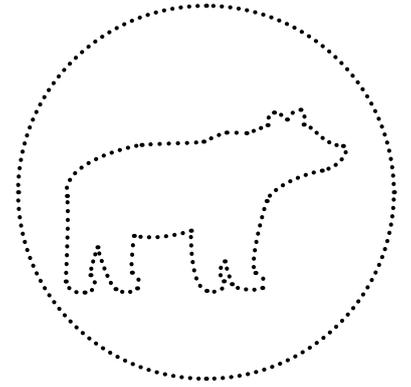
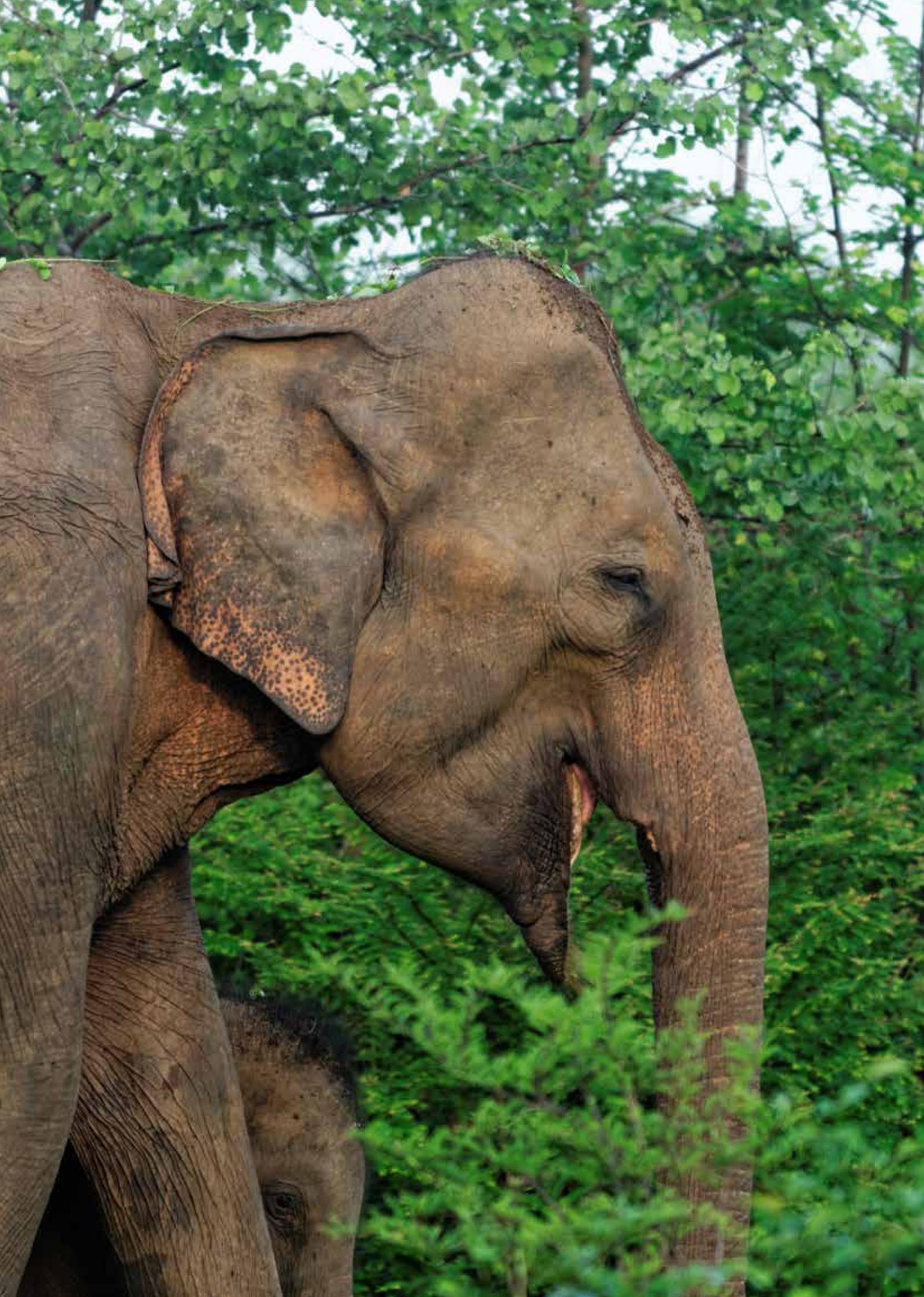


Image on next page: Wild Asian elephant, Udawalawe National Park in Sri Lanka.



# Protecting animals in the wild

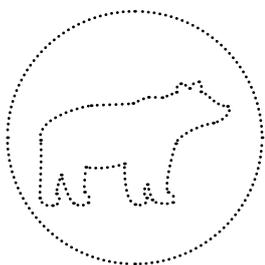


Wild animals are continually under threat. Many are simply used and abused for entertainment.

All over the world they are snatched from their natural habitats, cruelly exploited for profit, brutally 'trained' for entertainment, traded for their body parts or sold as pets.

Millions more die from injury or drowning in our oceans every year – victims of tonnes of abandoned and lost fishing gear.

But we are ending their suffering. We are moving governments, businesses and people worldwide to protect wild animals and keep them in the wild where they belong.



## In 2015 we promised to...

**Galvanise** the public and the tourism industry to end elephant rides and shows and shine a global spotlight on the cruel treatment of tigers, lions and other big cats used for entertainment.

**Protect** bears from Asia's horrific bear bile industry, and end the terrible suffering of bears used for baiting in Pakistan.

**Drive** forward our Sea Change campaign so that 1 million marine animals are saved by 2018 from painful deaths and injuries caused by entanglement in ghost fishing gear.

## So in 2015 we...

**Launched** our 'Wildlife – not entertainers' campaign to raise awareness of the cruelty and abuse endured by wild animals used in entertainment worldwide.

Since then, 88 tour operators have committed to stop offering elephant rides and shows including The Travel Corporation, World Expeditions and G Adventures.

We harnessed the power of 248,226 supporters to press Thomas Cook, one of the world's largest and best-known travel companies, to stop selling and promoting elephant rides. Our Facebook posts about this company and why they should stop the rides reached more than 500,000 people. We will continue to work with Thomas Cook to stop the rides.

New research undertaken for us by Oxford University helped us learn more about the global scale of wildlife entertainment. It highlighted how positive TripAdvisor reviews posted by unwitting tourists are encouraging people to visit some of the world's cruellest wildlife entertainments.

**Rescued** 10 bears from cruel and illegal bear baiting in Pakistan and gave them safe haven in our Balkasar sanctuary. We supported seven of their owners to find different ways of making a living after they handed over their bears to us. And religious leaders in 201 mosques were encouraged to raise the issue of bear baiting in their Friday prayers.

**Partnered** Green Korea to make bear bile farming a thing of the past in South Korea. Ninety per cent of the country's farmed bears have now been surgically sterilised to make sure no new cubs are born into a life of suffering. One farm – Bear Tree Farm – has committed to having all 80 of its breeding bears sterilised.

And we educated 70 million people in Vietnam about the horrendous cruelty of the bear bile industry with our public service announcements.

**Tackled** the problem of millions of marine mammals being killed and injured in lost and abandoned fishing gear by launching the Global Ghost Gear Initiative (GGGI). This alliance of government, fishing industry, business and NGO representatives is committed to finding solutions to the issue.

Another vital part of our campaign was to press the UN to incorporate the ghost gear problem into its fisheries policies. We successfully made our case to 11 UN ambassadors and the UN's Division for Ocean Affairs and the Law of the Sea at an event we organised in New York. These links have given us a voice on future UN resolutions regarding sustainable fisheries – key to addressing the ghost gear problem.

**Working** in partnership with national and local groups we removed a massive 92 tonnes of ghost gear from the world's seas and coastlines. We also pioneered a sea lion disentanglement and treatment rescue method with the Alaska Department of Fish and Game.

We will mobilise a further 250,000 people across the world to take meaningful actions to keep wild animals wild – and not entertainers.

## Our successes also included...

**Launching** our Amazon community education campaign to protect the region's pink river dolphins – botos – from being killed for bait to catch Piracatinga fish. We also introduced local people to responsible boto-watching tourism projects that are boosting Amazon community economies. The Brazilian government introduced a five-year ban on Piracatinga fishing and we are supporting communities to find other ways of making their living.

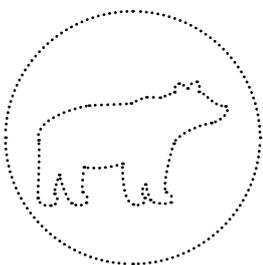
**Uncovering** a shocking trail of abuse inflicted on star tortoises trapped in India, mostly for the international pet trade. Our investigators discovered that 55,000 were taken from just one location in one year alone. The results of our investigation have been presented to law enforcement agencies in India and Thailand.

## In 2016 we will...

**Mobilise** a further 250,000 people across the world to take meaningful actions to keep wild animals wild – and not entertainers.

**Encourage** travel companies who no longer promote and sell cruel wildlife entertainments to work with us on developing animal-friendly solutions that appeal to tourists and benefit local communities.

**Drive** forward the innovative GGGI that we founded. We're uniting the fishing industry, governments, international organisations and NGOs to create and use solutions that will save millions of marine mammals.



# Our global reach

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

# Our financial review

## At a glance

- Our income fell by £3.6m to £30.9m from £34.5m in 2014. The 2014 figure was, however, inflated by the inclusion of one-off income of £2.5m received from the previously independent entities in Australia, New Zealand and the USA. These became subsidiaries of the UK-registered charity in 2014. This means that our 2015 income fell on a like-for-like basis by £1.1m.
- We spent 84% of our total expenditure on our charitable activities compared with 82% in 2014.
- We made a net operating surplus of £1.5m. In 2014 we recorded a loss of £0.3m after taking into account gains on investments.
- We maintained a strong cash position – cash balances (in the bank and on deposit) increased by £1.3m in the year.

This year we have completed our accounts under the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice which incorporates FRS 102

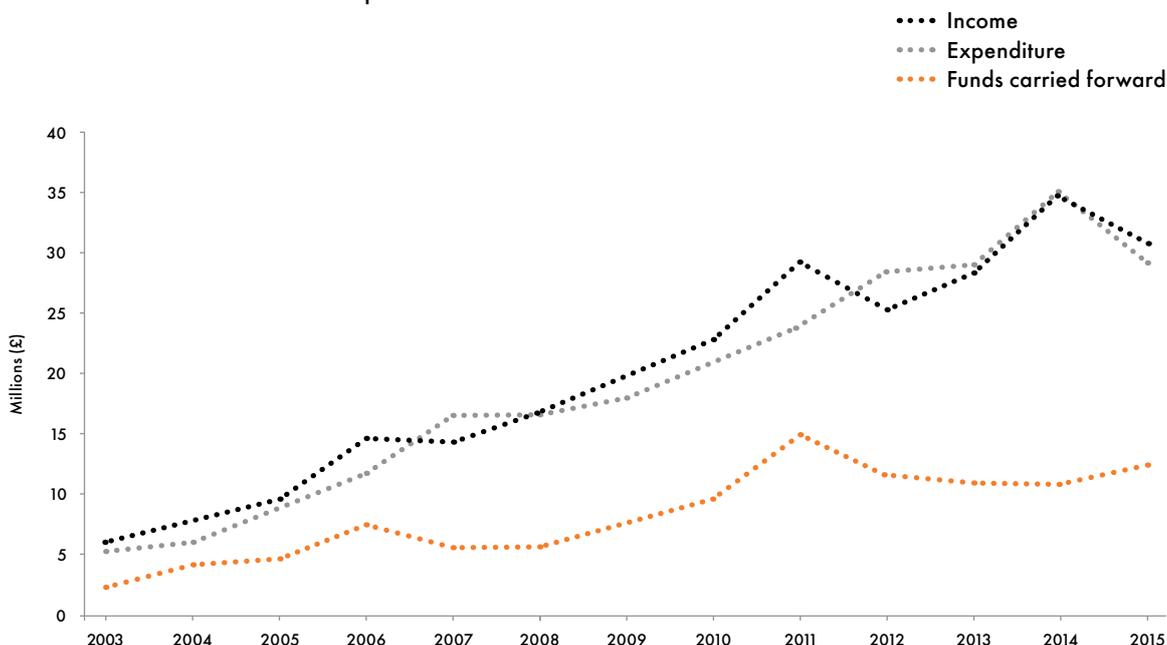
(Finance Reporting Standard) requirements. This has led to appropriate reformatting of our accounts and minor adjustments which are indicated on page 40. The implementation of FRS 102 has not affected our outturn for the year.

Our 2015 financial operations continued to improve, and we achieved a surplus of £1.5m. The balance sheet continues to remain healthy. It shows an unrestricted reserves balance of £9.1m, of which £8.2m is held in cash reserves (2014: £6.8m). The total organisation reserves, including both restricted and endowment funds, are £12.3m.

At current levels of expenditure this cash balance equates to 3.3 months of total charitable expenditure.

At the end of 2015 both debtors and creditors were at comfortable levels.

## A historical view of our financial performance



## Our fundraising

### Every pound, dollar and euro helps move the world

Our vision is a world where animals live free from suffering. This vision is far-reaching, but our mission, joined with the generous support of people worldwide who share our commitment to animal protection, makes it achievable.

In 2015, World Animal Protection secured £30.9m of income of which £30.8m was voluntary income. This is a reduction from 2014 of £1.0m. However, the cost of generating this income has fallen by £1.4m, giving us a better return on our expenditure. Individual supporters continue to leave a legacy for animals through their generous gifts in wills to World Animal Protection. In 2015, legacy income increased to £4.6m, a rise of 15% compared to 2014 (£4m).

Our partnership with the world's largest food company, Nestlé, went from strength to strength. We are working closely with them to ensure the humane treatment of animals within the company's supply chain. In support of this partnership and World Animal Protection's global mission, Nestlé made a generous gift of £110k during 2015.

World Animal Protection secured £375k from an individual donor in New Zealand, who has made similar significant gifts over the past several years. Her generosity has helped support our work to protect animals in disasters, end the inhumane culling of dogs in response to fear of rabies and stop the use of bears in entertainment.

We secured more than £131k in response to appeals about animals impacted by the two devastating earthquakes that hit Nepal in April and May 2015. Our disaster response team immediately set up mobile veterinary clinics to care for injured and sick animals in the worst-affected areas. This action provided veterinary care and medications for 27,000 animals. Our efforts also supported the Nepalese government and communities to alleviate suffering and provide vital treatment to protect their animals from further harm, as part of our wider work for animals in disasters.

For more information on World Animal Protection's global fundraising efforts, please see our 2015 Global Review. It includes a financial summary drawn from the accounts of all entities of World Animal Protection.

## Our expenditure

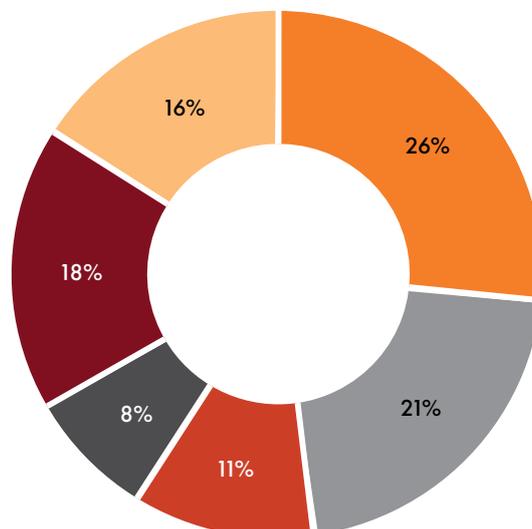
During 2015 our expenditure on charitable activities was £24.7m. Although this was a decrease from 2014, our charitable activities accounted for 84% of our organisational spend.

Our expenditure on fundraising activities in 2015 was £4.8m, compared to £6.2m in 2014. Excluding donations from the newly acquired entities, this means that our ratio of income to expenditure per £1 spent has improved from £5.11 in 2014 to £6.46 in 2015.

We allocated spending among our thematic areas as follows.

### Our expenditure by thematic area

- Animals in the wild
- Animals in farming
- Animals in disasters
- Animals in communities
- Global advocacy
- Fundraising



# Our financial policies

## 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 them all for their dedication and hard work during 2015. They make a fundamental contribution to our mission to move the world to protect animals.

## Remuneration

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. In the UK we participate in an externally managed, sector-specific review. Any proposed increases are approved by the board as a part of the annual budget process.

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.

## Grant-making

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 organisations and institutions to support joint work on strategic campaigns and projects. We may occasionally offer financial support to other bodies for their activities which clearly contribute to fulfilling our own strategic animal welfare objectives.

Grants to entities within the World Animal Protection network are routinely monitored through monthly 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 as part of our detailed procedures. They are subsequently governed by grant agreements which lay out agreed terms of reference and requirements for regular reporting, in order to ensure the effective use of funds and delivery of our objectives.

## Our reserves policy

The trustees regularly review the reserves position of World Animal Protection. The charity takes a risk-based approach in determining the amount that should be held in reserves. It avoids holding excessive levels of reserves so as to maximise charitable spending in line with our strategic objectives. The reserves policy is intended to protect the organisation and its charitable programme by providing time to adjust to changing financial circumstances. The main objectives of the reserves policy are to:

- provide unrestricted working capital for the day-to-day operations of World Animal Protection worldwide
- protect the work of World Animal Protection around the world against fluctuations in voluntary income and reductions in the value of fundraised income due to adverse foreign exchange movements
- protect the work of World Animal Protection around the world in the event of expenditure increasing due to adverse foreign exchange movements
- enable entities in the World Animal Protection network around the world to restructure operations in an orderly manner, in the event of such action being necessary
- provide a lump sum to meet any contingencies other than those detailed here.

World Animal Protection is a global organisation with separate legal entities in different countries, some with their own reserve requirements. This means that not all global reserves are held by the UK-registered charity.

For this policy, World Animal Protection has defined reserves as being cash held in the charity's bank account and liquid investments. This excludes any endowments which cannot be used for on-going running costs, and restricted funds that have been specifically donated for discrete projects.

The reserves policy establishes an appropriate target range for the level of reserves. The target range for 2015, and throughout the forthcoming period, was established as between three and five months of annual expenditure for the UK-registered charity. The range is based on a risk assessment of probability and likely impact on the charitable programme. The impact could be caused by a decline in income, an increase in costs or an inability to reduce expenditure in the immediate short term.

Liquid reserves (as defined in this policy) as at 31 December 2015 were £8.2m (2014: £6.8m). For 2015, total expenditure was £29.4m and so reserves represent 3.3 months of total expenditure (2014: 3.0m). This is at the lower end of the agreed range.

The reserves policy and the target ranges are reviewed annually to reassess the risks and reflect changes in the charity's income, financial obligations and expenditure.

## Our investment policy

The trustees have established an investment policy for the reserves that are held by the World Animal Protection UK entity. The objective of the policy is to balance various requirements:

- to maintain high 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. Their role is to protect World Animal Protection's investments and to generate a return while observing our investment restrictions.

Following a review of our investment portfolio in 2014, a decision was made to transfer funds to the Vanguard Life Strategy 60% equity fund. In the financial year ended 31 December 2015, the value of this fund increased by £28k to £3.2m.

# Our risks and uncertainties

Our trustees are responsible for ensuring that World Animal Protection has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that our charity is operating efficiently and effectively. The systems of risk management and financial control are continually reviewed and improved where necessary to provide reasonable assurance against material misstatement or loss. In line with the recommendations of the Statement of Recommended Practice for Accounting and Reporting by Charities, the trustees have in place a risk management policy to assess business risk and implement risk management strategies.

In November 2012, we appointed Crowe Clark Whitehill to carry out the internal audit function within World Animal Protection. All their reports and recommendations are presented to the board, actions are agreed and their implementation is monitored and followed up.

We operate a programme of activities to build awareness of risk and to improve consistency in the identification, monitoring and mitigation of risks in all offices and at all levels across World Animal Protection. This involves the regular preparation and review of operational risk registers and a global register of priority organisational risks which is reviewed by the trustees twice a year.

## Risk description

## Mitigation in place

### 1 Income

In a still challenging and highly competitive financial environment, we may not fully achieve the ambitious income targets which would enable us to expand our animal protection programmes significantly.

- We ensure that fundraisers actively participate in the co-development of campaigns.
- We have improved budgeting and forecasting accuracy to help ensure that risk is managed and potential investment is not tied up in unpredicted underspending.
- We diversify our fundraising streams and explore new fundraising markets.
- We have invested in 'testing and innovation' to secure new donors and have created a Global Growth Fund for rolling out successful tests and innovations.

### 2 Policy compliance

Operating in over 50 countries, often with staff working remotely, sometimes in disaster situations, and with a range of funded partners, there exists a continuing risk that we cannot be certain that our global policies approved by trustees are fully complied with. This could lead to loss of material assets and/or reputational damage.

- We have created a comprehensive assurance framework which the trustees are committed to developing further.
- We regularly review all risk registers.
- We operate internal control procedures which are constantly reviewed.
- Both the external and internal audit functions report observations on compliance with internal controls.

## Risk description

## Mitigation in place

### 3 Demonstrating impact

There is a risk that our reporting and performance and impact measurement processes may not always meet the needs of current or potential funders, our managers and trustees. This could affect the income growth we seek and also mean that we may not always make the best possible use of our resources in developing and implementing our animal protection campaigns.

- We have developed mechanisms such as a quarterly 'dashboard' to monitor performance across all aspects of our operations. We will continue to refine the process to ensure that it allows our board and leadership teams to accurately gauge the impact and outcomes of our work and refine our approach where necessary.
- The global leadership team holds regular reviews of performance using the quarterly dashboard, to bring a clearer focus on progress against our key performance indicators.
- We have a new campaign management process which adds rigour to the planning, implementation, monitoring and evaluation of campaigns and projects.
- The board has established a dedicated programmes-focused committee to oversee the effectiveness and impact of our work for animals.

### 4 Managing our reserves and cash flow

A combination of unfavourable circumstances could cause an unexpected drop in reserves and a consequent cash flow issue. This could potentially delay programme implementation or affect our ability to respond to an animal welfare emergency.

- We set budgets that keep World Animal Protection within the agreed reserves range.
- Our International Finance team prepares a monthly global cash flow forecast.
- We carry out 'sensitivity analyses' which show the effect on cash flow in case receipts vary from budget. We have implemented processes to transfer funds raised more quickly and to make global treasury management more efficient.
- We request budget holders to build flexibility into budgets in case there is a need to reduce expenditure.

### 5 Forecasting

Programme delays, currency issues and other factors could render financial forecasts less accurate than required, thereby making it more difficult for us to control possible overspendings, take effective advantage of other opportunities or to calculate cash requirements precisely enough to meet operational needs.

- Senior management receives budget variance analyses every month.
- We have delivered targeted financial training to staff in the International office and in some regions which focuses on budget setting and re-forecasting.
- International Finance undertakes a top-down forecast to sit alongside bottom-up forecasts, in order to aid and improve decision-making.

### 6 Governance

There is a risk that our governance structures, processes and practices do not support effective decision-making.

- A review of governance took place in 2015 and a series of changes has since been agreed and implemented.
- We have reviewed and strengthened our trustee recruitment processes.
- We have further developed processes for trustee induction, training and appraisal.
- We have introduced strict term limits for all trustees.
- We have increased the annual number of full board meetings and rationalised the scheduling of related committee meetings.
- We have reviewed and expanded the scope of the board's committees.
- The Company Secretary role has been strengthened and now has a direct reporting line to the board.

# Our structure, governance and leadership

## Global structure

World Animal Protection is a global organisation which comprises a network of national offices, with international headquarters in London, UK.

The organisation is grouped into five regions: Africa and the Middle East; Asia-Pacific; Europe; Latin America and the Caribbean; and North America. These are headed by regional directors who coordinate and direct our work in their respective regions at a strategic level. The role of our International office is to develop the global strategy, coordinate activities of the regions and national offices, set global policies and standards and provide central corporate services where it is most efficient to do so.

Every World Animal Protection national office is constituted and registered as a legal entity in its own country as required and is licensed through a collaboration agreement with the International office to use the World Animal Protection trademark.

These offices focus either solely on their own country or on agreed geographical regions. They carry out a range of animal welfare and fundraising activities united under one global World Animal Protection strategy, developed in consultation between all the offices and approved by the board of trustees of the UK charity.

World Animal Protection as registered in the UK includes our International office, the country office for the UK, all the regional offices and two other offices, in Kenya and Thailand, which are branches of the UK charity. The formerly independent entities in Australia, New Zealand and the United States of America are subsidiary offices, as is our office in China. The latter has been reclassified as a subsidiary in order to comply with the new accounting standard FRS 102 with effect from 1 January 2015. Independent but affiliated national offices are located in Brazil, Canada, Costa Rica, Denmark, India, the Netherlands and Sweden.

## Governance

During the year the board reviewed its governance arrangements and a number of changes were made. These included increasing the frequency of meetings of the board and committees, and a number of other amendments to the board's procedures and practices.

The board of trustees consists of not more than 13 people. The board meets four times a year (as do its committees) to review the performance of the charity and make any decisions necessary to its governance and strategic direction. It also regularly reviews the organisation's risk register. Updated information about the trustees and governance of World Animal Protection can be found on our website at: <http://www.worldanimalprotection.org/world-animal-protection-governance>.

The board has a Finance and Audit Committee which reviews and makes recommendations to the board on financial policy, the annual audit and accounts, and the investment policy. The committee meets four times a year to review:

- the management accounts and performance in relation to the budget
- the annual budget before it is presented to the board of trustees
- the investment policy and the performance of investments
- external audit
- risks relating to its area of focus.

The board's Nominations and Governance Committee ensures that World Animal Protection's governance processes and practices are robust, geared towards enabling the most effective delivery of its global strategy and in line with best practice. From 2016 it has assumed responsibility for oversight of our internal audit processes. In addition, the committee continually reviews the skill requirements of the board of trustees and makes recommendations to the board as appropriate. When new trustees are needed, they are recruited through a global advertising process, with the aim of identifying and appointing candidates with the particular skills and experience required by the board. They are appointed for a four-year term, with the possibility of renewal for one further four-year term. The performance of individual trustees is appraised annually in the same way as that of staff and the board reviews its collective performance on an annual basis.

The induction process for any newly appointed trustee has two main elements:

- an induction pack containing key documents relating to:
  - the board specifically, including: a trustee role description and code of conduct, to make clear their duties and obligations as a trustee of a UK charity, and terms of reference for the board committees
  - the wider organisation, including: Articles of Association, the current strategy, financial health and corporate policies

- a series of meetings with board and staff members to:

- establish key relationships
- receive briefings on the strategy, World Animal Protection's structure and governance practices and processes, and the organisation's expectations of the new trustee. Training is offered on new legislation and best practice.

The Human Resources and Remuneration Committee is constituted to review the Chief executive officer's performance and remuneration and to keep under review our policies on human resources, organisational pay and our reward strategy. This ensures that they are consistent with the board's requirements, current legislation and best practice. It also monitors and supports the development of a progressive and positive organisational culture.

In early 2016 the board established a new committee to focus on our progress in delivering our mission-focused strategic objectives. This Policy and Programmes Committee is responsible for providing assurance to the board that World Animal Protection's programme and campaign activity delivers demonstrable lasting change across our four programme areas and that our mission-focused work remains in line with our long-term strategic goals and objectives.

In addition, the Committee will keep under review our global animal protection policy, ensuring that it is consistent with international best practice and World Animal Protection's own strategy and brand.

Finally, the board also operates a Standing Committee whose principal role is to carry out the functions of the full board between its regular meetings. This might include advising on matters referred to it by the CEO.

## Leadership

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 and of the regions in order to ensure that his decisions reflect the needs of the global organisation. Following the resignation of Mike Baker in September 2015, the board appointed Steve McIvor, the International director of programmes, to act as CEO. He was appointed as CEO on a permanent basis from April 2016 after an open and competitive global recruitment process. An acting Global director of programmes, Lena Aahlby, was appointed in March 2016.

The full list of current members of the GLT can be found on page 32 under Reference and administrative details.

## Our reference and administrative details

### Board of trustees (who are directors for Companies Act purposes)

**Mr Paul Baldwin**<sup>1,2,5</sup> Chair from March 2016

**Mr Mark Watts**<sup>2,4</sup> Chair until March 2016

**Mr Dominique Bellemare**<sup>1,3</sup>

**Ms Nesta Hatendi**<sup>3,4,5</sup> Deputy Chair from March 2016

**Ms Sarah Ireland** appointed May 2016

**Dr Chinnay Krishna** resigned June 2016

**Ms Christine Lloyd** appointed May 2016

**Mr Carter Luke**<sup>1,2,3,5</sup>

**Ms Hanja Maij-Weggen** resigned October 2015

**Ms Marcelle Meredith** retired June 2016

**Ms Mwikali Muthiani** appointed May 2016

**Mr Joseph Nhan-O'Reilly**<sup>1,4,5</sup>

**Ms Cecilia Vega Leon** retired June 2016

<sup>1</sup>Member of Human Resources and Remuneration Committee; <sup>2</sup>Member of Finance and Audit Committee;

<sup>3</sup>Member of Nominations and Governance Committee; <sup>4</sup>Member of Policy and Programmes Committee;

<sup>5</sup>Member of Standing Committee

**Mr Steve McIvor** Chief executive officer

**Mr Stephen Corri** Company secretary

### Investment managers

Vanguard Asset Management Limited  
4th Floor, The Walbrook Building,  
25 Walbrook, London EC4R 1QS

### Solicitors

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

### Bankers

The Co-operative Bank  
62-64 Southampton Row, London  
WC1B 4ND

### Auditors

Grant Thornton UK LLP  
Grant Thornton House, Melton Street,  
London NW1 2EP

### Global leadership team

#### Steve McIvor

Chief executive officer  
(acting - from September 2015,  
substantive - from April 2016)  
(Mike Baker resigned September 2015)

#### Kevin Geeson

Chief operating officer  
(Bidesh Sarkar, interim COO  
until November 2015)

#### Lena Aahlby

Acting Global director of programmes  
(from March 2016)

#### Tennyson Williams

Regional director for Africa and  
the Middle East

#### Margaret West

Regional director for Asia-Pacific

#### Ruud Tombrock

Regional director for Europe

#### Alfredo Botti (resigned July 2016)

Regional director for Latin America  
and the Caribbean (role currently vacant)

#### Silia Smith

Regional director for North America

## Our public benefit requirement

Under the Charities Act 2006, 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, eg neutering.

In accordance with the requirements of the Charities Act 2006, 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.

All our trustees give their time voluntarily and receive no benefits from the charity. The charity operates a policy that ensures that trustees are reimbursed for reasonable expenses incurred in their role and in line with our policies on expenses and travel, to ensure that no one is excluded from contributing on financial grounds. Any expenses reclaimed by the board of trustees are disclosed in Note 12 to the Accounts.

This report demonstrates how we met our charitable purposes in 2015 and our principal achievements under our respective strategic priority areas of work.

## Our 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). 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)
- 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 is responsible for ensuring that adequate accounting records are maintained 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.

It is 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:

- 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. As a result of this review, 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  
1 August 2016



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

We have audited the financial statements of World Animal Protection for the year ended 31 December 2015 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement, the consolidated summary income and expenditure account, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 33–34], 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on financial statements

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 2015 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

## 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.



**Jennifer Brown**

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: 11 AUGUST 2016

# Consolidated financial statements

## Consolidated statement of financial activities for year ending 31 December 2015

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2015 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2014 £'000
Income and endowment from:									
Donations and legacies	2	28,517	2,241	–	30,758	30,162	1,641	–	31,803
Other trading activities	3	7	–	–	7	8	–	–	8
Investments	4	127	–	–	127	150	–	–	150
Other	5	–	–	–	–	1,852	–	667	2,519
<b>Total</b>		<b>28,651</b>	<b>2,241</b>	<b>–</b>	<b>30,892</b>	<b>32,172</b>	<b>1,641</b>	<b>667</b>	<b>34,480</b>
Expenditure on:									
Raising funds	6	4,760	–	–	4,760	6,222	–	–	6,222
Charitable activities	7	22,360	2,296	–	24,656	25,989	2,765	–	28,754
<b>Total</b>		<b>27,120</b>	<b>2,296</b>	<b>–</b>	<b>29,416</b>	<b>32,211</b>	<b>2,765</b>	<b>–</b>	<b>34,976</b>
Net (losses)/gains on investments		(14)	–	14	–	189	–	2	191
Net income/(expenditure)		1,517	(55)	14	1,476	150	(1,124)	669	(305)
<b>Net movement in funds</b>		<b>1,517</b>	<b>(55)</b>	<b>14</b>	<b>1,476</b>	<b>150</b>	<b>(1,124)</b>	<b>669</b>	<b>(305)</b>
Reconciliation of funds:									
Fund balances brought forward		9,009	111	1,654	10,774	8,859	1,235	985	11,079
<b>Fund balances carried forward</b>		<b>10,526</b>	<b>56</b>	<b>1,668</b>	<b>12,250</b>	<b>9,009</b>	<b>111</b>	<b>1,654</b>	<b>10,774</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 notes on pages 40 to 56 form part of these accounts.

# Consolidated financial statements

## Consolidated and charity balance sheets at 31 December 2015

	Note	Consolidated 2015 £'000	Charity 2015 £'000	Consolidated 2014 Restated £'000	Charity 2014 Restated £'000
<b>Fixed assets</b>					
Tangible assets	13	703	413	960	569
Other non-current assets		13	13	13	13
Investments	14	3,996	3,238	3,643	3,210
		<b>4,712</b>	<b>3,664</b>	4,616	3,792
<b>Current assets</b>					
Debtors	15	1,879	1,388	2,321	2,350
Cash on deposit	27	395	71	1,001	562
Cash at bank and in hand	27	7,818	5,799	5,885	4,424
		<b>10,092</b>	<b>7,258</b>	9,207	7,336
<b>Creditors: amounts falling due within one year</b>	16	<b>(2,325)</b>	<b>(949)</b>	(2,693)	(2,151)
Net current assets		<b>7,767</b>	<b>6,309</b>	6,514	5,185
Creditors: amounts falling due after more than one year	17	<b>(229)</b>	<b>(193)</b>	(356)	(330)
<b>Net assets</b>		<b>12,250</b>	<b>9,780</b>	10,774	8,647
<b>Unrestricted funds</b>					
Designated funds		1,282	1,010	1,100	744
Revaluation funds		196	196	182	168
<b>General funds</b>		<b>9,048</b>	<b>7,531</b>	7,727	6,642
	18	<b>10,526</b>	<b>8,737</b>	9,009	7,554
<b>Restricted funds</b>	19	<b>56</b>	<b>56</b>	111	106
<b>Capital funds</b>					
Endowments	20	1,668	987	1,654	987
		<b>12,250</b>	<b>9,780</b>	10,774	8,647

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 financial statements were approved by the trustees on 1 August 2016. The notes on pages 40 to 56 form part of these accounts.

P Baldwin  
Chair



Registered company no: 4029540

# Consolidated financial statements

## Consolidated cash flow statement

	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities	26		1,644		459
<b>Cash flows from investing activities:</b>					
Interest received		60		63	
Investment income		67		87	
Purchase of tangible assets		(91)		(52)	
Purchase of investments		(360)		(3,374)	
Sale of fixed-asset investments		7		2,954	
<b>Net cash provided by (used in) investing activities</b>			<b>(317)</b>		<b>(322)</b>
Change in cash and cash equivalents in the reporting period			1,327		137
Cash and cash equivalents at the beginning of the reporting period			6,886		6,749
<b>Cash and cash equivalents at the end of the reporting period</b>	27		<b>8,213</b>		<b>6,886</b>

# Consolidated financial statements

## Summary income and expenditure account

The World Animal Protection Group	2015 £'000	2014 £'000
<b>Income</b>		
Voluntary income	30,758	31,803
Activities for generating funds	7	8
Investment income	127	150
Other income	–	2,519
	<b>30,892</b>	<b>34,480</b>
<b>Expenditure</b>		
Costs of generating voluntary income	4,756	6,203
Fundraising trading	4	4
Investment manager fees	–	15
Charitable activities	24,656	28,754
	<b>29,416</b>	<b>34,976</b>
Surplus of income over expenditure before realised/unrealised gains/losses	<b>1,476</b>	(496)
Realised losses on investments	–	(24)
<b>Net movement in funds</b>	<b>1,476</b>	<b>(520)</b>

An income and expenditure account is an alternative summary of the information contained in the Statement of Financial Activities. As recommended in the Charity SORP, this statement excludes gifts of capital that are not currently available for revenue expenditure (see Note 20). The income and expenditure account is included in the accounts in order to comply with the Companies Act 2006.

# Notes to the consolidated financial statements

## 1 Accounting policies

### a) Basis of preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (effective 1 January 2015) - (Charities SORP (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). The adoption of FRS 102 had no impact on the results of the group balance sheet or consolidated SOFA for 2015.

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

### b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required.

All required restatements are shown below. The restatements have no impact on the group as whole.

#### In respect of charity-specific balances

Reconciliation of charity funds and balances	1 January 2014 £'000	31 December 2014 £'000
Net assets as previously stated	11,075	8,830
China office net assets	(156)	(183)
<b>Net assets restated</b>	<b>10,919</b>	<b>8,647</b>

FRS 102 has resulted in a change in the classification of the China office, previously considered to be a branch, but now treated as a subsidiary. The group consolidated balances remain unchanged.

#### Transition to FRS 102

The opening fund balances at the date of transition have been restated due to a change in the branch/subsidiary classification but no subsequent restatement of items has been required in making the transition to FRS 102. The transition date was 1 January 2014.

China office balance sheet	1 January 2014 £'000	31 December 2014 £'000
Fixed assets	17	34
Cash	199	156
Other current assets	20	28
Current liabilities	(80)	(35)
<b>Net assets</b>	<b>156</b>	<b>183</b>

# Notes to the consolidated financial statements

## c) Basis of consolidation

The consolidated financial statements of the group incorporate the accounts of the charity including the Regional Offices of Europe; Africa and the Middle East; North America; Latin America; and Asia-Pacific; and branches in 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.

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.

The charity became the sole member of World Animal Protection USA, World Animal Protection Australia and World Animal Protection New Zealand as at 1 January 2014. These are included in the consolidated accounts as subsidiaries, as well as the China office previously treated as a branch.

## d) 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.

## e) Tangible fixed assets

Tangible fixed assets over £5,000 are depreciated on a straight line basis over their expected useful lives as follows:

Tangible fixed asset	Expected useful life
Computer equipment	3 years
Software	3 years
Office equipment	3 years
Leasehold property	The life of the lease

## f) 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.

## g) 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.

## Notes to the consolidated financial statements

### h) 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 9.
- Other expenditure represents those items not falling into any other heading.

#### 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 9.

### i) Debtors

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

### j) 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.

### k) 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.

### l) 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.

### m) 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.

### n) 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.

### o) 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. Further information about key assumptions concerning the future, and other key sources of estimation of uncertainty, are set out in the notes. Within our Financial Statements we have disclosed provisions in Note 17 – Creditors falling due after more than one year. As provisions are recognised when it is probable that World Animal Protection will be required to settle the obligation, management are required to exercise judgement in relation to the likelihood of the obligation being settled. This judgement involves taking into account the risks and uncertainties surrounding the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

## Notes to the consolidated financial statements

### 2. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	2015 £'000	Unrestricted funds £'000	Restricted funds £'000	2014 £'000
Appeals and gifts (individual donations)	20,308	39	20,347	19,572	1,291	20,863
Legacies	4,528	58	4,586	3,791	241	4,032
Corporate donations, trust, foundation and society grants	130	57	187	85	54	139
Gifts in kind	38	–	38	42	–	42
Other income	13	–	13	32	–	32
Donations from World Animal Protection organisations	3,500	2,087	5,587	6,640	55	6,695
	<b>28,517</b>	<b>2,241</b>	<b>30,758</b>	<b>30,162</b>	<b>1,641</b>	<b>31,803</b>

### 3. Other trading activities

The charity has a wholly owned subsidiary, World Animal Protection Trading Company Limited, incorporated in the United Kingdom, which sells Christmas cards and receives taxable donations from companies operating mail order catalogues, affinity cards, promotional merchandise and other ancillary activities. A summary of its trading results is in this note (below) and in Note 5.

	2015 £'000	2014 £'000
Turnover	7	8
<b>Gross profit</b>	<b>7</b>	<b>8</b>
Administration expenses	(4)	(4)
<b>Net (loss)/income from trading before interest</b>	<b>3</b>	<b>4</b>
Result for the financial year	3	4

### 4. Investments

	Unrestricted funds £'000	Restricted funds £'000	2015 £'000	Unrestricted funds £'000	Restricted funds £'000	2014 £'000
Interest receivable on bank deposits	60	–	60	63	–	63
Investment income - UK equities	67	–	67	87	–	87
	<b>127</b>	<b>–</b>	<b>127</b>	<b>150</b>	<b>–</b>	<b>150</b>

# Notes to the consolidated financial statements

## 5. Subsidiary companies

	Trading company		USA		Australia		New Zealand		China	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000	2015 £'000	2014 £'000	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Income	7	8	4,196	2,265	5,823	7,413	2,812	2,204	587	1,051
Expenditure	(4)	(4)	(2,540)	(2,540)	(5,817)	(7,389)	(2,810)	(2,533)	(579)	(1,034)
Net incoming/(outgoing) resources before gains and losses and gift aid	3	4	1,656	(275)	6	24	2	(329)	8	17
Net incoming resources before gains and losses	3	4	1,656	(275)	6	24	2	(329)	–	17
Gains/(losses) on investments	–	–	–	–	–	–	–	–	–	1
<b>Net movement in funds</b>	<b>3</b>	<b>4</b>	<b>1,656</b>	<b>(275)</b>	<b>6</b>	<b>24</b>	<b>2</b>	<b>(329)</b>	<b>–</b>	<b>18</b>
Assets	31	16	2,266	1,658	1,058	1,283	297	229	136	218
Liabilities	(28)	(12)	(536)	(402)	(519)	(706)	(198)	(123)	(64)	(35)
Funds	3	4	1,730	1,256	539	577	99	106	72	183

As of 1 January 2014, World Animal Protection USA, World Animal Protection Australia and World Animal Protection New Zealand all became subsidiaries of the UK charity. The UK charity gained three subsidiaries at 1 January 2014 for nil consideration by virtue of becoming sole member of each entity. All three subsidiaries are registered charities in their respective countries and raise funds for the UK charity, and help to fund our programmes around the world.

As of 1 January 2014, the fair value of net assets from these three subsidiaries totalled £2.519 million. This has been shown in the Consolidated statement of financial activities as 'Other incoming resources', and is broken down below:

	USA At book value £'000	Australia At book value £'000	New Zealand At book value £'000	Total At book value £'000
Fixed assets	266	256	7	529
Cash	1,180	790	520	2,490
Other current assets	532	108	17	657
Current liabilities	(265)	(556)	(83)	(904)
Non-current liabilities	–	(45)	(26)	(71)
<b>Net assets</b>	<b>1,713</b>	<b>553</b>	<b>435</b>	<b>2,701</b>
Adjustments to achieve consistency in accounting policies	(182)	–	–	(182)
Assets acquired by World Animal Protection	<b>1,531</b>	<b>553</b>	<b>435</b>	<b>2,519</b>

All assets and liabilities were reviewed at the date of acquisition, and no fair value adjustments were deemed necessary.

The net assets were donated to the charity.

The adjustment of £182,000 is to achieve consistency in accounting policies due to differences between UK and US GAAP on timing of income recognition.

## Notes to the consolidated financial statements

### 6. Expenditure on raising funds

	Unrestricted funds 2015 £'000	Unrestricted funds 2014 £'000
Appeals and gifts (individual donations)	4,392	5,787
Legacies	118	185
Corporate donations, trusts, foundations and society grants	246	231
Fundraising trading	4	4
Investment manager fees	–	15
	<b>4,760</b>	<b>6,222</b>

### 7. Charitable activities

	Grants £'000	Direct expenditure £'000	Support costs £'000	Governance costs £'000	Total 2015 £'000	Grants £'000	Direct expenditure £'000	Support costs £'000	Governance costs £'000	Total 2014 £'000
Animals in communities	241	1,477	384	102	2,204	247	2,355	810	117	3,529
Animals in farming	19	4,826	993	486	6,324	160	3,920	1,270	184	5,534
Animals in disasters	70	2,669	375	81	3,195	87	2,092	678	98	2,955
Global advocacy for animals	78	3,736	1,165	170	5,149	208	6,158	1,981	286	8,633
Animals in the wild	859	5,215	1,481	229	7,784	546	5,429	1,859	269	8,103
	<b>1,267</b>	<b>17,923</b>	<b>4,398</b>	<b>1,068</b>	<b>24,656</b>	<b>1,248</b>	<b>19,954</b>	<b>6,598</b>	<b>954</b>	<b>28,754</b>

Following the introduction of FRS 102, governance costs are a separate component of support costs, and have been allocated against charitable activities on the same basis.

## Notes to the consolidated financial statements

### 8. Grants

Grants were made to the following institutions:	2015 £'000	2014 £'000
Bioresource Research Centre	302	–
Asociatia de Protectie a Animalelor	191	230
University of Oxford	169	250
Chinese Preventive Medicine Association	95	110
Global Alliance for Rabies Control	60	9
Makueni County Government	52	48
Humane Society International	49	46
University of Nairobi	46	16
Marine Mammals of Maine	40	–
China Animal Disease Control Center	40	36
Education for Nature - Vietnam	40	–
Borneo Orangutan Survival Foundation	36	–
Green Korea United	30	–
Au-lbar	28	–
Compassion in World Farming	15	157
OIE World Animal Health and Welfare Fund	13	–
Love Wildlife Foundation	13	–
Lanna Dog Welfare Foundation	10	7
Aminals/Jillani and Associates	10	–
Save the Dogs and other Animals	7	10
North Carolina Zoological Society	6	19
Surfers Against Sewage	6	7
Office International des Epizooties	–	50
All-Party Parliamentary Group, UK	–	25
University of Queensland	–	24
Directorate General for Agriculture & Rural Development, European Commission	–	23
Species Survival Network	–	20
Palestine Wildlife Society	–	15
Freeland Foundation	–	13
Kenya Veterinary Association	–	12
International Whaling Commission	–	10
Elephant Conservation Network	–	9
Zoonotic Disease Unit, Kenya	–	7
International Fund for Animal Welfare	–	7
Department of Livestock Development, Thailand	–	6
International Federation of Red Cross and Red Crescent Societies	–	6
Centre for Compassionate Conservation, University of Technology, Sydney	–	5
Other grants to institutions (all under £5,000)	9	71
	<b>1,267</b>	<b>1,248</b>

Grants are included in charitable activities and related support costs are apportioned across these as per Note 7 and Note 9.

## Notes to the consolidated financial statements

### 9. Support costs

Support costs are apportioned on the basis of direct expenditure across all areas of charitable activities.

	Animals in communities £'000	Animals in farming £'000	Animals in disasters £'000	Global advocacy for animals £'000	Animals in the wild £'000	Total 2015 £'000	Total 2014 £'000
Office and IT	173	447	169	524	667	<b>1,980</b>	2,987
Staff costs	211	546	206	641	814	<b>2,418</b>	3,611
	<b>384</b>	<b>993</b>	<b>375</b>	<b>1,165</b>	<b>1,481</b>	<b>4,398</b>	<b>6,598</b>

### 10. Analysis of governance costs

	Animals in communities £'000	Animals in farming £'000	Animals in disasters £'000	Global advocacy for animals £'000	Animals in the wild £'000	Total £'000
Office and IT	14	65	11	23	30	<b>143</b>
Staff costs	17	81	14	28	38	<b>178</b>
Audit fees	18	86	14	30	40	<b>188</b>
Legal fees	19	92	15	32	45	<b>203</b>
International management	34	162	27	57	76	<b>356</b>
	<b>102</b>	<b>486</b>	<b>81</b>	<b>170</b>	<b>229</b>	<b>1,068</b>

### 11. Net income

This is stated after charging:	2015 £'000	2014 £'000
Operating lease – premises	<b>854</b>	976
Depreciation:		
Tangible fixed assets owned	<b>342</b>	391
Auditor remuneration		
– Statutory audit*	<b>126</b>	111
– Internal audit**	<b>62</b>	61
Investment manager fees	–	15

\*Audit remuneration in relation to the group audit was £49,560 (2014: £42,000) and this was paid to Grant Thornton UK LLP.

Audit remuneration for overseas offices was £76,440 (2014: £69,000) and this was paid to Grant Thornton International member firms.

\*\*Internal audit remuneration was paid to Crowe Clark Whitehill

## Notes to the consolidated financial statements

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

	2015 £'000	2014 £'000
Wages and salaries	10,524	12,024
Social security costs (national insurance and other taxes)	955	1,237
Other pension costs	834	678
	<b>12,313</b>	<b>13,939</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:	2015 Number	2014 Number
Charitable activities, campaigns and publicity	135	153
Fundraising	57	60
Managing and administration	60	55
Leadership and governance	12	15
	<b>264</b>	<b>283</b>

The emoluments of members of staff, including benefits in kind, within the range of £60,000 to £139,999 are:	2015 Number	2014 Number
£60,000 - £69,999	9	16
£70,000 - £79,999	6	17
£80,000 - £89,999	1	6
£90,000 - £99,999	3	1
£100,000 - £109,999	2	-
£110,000 - £119,999	1	3
£120,000 - £129,999	1	-
£130,000 - £139,999	1	1
	<b>24</b>	<b>44</b>

The pension costs paid in respect of these employees amounted to £142,561 (2014: £218,709).

The key management personnel of the charity are considered to be the trustees and global leadership team (GLT). The GLT comprises the CEO, deputy CEO, COO, the International director of programmes and the five regional directors. The key management personnel of the charity received £916,633 (2014: £887,619) in salaries/fees. The total employee benefits of the key management personnel of the charity were £70,440 (2014: £75,552).

	2015 £'000	2014 £'000
Redundancy/termination payments	136	39
Total for reporting period	<b>5 persons</b>	3 persons

None of the trustees receives any remuneration for their services as trustees of the charity. Eight trustees received payments totalling £39,937 as reimbursements for their travel costs. Following a review of trustee expenses during 2015, we have discovered that 2014 figures were incorrectly stated. The amended figure for 2014 is £19,267 (previously stated as £12,170).

## Notes to the consolidated financial statements

### 13. Tangible fixed assets (consolidated)

	Leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
<b>Cost</b>					
At 1 January 2015	1,103	455	428	344	2,330
Additions	12	4	71	4	91
Disposals	–	(7)	(20)	–	(27)
<b>At 31 December 2015</b>	<b>1,115</b>	<b>452</b>	<b>479</b>	<b>348</b>	<b>2,394</b>
<b>Depreciation</b>					
At 1 January 2015	568	136	345	321	1,370
Disposals	–	(1)	(20)	–	(21)
Depreciation in year	178	83	59	22	342
<b>At 31 December 2015</b>	<b>746</b>	<b>218</b>	<b>384</b>	<b>343</b>	<b>1,691</b>
<b>Net book amount at 31 December 2015</b>	<b>369</b>	<b>234</b>	<b>95</b>	<b>5</b>	<b>703</b>
Net book amount at 31 December 2014	535	319	83	23	960

### Tangible fixed assets (charity)

	Leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
<b>Cost</b>					
At 1 January 2015	1,048	41	237	298	1,624
Additions	11	14	96	–	121
Disposals	–	(1)	(20)	–	(21)
<b>At 31 December 2015</b>	<b>1,059</b>	<b>54</b>	<b>313</b>	<b>298</b>	<b>1,724</b>
<b>Depreciation</b>					
At 1 January 2015	551	7	220	277	1,055
Disposals	–	(1)	(20)	–	(21)
Depreciation in year	167	34	56	20	277
<b>At 31 December 2015</b>	<b>718</b>	<b>40</b>	<b>256</b>	<b>297</b>	<b>1,311</b>
<b>Net book amount at 31 December 2015</b>	<b>341</b>	<b>14</b>	<b>57</b>	<b>1</b>	<b>413</b>
Net book amount at 31 December 2014	497	34	17	21	569

## Notes to the consolidated financial statements

14. Fixed-asset investments (consolidated and charity)	Consolidated 2015 £'000	Charity 2015 £'000	Charity 2014 £'000	Consolidated 2014 £'000
Market value as at 1 January 2015	3,643	3,210	2,928	2,927
Acquisition due to new entities	–	–	–	105
Less: disposals at opening book value	(7)	–	(2,928)	(2,978)
Add: acquisitions at cost	360	–	2,995	3,374
<b>Unrealised gain/(loss) on revaluation</b>	–	28	215	215
Market value at 31 December 2015	3,996	3,238	3,210	3,643
	3,996	3,238	3,210	3,643
<b>Historical cost at 31 December 2015</b>	3,765	2,995	2,995	3,414

An analysis of the market value of investments at 31 December 2015 is as follows:	Consolidated 2015 £'000	Charity 2015 £'000	Charity 2014 £'000	Consolidated 2014 £'000
Overseas equities	–	–	–	79
UK stock/bond mixed indexed funds	3,238	3,238	3,210	3,210
US stock indexed funds	451	–	–	198
Bonds	–	–	–	22
Bond indexed funds	–	–	–	134
US fixed-interest stock	307	–	–	–
	3,996	3,238	3,210	3,643

At 31 December 2015, 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 2. At 31 December 2015, the amount of this company's assets, liabilities, share capital and reserves was:

	2015 £'000	2014 £'000
Current assets	31	16
Creditors: amounts falling due within one year	(24)	(12)
	7	4
Profit and loss account	7	4

## Notes to the consolidated financial statements

15. Debtors	Consolidated 2015 £'000	Charity 2015 £'000	Consolidated 2014 £'000	Charity 2014 £'000
Owed by World Animal Protection Trading Company Limited	–	–	–	3
Trade debtors	315	75	205	5
Owed by other World Animal Protection entities	764	684	1,121	1,532
Accrued income	269	269	464	464
Prepayments	463	296	447	269
Inventory	4	–	3	–
Other debtors	64	64	81	77
	<b>1,879</b>	<b>1,388</b>	2,321	2,350

16. Creditors: amounts falling due within one year	Consolidated 2015 £'000	Charity 2015 £'000	Consolidated 2014 £'000	Charity 2014 £'000
Trade creditors	774	372	1,239	1,091
Other creditors	506	21	99	26
Tax and employee benefits payable	384	196	330	230
Provision	–	–	186	–
Accruals	350	301	599	316
Amounts owed to other World Animal Protection entities	311	59	240	488
	<b>2,325</b>	<b>949</b>	2,693	2,151

17. Creditors: amounts falling due after more than one year	Consolidated 2015 £'000	Charity 2015 £'000	Consolidated 2014 £'000	Charity 2014 £'000
Opening balance	356	330	91	91
Other non-current liabilities	10	–	26	–
<b>Less</b>				
HMRC UK gift aid liability reduction	(185)	(185)	–	–
HMRC UK gift aid liability reduction	(27)	(27)	–	–
<b>Plus</b>				
2015 lease dilapidation charge	75	75	27	27
HMRC UK gift aid provision	–	–	212	212
	<b>229</b>	<b>193</b>	356	330

Part of the provision relates to lease dilapidation. In the lease for the London office, World Animal Protection is responsible for restoring it to the condition prior to World Animal Protection's occupation of it. The lease expires in March 2018.

A provision has been made in respect of a potential liability arising from an anomaly in the storage of our gift aid declarations to support claims submitted. World Animal Protection is in discussions with HMRC and a third-party contractor to clarify the position.

Due to the negligible adjustment for discounting long-term creditors, no restatement was deemed necessary.

## Notes to the consolidated financial statements

### 18. Unrestricted funds

Consolidated	Balance at 1 January 2015 £'000	Income £'000	Expenditure £'000	Realised and unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2015 £'000
Designated funds	1,100	–	–	–	182	1,282
General and revaluation funds	7,909	28,651	27,120	(14)	(182)	9,244
<b>Total unrestricted funds</b>	<b>9,009</b>	<b>28,651</b>	<b>27,120</b>	<b>(14)</b>	<b>–</b>	<b>10,526</b>

As at 31 December 2015, designated funds incorporated:

Funds held as fixed assets and used in the charity's operations which are therefore not available to fund short-term expenditure (£960,000) and funds held for disaster management to enable the charity to respond quickly to natural disasters (agreed at £140,000 by the trustees).

Charity	Balance at 1 January 2015 £'000	Income £'000	Expenditure £'000	Realised and unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2015 £'000
Designated funds	744	–	–	–	266	1,010
General and revaluation funds	6,810	23,020	21,842	5	(266)	7,727
<b>Total unrestricted funds</b>	<b>7,554</b>	<b>23,020</b>	<b>21,842</b>	<b>5</b>	<b>–</b>	<b>8,737</b>

### 19. Restricted funds

Consolidated	Balance at 1 January 2015 £'000	Income £'000	Expenditure/ transfers £'000	Balance at 31 December 2015 £'000
Animals in farming	102	47	147	2
Animals in the wild	4	1,034	1,038	–
Animals in communities	5	346	351	–
Animals in disasters	–	814	760	54
	<b>111</b>	<b>2,241</b>	<b>2,296</b>	<b>56</b>

Charity	Balance at 1 January 2015 £'000	Income £'000	Expenditure/ transfers £'000	Balance at 31 December 2015 £'000
Animals in farming	101	47	146	2
Animals in the wild	–	1,034	1,034	–
Animals in communities	5	346	351	–
Animals in disasters	–	814	760	54
	<b>106</b>	<b>2,241</b>	<b>2,291</b>	<b>56</b>

## Notes to the consolidated financial statements

These funds are allocated for specific projects as follows:

Fund	Purpose
<b>Animals in the wild</b>	Funds are used for a variety of bear protection projects including bear sanctuaries and ongoing campaigns on the Chinese bear farm and bear trade issue, dancing bears in Asia and bear baiting in Pakistan.
<b>Animals in farming</b>	The aim of the Humane Sustainable Agriculture programme is to oppose the development of factory farming and achieve measurable improvements in farm animal welfare in strategically key areas of the world.
<b>Animals in communities</b>	World Animal Protection aims to help companion animals around the world by supporting the work of animal shelters, persuading local authorities to stop the brutal slaughter of pet animals, to set up neutering programmes and to educate people in the care of companion animals.
<b>Animals in disasters</b>	World Animal Protection received funds for general disaster relief work to be used in emergencies such as the floods in Assam, India.

### 20. Endowment funds

Consolidated	Italy/Isle of Capri £'000	General Operations £'000	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2015	30	637	654	333	1,654
Sale of assets - realised gains/losses	–	14	–	–	14
Balance at 31 December 2015	<b>30</b>	<b>651</b>	<b>654</b>	<b>333</b>	<b>1,668</b>

Charity	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2015	654	333	987
Balance at 31 December 2015	<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 Ruth Whist Capital Cash Fund arises from a donation for the 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 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.

## Notes to the consolidated financial statements

### 21. Analysis of net assets between funds

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	703	–	–	703
Investments	2,328	–	1,668	3,996
Provisions	(229)	–	–	(229)
Net current assets	7,724	56	–	7,780
	<b>10,526</b>	<b>56</b>	<b>1,668</b>	<b>12,250</b>

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	413	–	–	413
Investments	2,251	–	987	3,238
Provisions	(193)	–	–	(193)
Net current assets	6,322	–	–	6,322
	<b>8,793</b>	<b>–</b>	<b>987</b>	<b>9,780</b>

### 22. Commitments

Capital commitments: There were no capital commitments by the charity or group, contracted or authorised, at 31 December 2015 or 31 December 2014.

### 23. Operating leases

Operating lease payments relate to the rent of the premises of the charity.

	Consolidated 2015 £'000	Charity 2015 £'000	Consolidated 2014 £'000	Charity 2014 £'000
Due in one year or less	1,095	699	49	49
Between one and five years	1,641	941	773	575
In five years or more	–	–	184	–
	<b>2,736</b>	<b>1,640</b>	<b>1,006</b>	<b>624</b>

## Notes to the consolidated financial statements

### 24. Related party transactions

The charity enters into transactions with other charities in the World Animal Protection network. The nature of these is principally the transfer of funds to or from those organisations to fund specific charitable projects within our global objectives and which by their nature need to be funded on a local level.

	Paid by World Animal Protection	Received by World Animal Protection
World Animal Protection Australia	–	–
World Animal Protection Brazil	560	–
World Animal Protection Canada	–	952
World Animal Protection Colombia	–	(1)
World Animal Protection Costa Rica	1,345	–
World Animal Protection Denmark	–	1,732
World Animal Protection India	–	–
World Animal Protection Netherlands	–	2,320
World Animal Protection New Zealand	–	–
World Animal Protection Sweden	–	584
World Animal Protection USA	–	–
	<b>1,905</b>	<b>5,587</b>

### 25. 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.

### 26. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2015 £'000	2014 £'000
Net income/(expenditure) for the reporting period (as per SOFA)	<b>1,476</b>	(305)
Removing donated fixed assets and investments	–	(535)
Investment income	<b>(127)</b>	(150)
Depreciation	<b>342</b>	391
Profit on disposal of fixed assets	<b>6</b>	–
Increase in other non-current assets	–	(13)
(Gains)/losses on investments	–	(191)
(Increase)/decrease in debtors	<b>442</b>	300
Increase/(decrease) in creditors	<b>(495)</b>	962
	<b>1,644</b>	459

## Notes to the consolidated financial statements

### 27. Analysis of cash and cash equivalents

	Consolidated At 31 Dec 2015 £'000	Charity At 31 Dec 2015 £'000	Consolidated At 31 Dec 2014 £'000	Charity At 31 Dec 2014 £'000
Cash at bank and in hand	395	71	1,001	562
Cash on deposit	7,818	5,799	5,885	4,424
	<b>8,213</b>	<b>5,870</b>	6,886	4,986

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

### 28. Pensions

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

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.

### 29. 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 £2.6 million (2014: £2.3 million).

### 30. Post balance sheet events

In March 2015 the charity made the decision to consolidate its accommodation onto one floor in its London office and as of July 2016 the charity is in discussions to surrender the lease to a prospective tenant. This will result in significant annual cost savings for the charity.

# Thank you

..... 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 2015. With your continued generous support, we will work hard in 2016 and beyond to move the world to join us in protecting animals.

**We are** World Animal Protection.

**We end** the needless suffering of animals.

**We influence** decision makers to put animals on the global agenda.

**We help** the world see how important animals are to all of us.

**We inspire** people to change animals' lives for the better.

**We move** the world to protect animals.

## Contact us



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