



Annual Report  
and Accounts  
2014







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## Trustees' annual report (including the strategic report) and accounts 2014

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**Roaming free:** A former captive bear enjoys life at the Romanian bear sanctuary near Zarnesti.



# The trustees' annual report

## Thank you for moving the world

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We are delighted to present our Trustees' Annual Report and Accounts for 2014. This year has been such an exciting one with so many tremendous steps forward for animals. Thank you - we know none of them would have been possible without our special partnership with you.

World Animal Protection, as registered in the UK, includes our international office, the country office for the UK, all the regional offices and three other offices in China, Kenya and Thailand - which are branches of the UK charity. On 1 January 2014 the formerly independent entities Australia, New Zealand and the United States of America were acquired by World Animal Protection. Other independent national offices are located in Brazil, Canada, Costa Rica, Denmark, India, the Netherlands and Sweden.

We save animals from suffering in some pretty tough places. To help us, wherever we work, partnerships are key. Whether they are with local people, global organisations

or governments, they are vital in creating and delivering solutions for animals. Their far-reaching effect is highlighted in so many ways throughout this report.

Take the Philippines for example. At the end of 2013 Typhoon Haiyan left hundreds of thousands of animals dead and even more injured and exposed to the elements. We decided not just to help their immediate need but to help protect them from the typhoons that regularly devastate the region.

### Working side by side

Thanks to your generosity we worked throughout 2014 with local farmers, government and universities to develop underground and typhoon-proof animal shelters. We also offered our practical help, working side by side with local people to help build them. During this incredibly rewarding experience we met Jeniffer Inamarga, whose life was turned upside down when Haiyan killed most of her chickens and pigs.

"We have nothing without our animals and we thought we would be forgotten... But you have given us the beginning of life again," she said.

The work we did with Jeniffer is just the start of the story. We are already using her example to show typhoon and hurricane stricken regions throughout the world how these shelters can protect animals and their owner's livelihoods.

### Building commercial partnerships

Through commercial partnerships we can improve the care and treatment of animals on a huge scale. And your support helps us negotiate them. Our agreement with Nestlé, launched this year, will help us improve the welfare of millions of animals throughout their whole supply chain.

In practice, this means an end to keeping pregnant sows in gestation crates so small they can't turn round, and to condemning hens to a lifetime in small, barren cages. Find out more about this ground breaking relationship and others for farm animals on page 17. We hope you will be as proud as we are of what we've achieved together.

### Inspiring worldwide change

Throughout this Annual Report you will find so many other examples of how partnerships are essential to success. Take a look at our work to end the brutal culling of stray dogs by building inspiring showcases of effective and humane rabies control programmes in China, Bangladesh, the Philippines and Zanzibar on pages 12-16. These pioneering programmes have the potential to save millions of dogs' lives worldwide. Similarly, the effectiveness of our Sea Change campaign - see page 30 - will depend on relationships

we are building with the fishing industry, governments and international and local marine animal experts. We want to save 1 million marine animals by 2018 from the 640,000 tonnes of fishing gear abandoned in our oceans each year.

### Leading global policy

But our partnerships cannot work in isolation. Your support helps us fight for global policies with animal welfare and protection at their core. These policies must reflect our strategy: **protecting animals in farming; animals in disasters; animals in the wild** and **animals in communities**. And during 2014 our global policy team worked hard and painstakingly to make sure that these four areas were included in the draft UN Sustainable Development Goals.

This is a monumental achievement. These goals, once adopted in 2015, will influence policy making and set the pace and direction of development in every country in the world from 2016 onwards. They will open doors and help us formally raise animal protection issues with national governments and UN organisations. The potential for positive change is enormous.

We hope you will be both encouraged and inspired by the achievements in this Annual Report and we look forward to sharing our future successes. We know that with your help we truly are moving the world for animals and thank you so much for your tireless commitment to our work.

**Mark Watts**  
President

**Mike Baker**  
Chief executive

#### World Animal Protection board of trustees

**Mark Watts**  
President

**Paul Baldwin**  
**Dominique Bellemare**  
**Nesta Hatendi**  
**Chinny Krishna**  
**Carter Luke**  
**Hanja Maij-Weggen**  
**Marcelle Meredith**  
**Joseph Nhan-O'Reilly**  
**Cecilia Vega Leon**

#### World Animal Protection global leadership team

**Mike Baker**  
Chief executive

**John Trampleasure**  
Deputy chief executive

**Bidesh Sarkar**  
Interim chief operating officer

**Steve McIvor**  
Director of international campaigns programmes

**Tennyson Williams**  
Regional director for Africa

**Margaret West**  
Regional director for Asia Pacific

**Ruud Tombrock**  
Regional director for Europe

**Silia Smith**  
Regional director for North America

**Alfredo Botti**  
Regional director for Latin America

Together we...





.....

**Celebrated**

**50**

years of protecting animals from disasters.

.....

.....

**Inspired**  
more than

**4 million**

people worldwide to support our work.

.....

.....

**Assisted**

**296,000**

animals in our disaster response work around the globe.

.....

.....

**Motivated**

**40,000**

people in Denmark to ask their members of parliament to call for better protection for dogs in Europe.

.....

.....

**Trained**

**183**

teachers from one of the poorest areas of Puebla, Mexico to make animal protection part of their everyday teaching.

.....

.....

**Persuaded**

**142,000**

people in Colombia to sign a petition to protect Botos - Amazonian pink river dolphins from slaughter.

.....

.....

**Launched**

**Sea Change**

our campaign to protect marine animals from horrific deaths and injuries caused by the

**640,000**

tonnes of fishing gear abandoned in our oceans every year.

.....

.....

**Rescued**

**5**

bears from cruel conditions and gave them a safe haven in our Romanian bear sanctuary.

.....

.....

**Exposed**

the terrible cruelty of elephant rides and convinced

**22**

major tour operators to stop offering them.

.....

.....

**Benefitted**

the lives of

**220,000**

dogs on Flores and Lembata Islands, Indonesia, by supporting rabies vaccination programmes.

.....

.....

**Moved**

nearly

**118,000**

North Americans to support our Choose Cage-Free campaign and improve the lives of egg-laying hens.

.....

**Hands on:** A beach survey and clean up on Kona Island, Hawaii.

.....

# Our strategic report

## Our objectives

### Our vision

What we want to achieve

A world where animal welfare matters and animal cruelty has ended

### Our mission

Why we exist – our purpose in the world

We move the world to protect animals

### Our strategic priorities

What we must achieve for animals to make our mission a reality

National and international policy and practice that deliver good animal welfare **because to move the world to protect animals, we need to influence the decisions people make that affect animals on a global scale**

People understand the importance of good animal welfare to them **because to move the world to protect animals, we need to help people understand how protecting animals is fundamental to their lives**

People implement animal-friendly solutions **because to move the world to protect animals we need to help people act in sustainable and practical ways that will benefit animals**

### Our plan

What we need to deliver our strategy

Increasing our resources significantly

Become a global leader for animal welfare

Build a robust global organisation



# Our activities

**Ultimately, we would like to protect every single animal that needs our help. Initiatives like the Universal Declaration for Animal Welfare, which has the potential to benefit millions of animals worldwide, will play a key role in helping us achieve this ambitious goal.**

We have limited resources, so our strategy for the future must focus on priorities where we can have the biggest impact, for the longest time. This has led to us choosing key programme areas that aim to protect animals where the intensity and duration of suffering and the number of animals affected is the greatest.

## Our focus

**What we do to make our mission a reality**

**Where animal suffering is most far-reaching, most severe, we will be there...**

**In communities:** where we stop the needless killing of animals – and help save the lives of people.

**In farming:** where billions of farm animals are suffering, we work to give them better lives.

**In disasters:** where we save the lives of animals – and the livelihoods of the people who depend on them.

**In the wild:** where animals are cruelly traded, trapped or killed, we help people to prevent it.

Within our key programmes, we are delivering campaigns that directly tackle the suffering of animals and change the way people view them. When selecting these campaigns, we always consider the following criteria.

## Scale

We aim to tackle issues that will benefit the largest number of animals that are suffering.

## Intensity

We aim to tackle issues where the intensity and duration of suffering is the most extreme.

## Range of issues

We want to demonstrate the breadth of animal welfare issues that exist across the world and tackle cruelty that affects animals in domestic settings, in the wild and in our oceans.

## Impact

We will focus on issues where our resources and those of other organisations can have the biggest and most lasting impact.

## Replicable solutions

We will develop and promote effective and sustainable solutions that can be replicated across the world.

## Global advocacy

Details of our global advocacy are included within the programme area sections.

## Catalyst for change

We will work on issues and in regions where we have the best chance of influencing others to replicate our successes.

## Expertise

We will choose areas of work where our expert knowledge and wealth of experience can be applied.

The strategy has been refreshed and will go to the board of trustees for approval in June.

# Achievements and performance

## We moved the world in 2014

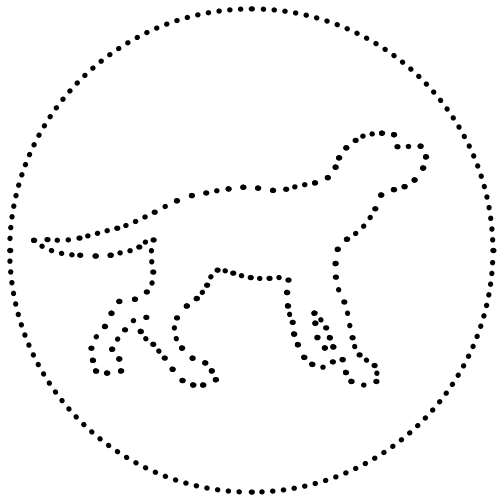
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**We achieved so much in 2014 – a year when we truly moved the world to protect animals.**

We set out to make great strides forward in our existing campaigns and to launch new initiatives that would make the biggest difference to animals. We focused on where suffering was most severe and most far-reaching.







**Previous page:**

**Happy together:** An owner and his dog take part in our pilot rabies vaccination project in Flores, Indonesia.

**Opposite:**

**Safe hands:** A boy and his puppy on World Rabies Day in Kenya.

# Protecting animals in communities

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Every day, in cities, towns and villages around the world, millions of dogs endure persecution and cruel deaths very often because of people's terror of rabies. We are working to end such appalling suffering.

In 2014 our vaccination drives, education projects and collaboration with communities and governments helped to end inhumane culling and improved the lives of dogs and people in seven countries.

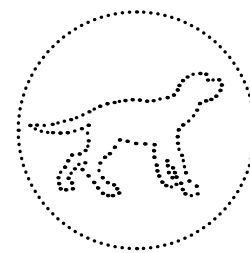


**KICHAHA CHA  
MBWA NI  
HATARI!**



*Small, illegible text on the pamphlet, possibly a warning or educational message.*

Millions of dogs are at risk of being needlessly killed every year because some people believe it will prevent the spread of rabies. We aim to stop this unnecessary culling for good by implementing sustainable solutions that control the spread of disease while also preventing human deaths.



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## In 2014, we aimed to...

**Establish** a new rabies control project on the islands of Flores and Lembata in Indonesia, with support from the Food and Agriculture Organisation of the United Nations (FAO) and the Indonesian government.

## In 2014, we...

**Supported the vaccination of 220,000** dogs in Flores and Lembata, Indonesia; 29,743 dogs in Nias, Indonesia; 18,226 in Manila, Philippines; 9,882 in Zanzibar, and 3,000 in Kenya. These countries are all expected to become successful showcases through which we can move the world to adopt vaccination schemes.

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## In 2014, we aimed to...

**Help the Kenyan government** develop their national rabies eradication strategy and help them pilot it in three counties in Kenya.

## In 2014, we...

**Helped the Kenyan government** lead the world in adopting the first ever rabies elimination strategy which was launched on World Rabies Day, 28 September, 2014. Their aim is to make the country rabies-free by 2030. The strategy, devised with our support, was launched with the start of a pilot project in Kenya's Makueni district which saw vaccinated 3,000 dogs vaccinated on the first day alone. It is estimated that around 20,000 dogs will have been vaccinated by the end of the pilot and then the programme will be rolled out to four other districts.



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## In 2014, we aimed to...

**Work** with our Romanian partners to improve the lives of dogs in their communities and influence the government to stop cruel dog culls.

## In 2014, we...

**Campaigned for the Romanian government** to introduce a national action plan to manage the country's dog population humanely. We are supporting the government in developing the plan, which involves including responsible dog ownership in the national curriculum and working with local organisations to introduce neutering schemes. To show how effective local approaches to dog population management can be, we helped local NGO Save the Dogs neuter 640 dogs.

**Moving forward:** Local boys bringing their dogs to a vaccination clinic during the official launch of the rabies control plan in Makueni County, Kenya.

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## In 2014, we aimed to...

**Launch** a new campaign that aims to prevent the inhumane culling of animals in response to factors other than rabies such as international events.

## In 2014, we...

**Put together compelling evidence and campaign materials** and worked with a number of influential international bodies, including the World Health Organisation and the FAO. We emphasised the importance of humane strategies to dog population management not only in tackling rabies elimination, but also in ending the inhumane culling of dogs so as to benefit both dogs and humans.





## In 2014, we also...

**Vaccinated 90,000 dogs against rabies** in three Chinese areas – Jieshou, Anhui province; Tongzi, Guizhou province and Hancheng, Shaanxi province. The vaccinations are part of our pioneering project with the Chinese government to produce rabies-free pilot sites. We expect the rabies prevention evidence gathered from these sites will convince the government to adopt a nationwide vaccination policy protecting millions of dogs.

**Funded eight veterinary consultants** to push forward our mass dog vaccination project in Bangladesh where we have been working since 2011.

The consultants have been key in getting local government agreement in all municipalities to stop culling dogs. During 2014, 33,581 dogs were vaccinated in Bangladesh and thousands of dogs' lives were saved through the municipality agreements. We want all culling to have stopped in the country by the second World Rabies Day – 28 September, 2016.

**Educated young people, their parents and communities** in responsible pet ownership, dog bite prevention and the welfare of animals in 16 countries. We did this by training teachers and working with community leaders and veterinary schools.

## Looking forward In 2015 we will...

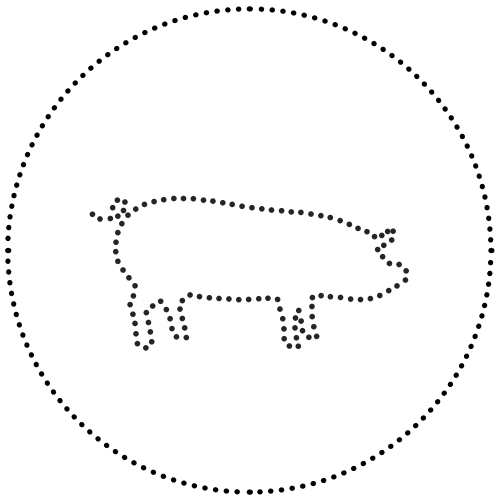
**Collaborate** with the Bangladesh and Kenyan governments in their efforts to eliminate rabies. We will give guidance and support in implementing effective measures, including vaccination, to improve dog welfare and human health.

**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 globally by 2020.

**Vaccination matters:** Owners and dogs wait their turn at a free rabies vaccination clinic in Cainta, the Phillippines.





# Protecting animals in farming

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Billions of animals reared for our food each year are forced to endure cramped and dismal conditions that cause them lifelong stress and suffering. But we are helping governments, industry and consumers to find better and kinder ways to feed the world. This is through the development and support of viable, sustainable and environment-friendly ways of farming. Thanks to the generosity of World Animal Protection supporters, we can share these successes and provide the technical expertise needed to make their widespread adoption possible.

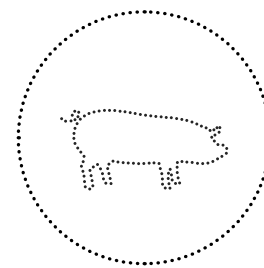




WORLD  
ANIMAL  
PROTECTION



We work towards a future where animal protection is at the very heart of farming and where animals no longer suffer in food production. We do this in partnership with governments, food businesses, farmers and consumers around the globe to end inhumane practices and encourage the adoption of humane policies.



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## In 2014, we aimed to...

**Develop compelling campaigns** research and evidence to move farmers, businesses and governments so they embrace better welfare practices, standards and regulations.

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## In 2014, we aimed to...

**Demonstrate** welfare and business-friendly solutions that the farming industry can adopt.

## In 2014, we...

**Gave India's dairy sector its first ever code** – animal welfare guidelines – to protect dairy cows and buffalos through our work with the country's National Dairy Research Institute. India has the largest number of dairy animals and produces more milk than any other country in the world. Our initiative will give nearly 50 million dairy cows and buffalos, many of which are suffering in intensive or other poor conditions, a better chance of improved care and protection.

## In 2014, we...

**Signed a landmark agreement with Nestlé** which made it the first major food company to enter a formal relationship with an international animal welfare protection NGO. This world-moving partnership involves sharing our expertise on farm animal health, care and welfare to improve the way animals in the Nestlé supply chain are treated. We are also helping Nestlé and its suppliers trace all dairy products, meat, poultry and eggs in their supply chain back to the farm where the animals are raised. We understand that this is the first important step toward making sure that suppliers meet the Nestlé Responsible Sourcing Guideline which specifically includes farm animal welfare.

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## In 2014, we aimed to...

**Make** sure those responsible for policies determining the future of global food and farming recognise the importance of animal welfare.

## In 2014, we...

**Participated in extensive negotiations at the United Nations.** These concluded that improving the ways animals are kept and treated, improves the quality and safety of our food and promotes human health. The UN now agrees that supporting animal welfare is key to sustainably increasing livestock productivity. Such landmark decisions are reflected in the Principles for Responsible Investments in Agriculture and Food Systems. These principles will guide any government, organisation or business investing in agriculture and will result in more animal-friendly farming systems.

**Green scene:** Cattle in El Hatigo's silvopastoral environment, Colombia.





## In 2014, we also...

### **Inspired several major Chinese pork producers**

to work with us to assess the benefits of higher welfare pig farming. The producers were part of a delegation, with Chinese government officials, who took part in visits we arranged to high animal welfare farms in the UK. China has more than 600 million pigs – the largest number of any country in the world. Most are kept in cramped, barren conditions.

**Improved the treatment of millions** of animals in Brazilian and Chinese slaughterhouses. We trained more than 1,000 workers in humane slaughter practices. This means that more than 146 million chickens, 12.9 million pigs and 5.7 million beef cattle experienced less stress and suffering.

### **Encouraged people to make better food choices**

in North America. By the end of 2014, nearly 118,000 supporters had supported our Choose Cage-Free campaign and at least 75,000 had pledged to buy only cage-free eggs. Thanks to our work with businesses and consumers more US and Canadian companies than ever are aware that providing consumers with cage-free eggs makes good commercial sense.

### **Helped fund the Business Benchmark for Farm Animal Welfare (BBFAW) assessment for 2014.**

The welfare policies of 80 of the world's major food companies, including McDonald's, Walmart and

Unilever, are assessed in the BBFAW. Encouragingly, 45% of the 65 companies first assessed in 2012 have significantly improved their ratings which indicate improved practices. We jointly fund the Benchmark with Compassion in World Farming and investment company, Collier Capital.

**Released unique research** – 'Can ear postures reliably measure the positive emotional state of cows?' and 'Nasal temperatures in dairy cows are influenced by positive emotional state'. These two papers were published in two leading academic journals and at prestigious conferences in 2014 and early 2015. We want to develop simple, non-intrusive ways of measuring animal emotions to prompt governments, industry and consumers to improve conditions for cows and other farm animals worldwide.

**Launched 'Common ground'** – our education resource linking farm animal welfare firmly with formal sustainable development education programmes taught worldwide. 'Common ground' gives teachers practical activities to bring animal welfare issues to life through literacy, the arts, science and geography. It was endorsed by the United Nations Educational, Scientific and Cultural Organization's (UNESCO) Decade of Education for Sustainable Development.



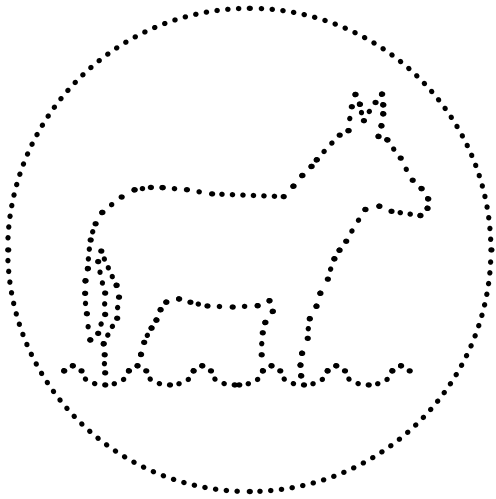
## Looking forward In 2015 we will...

**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'll convince major food companies and producers to phase out the worst production methods and practices, replacing them with humane alternatives that we champion globally.

**Better life:** A pig from a UK high welfare indoor pig farm.



# Protecting animals in disasters

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We can act quickly and work round-the-clock saving animals in disaster-stricken communities and the livelihoods of people who depend on them. Our teams are highly-trained and able to implement innovative techniques in emergency situations. They save lives and relieve suffering, giving people the hope they need to plan futures for themselves and their animals.

And when the disaster is over, we don't just say goodbye. We stay and work wherever we are needed helping governments, humanitarian organisations and local people prepare to protect animals if disaster threatens again.

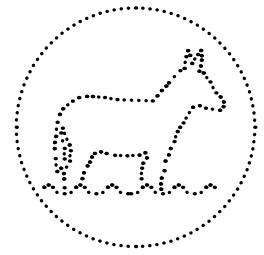


**“We have nothing without our animals and we thought we would be forgotten... But you have given us the beginning of life again”**

Jeniffer Inamarga, Aklan Province,  
Visayas, Philippines



When disaster strikes we help the animals and communities affected by them to get back on their feet. Our specialist teams also work with communities and governments to make sure animal protection is a key part of disaster preparation and recovery.



---

## In 2014, we aimed to...

**Deliver** help where it is needed most when disaster strikes and move closer to our aim of supporting 1 million animals in disasters by 2016.

## In 2014, we...

**Saved the lives of 296,207 animals** as part of seven disaster missions in six different countries including Indonesia, the Solomon Islands, Vanuatu, Bosnia and Herzegovina, Philippines and Cape Verde. Incredibly we have helped more than 3.5 million animals in the last five years alone.

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## In 2014, we aimed to...

**Host a major event in Geneva** to put the issue of animal protection squarely on the agenda of the humanitarian community.

## In 2014, we...

**Co-hosted a conference with the International Federation of Red Cross and Red Crescent (IFRC)** entitled: 'The role of animals as a sustainable solution in humanitarian and development programmes'. Held in Geneva, this important event highlighted the benefits of animal protection in providing effective aid, and brought together experts from across the humanitarian and development sectors to share learning and discuss the topic.



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## In 2014, we aimed to...

**Continue our successful partnership** with the Indian National Disaster Management Authority to ensure animals are included in the emergency plans of Indian States.

## In 2014, we...

**Launched four new veterinary emergency response units** with India's National Disaster Management Authority and veterinary colleges. These centres are training vets, veterinary students and animal husbandry personnel to manage, care for and treat animals affected by disasters. And with India's National Disaster Response Force we developed a training programme for its 11,000 members. This training will be passed on to millions of animal owners in India equipping them with the skills they need to protect their animals when disaster strikes.

**Aftermath help:** Dr Sergio Vasquez of our disaster response team assessing animal welfare issues on Fogo Island, Cape Verde after the volcanic eruption in November.





## In 2014, we also...

**Moved the Costa Rican government** to include animals in the country's official emergency response and disaster risk management programme. The government also created a specific disaster fund to help animals in distress. We trained government staff to manage disaster situations affecting animals and supported them to raise the public's awareness of how they can help animals too. We are now using Costa Rica's example to encourage other countries including Mexico, Kenya, New Zealand and Australia, to establish similar programmes.

**Equipped local people in the Philippines** to protect their animals from future typhoons with collapsible animal pens that will survive the fiercest storms, and underground shelters to protect their pigs and cattle. We also funded specially-prepared lifesaving kits and provided training in their use for vets who need to travel in vehicles, on foot or by mountain bike to reach disaster-affected animals.

**Protected tens of thousands of alpacas** from starving and freezing to death in the drought-stricken Andes, through our project with the FAO. We helped

local people, desperate to protect their beloved alpacas, build windproof shelters and dig boreholes to get water where it was needed most. And our development of an underground greenhouse will help alpaca farmers grow fodder – even in the harshest conditions – and ensure their animals survive the winter months.

**Educated hundreds of thousands of children** in South East Asia in how to save their animals from the terrible natural disasters that so regularly affect their region. Our curriculum-based approach to disaster risk reduction has been used in the South East Asia Ministers of Education Organization's disaster preparation toolkit. The kit is aimed at primary and secondary school teachers in 10 countries including the Philippines, Vietnam, Malaysia, Cambodia and Singapore.

**Trained more than 14 African national societies of the IFRC** in June, through our partnership with the IFRC. We focused on the importance of animals to people in their everyday lives and how animal protection and welfare makes communities more resilient and gives hope for the future.

“After two years of sharing small pieces of these amazing Andean people’s life, their needs and the limitations placed on them by this desperate situation, I found they had really got into my soul. Helping them has been one of the most rewarding experiences of my career.”

Sergio Vasquez, disaster management response officer,  
World Animal Protection, Costa Rica

## Looking forward In 2015 we will...

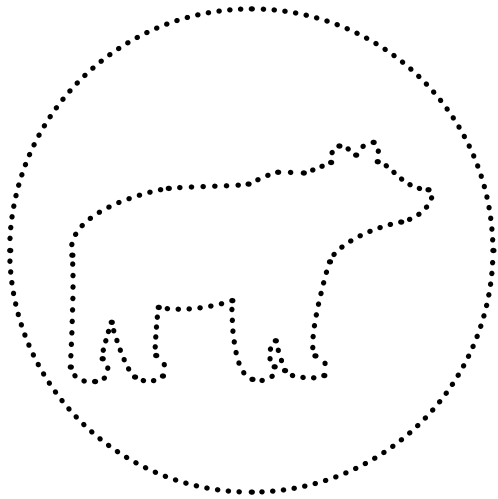
**Continue** to influence the humanitarian and development sector through our partnership with the IFRC. This means we can ensure animals become a vital part of the solution in helping people prepare for and recover from disasters.

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

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

**Harsh conditions:** Thousands of alpacas have been saved in the Andes thanks to your help.





# Protecting animals in the wild

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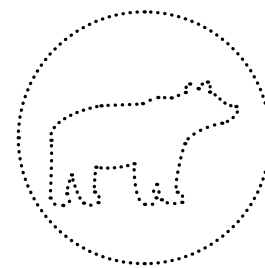
Millions of wild animals worldwide are enduring horrendous cruelty, painful deaths and exploitation. This is mostly to meet the demands of people who want them for their body parts, to keep as pets and to watch, use and abuse for entertainment.

We are shining a light on their suffering, moving people, governments and international organisations to protect our planet's precious wildlife and keep animals in the wild where they belong.





Every year many millions of wild animals suffer cruelly at the hands of those who exploit them for commercial gain. Our vision is to create a world in which all wild animals are valued and respected and no longer suffer in cruel trades.



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## In 2014, we aimed to...

**Save 1 million marine animals** through our Sea Change campaign, which will involve us working with seafood companies to clean up 'ghost nets' lost and discarded in our oceans.

## In 2014, we...

**Launched our global Sea Change campaign.** By 2018 we aim to save one million marine animals from agonising deaths and serious injuries caused by entanglement in abandoned nets, lines and ropes. An estimated 640,000 tonnes of these floating death traps - ghost fishing gear - are discarded in the oceans annually, killing and mutilating animals including whales, turtles, seals and seabirds.

To tackle this worldwide issue we created the Global Ghost Gear Initiative (GGGI), a collective of influential problem-solving experts from the seafood industry, governments, international and local organisations. Fifty experts met at the first GGGI meeting in November. They will work together on solutions to stop nets and gear being discarded, and ways to remove them from key hotspots in the world's oceans.

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## In 2014, we aimed to...

**Launch** a new global campaign to protect wild animals from being traded as luxury pets and goods, for traditional Asian medicine and entertainment.

## In 2014, we...

**Exposed the appalling cruelty endured by wild animals** used for entertainment through 'Before They Book'. This powerful campaign unveiled the shocking abuse inflicted on wild animals to get them to perform. We achieved a gold award for Best Animal Welfare Initiative at the World Responsible Travel Awards for our approach in educating and engaging tourists and tour operators. Our exposure of the unacceptable cruelty behind elephant rides reached millions of people worldwide and convinced 22 tour operators including TUI, Intrepid and Apollo to stop offering and promoting rides.

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## In 2014, we aimed to...

**Continue** our work to stop bears being cruelly captured for entertainment and farmed for their bile.

## In 2014, we...

**Took in and cared for 11 more bears** at our Balkasar sanctuary in Pakistan that had been used for the horrific sport of bear baiting. The bears, which had been regularly tethered to posts, set upon by dogs and forced to fight for their lives, were all handed over by their owners to our partner the Bioscience Resource Centre in exchange for support from the organisation to find a different way to earn a living. Through our work monitoring bear baiting events we also put a stop to four out of six planned events.

**At risk:** Spinner dolphins off the west coast of Oahu, Hawaii are at risk of entanglement in 'ghost' - abandoned - fishing gear.

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## In 2014, we aimed to...

**Demand** better protection for Boto dolphins in the Amazon region, who are hunted for their meat.

## In 2014, we...

**Convinced the Brazilian government to protect Botos** - the Amazon's pink river dolphins - from being cruelly hunted and killed to use as bait to catch Piracatinga fish. We persuaded the government to introduce a five-year moratorium on the catching of Piracatinga effective from January 2015. And more than 142,000 people signed our petition convincing the Colombian government to do the same. During the Brazilian moratorium we'll be helping local communities find alternatives to Boto bait, and running education programmes encouraging adults and children to protect these iconic animals.





## In 2014, we also...

**Protected thousands of civets from being snatched from the wild** and being kept in unnatural, caged conditions that cause them enormous stress and suffering. Public support for our campaign against the production of caged civet coffee convinced luxury retailers worldwide, including Harrods, to stop selling it until non-caged sources could be guaranteed. Indonesia's Sustainable Agriculture Network also banned caged production on its farms and UTZ Certified (the leading body for sustainable coffee production) has stopped certifying caged production.

**Rescued five bears from cruel captivity** and gave them a safe haven in our Romanian bear sanctuary near Zarnesti. Run by our partner Asociația Mioane de Prieteni (AMP) the sanctuary gives 79 bears a semi-wild existence in the forested enclosures. More than 22,000 people and 28 school parties visited the sanctuary during 2014 and took part in guided tours to learn about the importance of keeping Romania's bears wild. The sanctuary gives the country's schoolchildren their only formal opportunity to learn about animal welfare and protection.

**Campaigned with our partner Green Korea United** to end the farming of bears for their bile in South Korea. Together we negotiated a landmark agreement with the Bear Farmers Association and the Ministry of Environment that will involve the sterilisation of most farmed bears. This means they will no longer be bred for the industry - an important commitment

towards ending bear bile farming in the country. And in Vietnam our efforts with our partner Education for Nature led to the closure of the last two bear bile facilities selling bile to tourists.

**Developed a wild animal protection education base** in a wild bear habitat in South-Western China. The base is encouraging people to protect their country's iconic wildlife and reduce demand for cruel wildlife products like bear bile. We capture and share fascinating images of the bears with visitors through 'camera trapping'. This is the use of hidden cameras to take photographs without disturbing the bears. As well as attracting great media attention, our images are featuring on official government websites, and those of the China Wildlife Conservation Association and the State Forestry Administration.

**Helped prosecute an auctioneer in the UK for illegally selling ivory.**

This landmark case, backed by evidence from our investigations and intelligence team, saw Chiswick Auctions fined £3,205 for selling a 1960s ivory tusk carved as a train of elephants. Under the Convention on International Trade in Endangered Species it is illegal to trade ivory taken from elephants killed after 1947 or ivory crafted after this date. We hope this fine and its resulting publicity will stop auction houses from selling ivory without the proper certification. Our investigations and intelligence team works with investigators, law enforcement officials and contacts worldwide to expose cruelty to animals.

“FAO appreciates and applauds the work of World Animal Protection to launch the Global Ghost Gear Initiative. It is both timely and warranted.”

Frank Chopin, chief of fishing operations and technology, Food and Agriculture Organization of the United Nations

## Looking forward In 2015 we will...

**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.

### Collection matters:

World Animal Protection UK organised a beach clean-up of ghost gear with environmental charity Surfers Against Sewage on Perranporth beach, Cornwall, UK.



# Our other global achievements

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## In 2014, we aimed to...

**Publish** the first ever Animal Protection Index – a formal index of animal protection in a range of countries.

## In 2014, we...

**Launched the world's first Animal Protection Index (API)** which judges 50 countries on their policy and legislation for animals, identifying where improvements can be made to protect animals and people. The API ranks countries on their commitment to protect animals in legislation, improve animal welfare and recognise animal sentience.

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## In 2014, we aimed to...

**Make sure** the needs of animals are addressed by the UN's Sustainable Development Goals (SDGs).

## In 2014, we...

**Participated in extensive negotiations at the UN** that concluded in a set of agreed SDGs. In particular, animal welfare is now reflected in 13 out of 169 global targets. Our influence opened doors that will help animal welfare become part of the global effort to achieve sustainable development over the next 15 years. Issues ranging from wildlife poaching and trafficking to sustainable agriculture by small holders and pastoralists are covered by the targets.

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## In 2014, we aimed to...

**Move** another 15 national governments and regional economic/political communities to support a Universal Declaration on Animal Welfare (UDAW). The UDAW is a formal international acknowledgement of a set of principles giving animal welfare due recognition among governments and the international community.

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## In 2014, we...

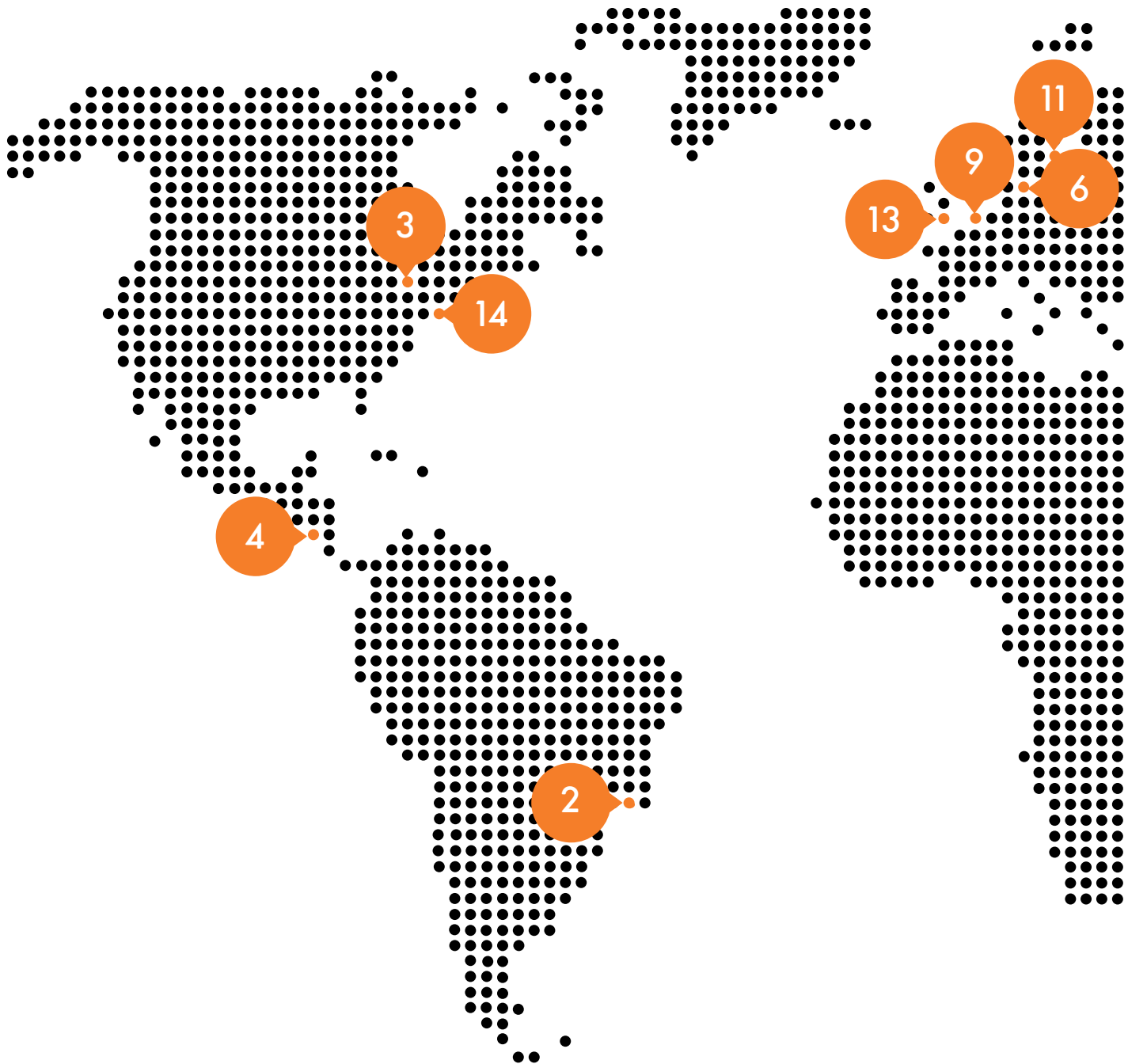
**Made great strides towards our goal** and, thanks to our efforts, enhanced global support for UDAW. As well as agreeing national and regional plans we worked with the OIE to engage with more than 120 chief veterinary officers worldwide. We wanted to establish any of their possible concerns about the UDAW and how as an organisation we might counter them.

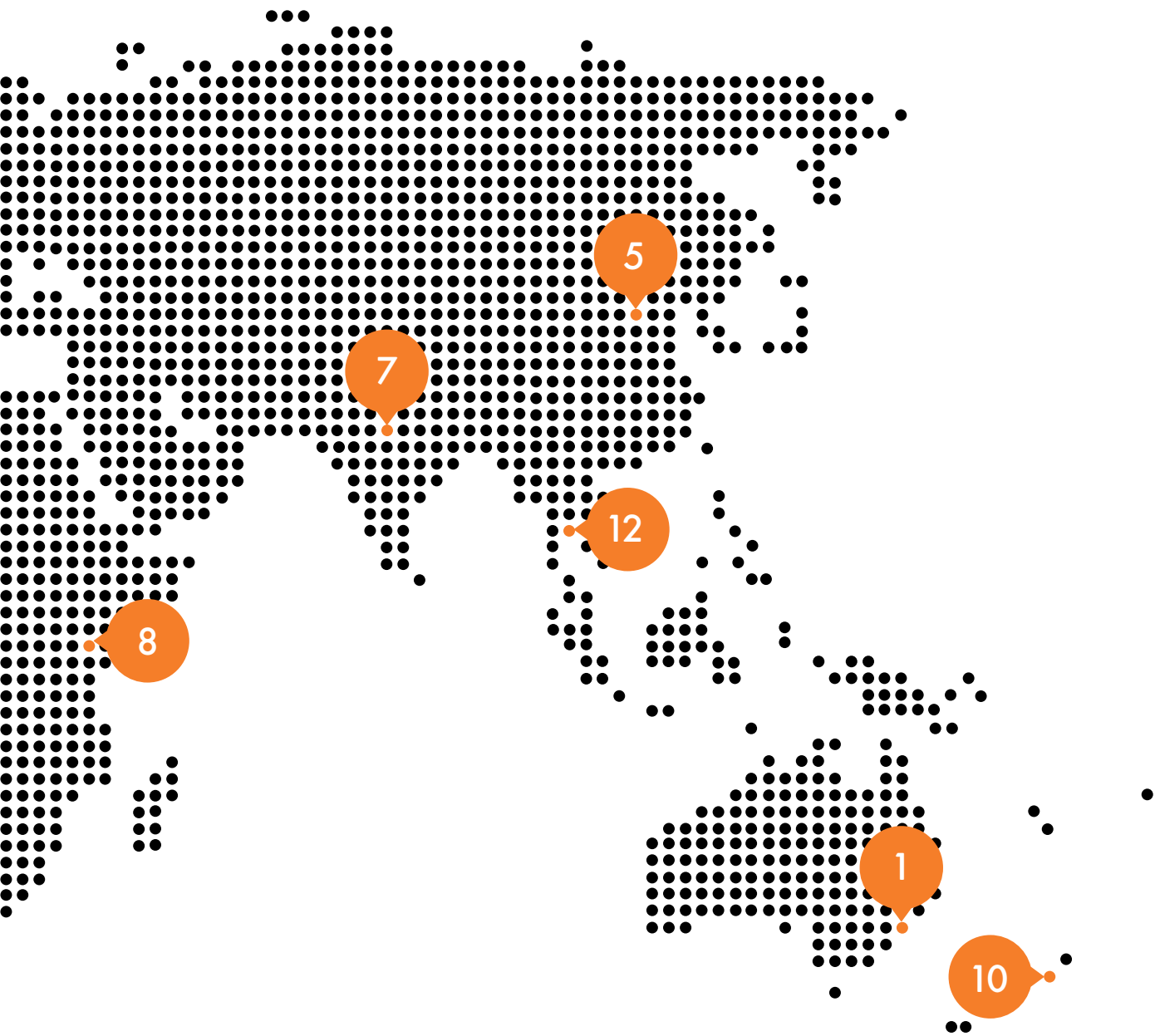
We also finalised our study with the London School of Economics regarding the economic benefits of animal welfare regulations. The study revealed that the UDAW could be highly advantageous to emerging and developing nations.



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

\*These offices form part of the UK Registered Charity and are included in these consolidated accounts.

\*\*These offices form part of the UK Registered Charity Group and are included in these consolidated accounts.

# Our financial review 2014

## At a glance

- Overall income increased by 24%
  - due to the acquisition of three new subsidiaries
  - partly offset by an 10% decline in income in existing subsidiaries and branches
- Net operating deficit reduced by 50%
- Maintained strong cash position

The financial operations of World Animal Protection in 2014 continued to see an overall improvement with the net deficit for the year, halving to £0.5m from the loss of £1.1m recorded in 2013.

Overall income increased to £34.5m compared to £27.9m in 2013. As detailed in Note 2, this increase was attributable to the formerly independent entities of World Animal Protection Australia, World Animal Protection New Zealand and World Animal Protection USA. This change in status resulted in a decrease in income under the heading "Donations from World Animal Protection organisations" and an increase in income from other sources, predominantly from "Appeals and Gifts". Moreover, these were recorded on a nil cost basis with the fair value of net assets being accounted for, in accordance with the requirements of the Statement of Recommended Practice on Accounting by Charities (SORP) 2005, as a donation of £2.5m and are shown under "other incoming resources".

Excluding the new entities and operations that ended in 2013, the income within other elements of the UK charity decreased by £2.1m (10%). This decline was across all income streams, with the exception of regular giving. Regular givers continue to be the major and stable source of income for World Animal Protection.

Our expenditure profile for 2014 shows that we:

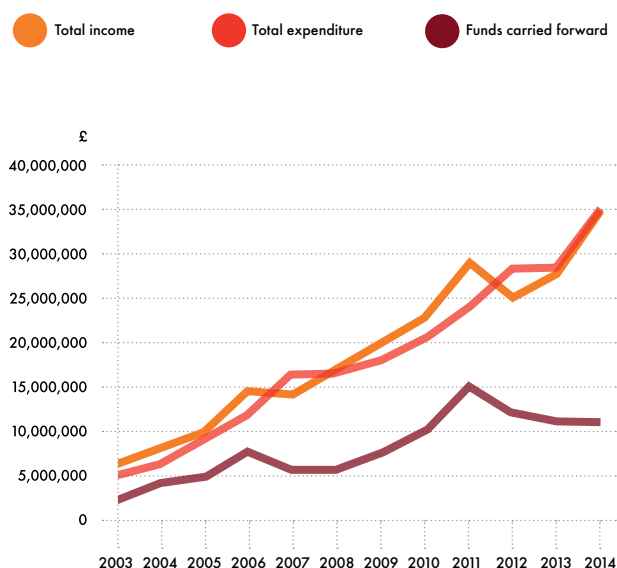
- increased our expenditure on charitable activities by £3.5m to £27.8m compared to £24.3m in 2013. This increase is attributable to the impact of the new entities.

Our expenditure on charitable activities now represents 79.4% of total expenditure

- increased our expenditure on activities for generating funds from £3.2m to £6.2m. The increase was again attributable to the impact of the new entities. The expenditure on this area now represents 17.7% of total expenditure; and
- decreased our expenditure on Governance matters to £0.9m from £1.4m in 2013. In 2013 higher costs were incurred due to strategic decisions to relocate and reorganise operations. Savings this year have been partly offset by expenditure incurred by the three new entities.

The Balance Sheet of World Animal Protection continued to remain healthy, with a strong cash position at £6.9m (2013: £6.5m) with both debtors and creditors at comfortable levels.

On 31 December 2014, our reserves were equal to 3.0 months' expenditure (2013: 3.1 months (re-stated)). This is within the range of our current reserves policy of 3-5 month's expenditure.





## Our fundraising

# Every pound, dollar and euro helps move the world

**We move the world to protect animals. Wherever animals are suffering, World Animal Protection is there to help. Our life-changing work for animals is only possible given the generous support of people around the world who share our commitment to animal protection.**

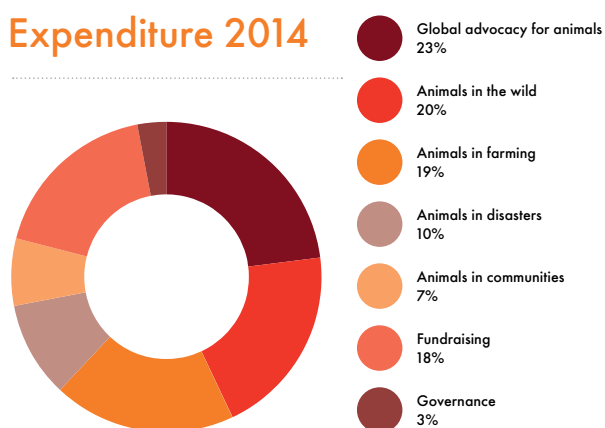
In 2014, World Animal Protection secured £31.8 million in voluntary income, which is an increase of 14% compared to 2013. The increase between these two years was primarily a result of the acquisition of the former separate entities of World Animal Protection Australia, World Animal Protection New Zealand and World Animal Protection USA. Excluding these new entities, income within other elements of World Animal Protection decreased by £2.1 million, a ten percent decrease from 2013.

Individual supporters continue to leave a legacy for animals in their generous gifts in wills to World Animal Protection. Legacy income totalled more than £4 million in 2014, which is a slight increase compared to 2013.

We secured £139,000 in funding from corporations, trusts and foundations, which is a decrease of nearly 14% compared to the previous year.

For more information about our global fundraising efforts, please see our 2014 Global Review, which includes a financial summary drawn from the accounts of all World Animal Protection entities.

## Expenditure 2014



### Other highlights from 2014

We received a gift of more than £50,000 from Nestlé as part of a landmark partnership with the world's largest food company. As Nestlé's first formal relationship with an international animal welfare protection organisation, our partnership presents a significant opportunity to improve the life and welfare of millions of farm animals in Nestlé's supply chain. It will also encourage other food companies to put the humane treatment of animals at the heart of their work.



In November 2014, World Animal Protection launched the Animal Protection Index, the first-ever index ranking how animals in 50 countries are protected by national law and policies. This new tool is the result of years of intense research, much of which was provided pro bono by DLA Piper, one of the world's largest law firms. We are grateful for our partnership with DLA Piper and the generous in-kind gifts, including more than £42,000 in 2014, that has made the Index possible. It has already encouraged governments to consider improvements in their animal welfare laws and to seek World Animal Protection's expertise to help them develop model animal welfare legislation.



We continue to receive generous support for our work to protect animals in disasters. Our donors provided more than £500,000 in 2014, enabling our disaster response teams to provide emergency feed, veterinary care and shelter to nearly 300,000 animals and train local communities in how to protect their animals from future disasters.

## Our volunteers

Our dedicated volunteers help with everything from office administration to raising vital funds. So we would like to take this opportunity to express our gratitude to all our volunteers for their dedication, hard work and support throughout 2014.

## Our grant-making policy

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

Grants to entities within the World Animal Protection network are routinely monitored through monthly management reports which include explanations of variance from agreed budgets. Grants to other organisations are governed by grant agreements which lay out agreed terms of reference and requirements for regular reporting.

## 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 and avoid holding excessive levels of reserves in order to maximise charitable spend 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 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.

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

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

## Our investment policy

The reserves policy establishes an appropriate target range for the level of reserves. The target range for 2014, and throughout the forthcoming period, has been established as between 3–5 months of annual expenditure for the UK-registered charity. The range is based on a risk assessment of the probability and likely impact on the charitable programme that might be caused by a decline in income, an increase in costs or an inability to reduce expenditure in the immediate short term.

Reserves (as defined in this policy) as at 31 December 2014 were £8.8 million (in 2013, they were £7.5 million). For 2014, total expenditure was £35.0 million (up from £29.0 million in 2013) and so reserves represent 3.0 months (2013: 3.1 months re-stated) of total expenditure. This is at the lower end of the agreed range.

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

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, whose role is to protect World Animal Protection's investments as well as to generate a return while observing World Animal Protection's investment restrictions.

During 2014, trustees in accordance with best practice, conducted a review of the investment manager and methodology for achieving the objectives of its investment policy. They concluded that the needs of World Animal Protection were best met by the transfer of funds to the Vanguard Life Strategy 60% Equity Fund. This transfer was completed in March 2014.

Trustees regularly monitor the performance of the investment portfolio and are satisfied with its performance in 2014.



# Our risks and uncertainties

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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 approved a risk management policy to assess business risk and implement risk management strategies.

In November 2012, our board appointed Crowe Clark Whitehill (CCW) to carry out the internal audit function within World Animal Protection. They will undertake a programme of reviews until October 2015.

In 2014, CCW completed reviews of our approach to operating internationally, our fundraising and our project management and the World Animal Protection offices in the USA, Australia and Brazil. All reports and recommendations were presented to the board, and the implementation of recommendations is being monitored. CCW also began several reviews late in the year which will be completed in 2015.

Following the 2013 internal audit report on our global risk management processes, we began in 2014 a continuing 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 programme involves:

- identifying and recording risks
- clarifying management responsibility for each risk
- assessing risks in terms of the potential likelihood of them occurring
- assessing risks in terms of their possible impact
- assessing each risk and determining acceptable tolerance levels
- adopting suitable counter measures to mitigate risks.

The board also reviews all this work at least annually.

The key risks and uncertainties that face the charity, as identified in the Risk Register, include:

Risk description	Mitigation in place
<p><b>1 Income</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>• We ensure that fundraisers actively participate in the co-development of campaigns.</li> <li>• We have improved budgeting and forecasting accuracy to help ensure that risk is managed and potential investment is not tied up in unpredicted underspending.</li> <li>• We diversify our fundraising streams and explore new fundraising markets.</li> <li>• 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.</li> </ul>
<p><b>2 Policy compliance</b></p> <p>Operating in over 50 countries around the world, often with staff working remotely, sometimes in disaster situations, and with a range of funded partners, there exists a continuing risk that we could suffer some loss of material assets through individual acts of fraud, theft or corruption such as bribery and money-laundering.</p>	<ul style="list-style-type: none"> <li>• A global Anti-Fraud, Bribery and Corruption policy is in place and we have developed detailed procedures to deter and detect possible incidents.</li> <li>• We also have a wider Finance policy setting out the principles by which we aim to operate effectively and responsibly and to combat risks.</li> <li>• Accounting policies &amp; procedures are in place and are regularly communicated to staff.</li> <li>• Financial reporting and monitoring processes are in place, which cover income and expenditure globally. All budgets have budget holders and major variances to budget and forecast are identified and questioned.</li> <li>• Both the External and Internal Audit functions report observations on compliance with internal controls.</li> <li>• We review and test internal control procedures.</li> </ul>
<p><b>3 Demonstrating impact</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>• We have developed mechanisms such as a quarterly 'dashboard' to monitor performance across all aspects of our operations.</li> <li>• 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.</li> <li>• We have ensured that the annual plan has clearer objectives to enable better monitoring.</li> <li>• We have introduced a new campaign management process which adds rigour at all stages of campaigns and projects, including their planning and implementation, and to the monitoring and assessment of their impact.</li> </ul>

Risk description	Mitigation in place
<p><b>4 Managing our reserves and cash-flow</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>• We set budgets that keep World Animal Protection within the agreed reserves range.</li> <li>• Our International Finance team prepares a monthly global cash flow forecast.</li> <li>• We carry out 'sensitivity analyses' which show the effect on cash flow in case receipts vary from budget.</li> <li>• We have implemented processes to transfer funds raised more quickly and to make global treasury management more efficient.</li> <li>• We request budget holders to build flexibility into budgets in case there is a need to reduce expenditure.</li> </ul>
<p><b>5 Forecasting</b></p> <p>Programme delays, currency issues and other factors could render financial forecasts less inaccurate 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.</p>	<ul style="list-style-type: none"> <li>• Senior management receives budget variance analyses every month.</li> <li>• We have delivered targeted financial training to staff in the International office and in some regions which focuses on budget setting and re-forecasting.</li> <li>• International Finance undertakes a top-down forecast to sit alongside bottom-up forecasts, in order to aid and improve decision making.</li> </ul>

## 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 international 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 sorts of 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 have paid due regard to the Charity Commission's guidance on public benefit when deciding on and planning the activities of World Animal Protection.

All board of trustees give their time voluntarily and receive no benefits from the charity. The charity operates a policy that ensures the board of trustees are reimbursed for expenses incurred in their role to ensure that no one is excluded from contributing on financial grounds. Any expenses reclaimed by the board of trustees are disclosed in Note 24 to the accounts.

This report demonstrates how World Animal Protection met its charitable purposes in 2014 and its principal achievements under its respective strategic priority areas of work.



# Our other important information

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## Our structure, governance and leadership

### Global structure

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

The organisation is grouped into five regions: Europe; Africa and the Middle East; North America; Latin America; and Asia-Pacific. These are headed by regional directors who coordinate and direct our work in their respective region 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. Our national offices raise money for charitable activities, and remit surplus funds to our international office, which redistributes these to fund programmatic activities worldwide.

Every World Animal Protection 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 three other offices in China, Kenya and Thailand – which are branches of the UK charity. On the 1 January 2014 the formerly independent entities Australia, New Zealand and the United States of America were acquired by World Animal Protection. Other independent national offices are located in Brazil, Canada, Costa Rica, Denmark, India, the Netherlands and Sweden.

World Animal Protection has been in existence for over 30 years but has been registered in the UK since 4 August 2000 and was incorporated on 7 July 2000. Its governing instrument is its Memorandum and Articles of Association which were updated in 2011. Prior to 2000 World Animal Protection operated in the UK as a branch of a not-for-profit charitable company registered in the District of Columbia, USA.

## Governance

The board of trustees consists of not more than 13 individuals. The board meets three times a year 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. Biographical information about current board of trustees of World Animal Protection can be found on our website.

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 at least three 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
- internal audit.

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. In addition, the committee continually reviews the skill requirements and performance 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.

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 trustee 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 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 (CEO's) remuneration and to keep under review World Animal Protection's policies on human resources and pay to ensure that they are consistent with the board's requirements, current legislation and best practice.

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

Mike Baker, 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.

The GLT consists: of John Trampleasure, deputy CEO; Bidesh Sarkar, interim chief operating officer; Steve McIvor, director of campaigns; Margaret West, regional director Asia-Pacific; Ruud Tombrock, regional director Europe; Alfredo Botti, regional director Latin America; Silia Smith, regional director North America, and Tennyson Williams, regional director Africa and the Middle East.

The charity employs a team of staff in London who coordinate the global work of World Animal Protection.

### Image on next page

**Gentle touch:** Thanks to the success of our mobile clinic and Human Behaviour Change project with the Palestine Wildlife Society, Palestinian donkeys have better lives than ever before. Since 2009 more than 13,000 treatments have been given to donkeys in 19 communities.





# Our reference and administrative details

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

**Charity registration number** 1081849

**Company registration number** 4029540

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

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

<b>Mr Mark Watts</b> <sup>1,4</sup>	President: Chair, standing committee
<b>Ms Hanja Maij-Weggen</b> <sup>2,4</sup>	Deputy president
<b>Mr Paul Baldwin</b> <sup>1,2,4</sup>	Chair, finance and audit committee
<b>Mr Dominique Bellemare</b> <sup>3</sup>	
<b>Dr Bjarne Clausen</b>	Retired June 2014
<b>Dr Chinny Krishna</b> <sup>2</sup>	
<b>Mr Carter Luke</b> <sup>2,3,4</sup>	Chair, nominations and governance committee
<b>Ms Marcelle Meredith</b> <sup>1,3,4</sup>	Chair, human resources and remuneration committee
<b>Dr Andrew Rowan</b> <sup>1,2</sup>	Retired June 2014
<b>Mr Joseph Nhan-O'Reilly</b>	
<b>Ms Nesta Hatendi</b> <sup>3</sup>	
<b>Ms Cecilia Vega Leon</b> <sup>1</sup>	
<b>Dr Hugh Wirth</b> <sup>1,3</sup>	Retired November 2014

<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 Standing Committee

<b>Chief Executive Officer</b>	Mr Mike Baker
<b>Investment managers</b>	Vanguard Asset Management Limited 4th Floor, The Walbrook Building, 25 Walbrook, London EC4N 8AF
<b>Bankers</b>	The Co-operative Bank 62-64 Southampton Row, London WC1B 4ND
<b>Solicitors</b>	Bates Wells and Braithwaite London LLP 2-6 Cannon Street, London EC4M 6YH
<b>Auditors</b>	Grant Thornton UK LLP Grant Thornton House, Melton Street, London NW1 2EP

# Our statement of board of trustees responsibilities

The board of trustees (who are also directors of World Animal Protection for the purposes of company law) are responsible for preparing the board of trustees' 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 have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the board of 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 are 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 judgments 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
- prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charitable group will continue in business.

The board of trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions. And that disclose with reasonable accuracy, at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board of trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the board of trustees have taken all the steps that they ought to have taken as the board of 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 board of trustees are responsible for the maintenance and integrity of the corporate and financial information included on the 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.

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

## Mark Watts

Trustee

3 June 2015

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

We have audited the financial statements of World Animal Protection for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cashflow Statement and the Summary of 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).

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 the board of trustees and auditor

As explained more fully in the board of trustees' responsibilities statement set out on page 67, the board of 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 (APB'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 APB'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 the parent charitable company's affairs as at 31 December 2014 and of the group's charitable company'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 Companies Act 2006.

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

In our opinion the information given in the Strategic Report and the Trustees' Annual Report and Accounts 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:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us
- the parent charitable company's financial statements are not in agreement with the accounting records or returns
- certain disclosures of board of trustees' remuneration specified by law are not made
- we have not received all the information and explanations we require for our audit.

## Carol Rudge

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London  
3 June 2015



# Consolidated financial statements

## Consolidated statement of financial activities for year ending 31 December 2014

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2014 Total £'000	2013 Total £'000
<b>Incoming resources from generated funds</b>						
Voluntary income	2	30,162	1,641	-	31,803	27,766
Activities for generating funds	3	8	-	-	8	9
Investment income	4	150	-	-	150	117
Other incoming resources	5	1,852	-	667	2,519	-
<b>Total incoming resources</b>		<b>32,172</b>	<b>1,641</b>	<b>667</b>	<b>34,480</b>	<b>27,892</b>
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	6	6,203	-	-	6,203	3,235
Fundraising trading	3	4	-	-	4	4
Investment manager fees		15	-	-	15	21
<b>Net incoming resources available for charitable application</b>		<b>25,950</b>	<b>1,641</b>	<b>667</b>	<b>28,258</b>	<b>24,632</b>
<b>Charitable activities</b>						
Animals in communities	7	3,209	203	-	3,412	2,749
Animals in farming		4,362	988	-	5,350	4,177
Animals in disasters		2,314	543	-	2,857	2,493
Animals in the wild		6,837	997	-	7,834	5,616
Global advocacy for animals		8,313	34	-	8,347	9,244
<b>Total charitable expenditure</b>		<b>25,035</b>	<b>2,765</b>	<b>-</b>	<b>27,800</b>	<b>24,279</b>
Governance costs	10	954	-	-	954	1,442
<b>Total resources expended</b>		<b>32,211</b>	<b>2,765</b>	<b>-</b>	<b>34,976</b>	<b>28,981</b>
<b>Net incoming resources before gains and losses</b>		<b>(39)</b>	<b>(1,124)</b>	<b>667</b>	<b>(496)</b>	<b>(1,089)</b>
Realised gains/(losses) on investment assets		21	-	(45)	(24)	13
<b>Net deficit for the year</b>		<b>(18)</b>	<b>(1,124)</b>	<b>622</b>	<b>(520)</b>	<b>(1,076)</b>
Unrealised gains on investment assets	14	168	-	47	215	365
<b>Net movement in funds</b>		<b>150</b>	<b>(1,124)</b>	<b>669</b>	<b>(305)</b>	<b>(711)</b>
Fund balances brought forward		8,859	1,235	985	11,079	11,790
Fund balances carried forward		9,009	111	1,654	10,774	11,079

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.

## Consolidated financial statements

### Consolidated and charity balance sheet at 31 December 2014

	Note	Consolidated 2014 £'000	Charity 2014 £'000	Consolidated 2013 £'000	Charity 2013 £'000
<b>Fixed assets</b>					
Tangible assets	13	960	604	869	869
Other non current assets		13	13		
Investments	14	3,643	3,210	3,158	3,158
		<b>4,616</b>	<b>3,827</b>	4,027	4,027
<b>Current assets</b>					
Debtors	15	2,321	2,373	2,621	2,652
Cash on deposit	27	1,001	562	558	558
Cash at bank and in hand	27	5,885	4,579	5,960	5,922
		<b>9,207</b>	<b>7,514</b>	9,139	9,132
Creditors: amounts falling due within one year	16	(2,693)	(2,181)	(1,996)	(1,993)
		<b>6,514</b>	<b>5,333</b>	7,143	7,139
Provisions	17	(356)	(330)	(91)	(91)
		<b>10,774</b>	<b>8,830</b>	11,079	11,075
<b>Unrestricted funds</b>					
Designated funds	18	1,100	744	1,009	1,009
Revaluation funds		182	168	559	559
General funds		7,727	6,825	7,291	7,287
		<b>9,009</b>	<b>7,737</b>	8,859	8,855
<b>Restricted funds</b>	19	111	106	1,235	1,235
<b>Capital funds</b>					
Endowments	20	1,654	987	985	985
		<b>10,774</b>	<b>8,830</b>	11,079	11,075

The financial statements were approved by the board of trustees on 3 June 2015

Mark Watts  
Trustee

Registered company no: 4029540

The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated financial statements

### Consolidated cashflow statement

	Note	2014 £'000	2013 £'000
Net cash inflow/(outflow) from operating activities	26	459	(851)
<b>Returns on investments and servicing of finance</b>	4		
Interest received		63	31
Investment income		87	86
<b>Net cash inflow from returns on investments and servicing of finance</b>		<b>150</b>	<b>117</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	13	(52)	(60)
Purchase of investments	14	(3,374)	(470)
Sale of fixed asset investments	14	2,954	475
		<b>(472)</b>	<b>(55)</b>
<b>Net cash outflow before management of liquid resources and financing</b>		<b>137</b>	<b>(789)</b>
<b>Decrease in cash</b>	27	<b>137</b>	<b>(789)</b>



## Consolidated financial statements

### Summary income and expenditure account

#### The World Animal Protection Group

	2014 £'000	2013 £'000
<b>Income</b>		
Voluntary income	31,803	27,766
Activities for generating funds	8	9
Investment Income	150	117
Other incoming resources	2,519	
	<b>34,480</b>	<b>27,892</b>
<b>Expenditure</b>		
Costs of generating voluntary income	6,203	3,235
Fundraising trading	4	4
Investment manager fees	15	21
Charitable activities	27,800	24,279
Governance costs	954	1,442
	<b>34,976</b>	<b>28,981</b>
Realised gains/(losses) on investments	<b>(24)</b>	13
Net (expenditure)/income	<b>(520)</b>	<b>(1,076)</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 2005, 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

#### Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with the applicable accounting standards, including the Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities (revised 2005) and the Companies Act 2006.

#### 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 China, Thailand and Kenya, and its wholly owned trading subsidiary World Animal Protection Trading Company Limited. The branches are 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 paragraph 397 of the SORP and Section 408 of the Companies Act 2006.

The charity became 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.

#### 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.

#### Tangible fixed assets

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

Computer equipment	3 years
Software	3 years
Office equipment	3 years
Leasehold property	The life of the lease

#### Funds 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.

#### Incoming resources

##### Appeals, grants and donations

Income from appeals, grants and donations is included in incoming resources when it is receivable, except as follows:

- when donors specify that donations and grants given to World Animal Protection must be used in future accounting periods, the income is deferred until those periods.
- when donors impose conditions which have to be fulfilled before World Animal Protection becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- when donors specify that donations and grants are for particular restricted purposes which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

##### Legacies

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty.

##### Grants

Revenue grants are recognised as incoming resources when they are receivable provided that the conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

## Notes to the consolidated financial statements

### 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.

### Resources expended and basis of cost allocation

Resources expended are included in the consolidated SOFA on an accruals basis, inclusive of any irrecoverable VAT which is included as part of the expenditure to which it relates.

### Costs of generating funds

The costs of generating funds comprise the costs incurred in generating voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing the investments.

### Charitable expenditure

Charitable expenditure 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.

### Governance costs

Governance costs represent costs incurred in meeting the constitutional and statutory requirements of World Animal Protection and include audit and legal fees linked to the strategic management of World Animal Protection.

### Grants

Grants payable are accounted for as expenditure in the year in which an irreversible binding commitment to make payment is entered into.

### 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.

### Pensions

The group 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.



## Notes to the consolidated financial statements

### 2. Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	2014 £'000	2013 £'000
Appeals and gifts	19,572	1,291	20,863	10,807
Legacies	3,791	241	4,032	3,909
Corporate donations, trust, foundation and society grants	85	54	139	158
Gifts in kind	42	-	42	131
Other income	32	-	32	11
Donations from World Animal Protection organisations (Note 24)	6,640	55	6,695	12,750
	<b>30,162</b>	<b>1,641</b>	<b>31,803</b>	<b>27,766</b>

### 3. Activities for generating funds

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 ancillary activities.

A summary of the subsidiary's trading results is shown in note 5.

### 4. Investment income and interest

	Unrestricted funds £'000	Restricted funds £'000	2014 £'000	2013 £'000
Interest receivable on bank deposits	63	-	63	31
Investment income	87	-	87	86
	<b>150</b>	<b>-</b>	<b>150</b>	<b>117</b>

## Notes to the consolidated financial statements

### 5. Subsidiary companies

	Trading company		USA	Australia	New Zealand
	2014	2013	2014	2014	2014
	£'000	£'000	£'000	£'000	£'000
Income	8	9	2,265	7,413	2,204
Expenditure	(4)	(4)	(2,540)	(7,389)	(2,533)
Net incoming/(outgoing) resources before gains and losses and gift aid	<b>4</b>	5	<b>(275)</b>	<b>24</b>	<b>(329)</b>
Gift Aid	<b>(4)</b>	(5)	-	-	-
Net incoming resources before gains and losses	-	-	<b>(275)</b>	<b>24</b>	<b>(329)</b>
Gains / (Losses) on investments	-	-	-	-	-
<b>Net Movement in funds</b>	-	-	<b>(275)</b>	<b>24</b>	<b>(329)</b>
Assets	16	38	1,658	1,283	229
Liabilities	(12)	(34)	(402)	(706)	(123)
Funds	4	4	1,256	577	106

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 at 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 £'000
Fixed Assets	266	256	7	528
Cash	1,180	790	520	2,490
Other current assets	532	108	17	475
Current liabilities	(265)	(555)	(83)	(903)
Non-current liabilities	-	(45)	(26)	(71)
<b>Net Assets</b>	<b>1,713</b>	<b>553</b>	<b>435</b>	<b>2,701</b>
Fair value adjustments	-	-	-	-
Adjustments to achieve consistency in accounting policies*	(182)	-	-	(182)
<b>Assets acquired by World Animal Protection</b>	<b>1,531</b>	<b>553</b>	<b>435</b>	<b>2,519</b>

All assets and liabilities were reviewed at date of acquisition, and no fair value adjustments were deemed necessary. The net assets were donated to the charity.

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

## Notes to the consolidated financial statements

### 6. Costs of generating voluntary income

	2014 £'000	2013 £'000
Appeals and gifts	5,787	3,017
Legacies	185	115
Corporate donations, trust, foundation and society grants	231	103
	6,203	3,235

### 7. Charitable activities

	External grants £'000	Direct expenditure £'000	Support costs (Note 9) £'000	Total 2014 £'000	Total 2013 £'000
Animals in communities	247	2,355	810	3,412	2,749
Animals in farming	160	3,920	1,270	5,350	4,177
Animals in disasters	87	2,092	678	2,857	2,493
Animals in the wild	546	5,429	1,859	7,834	5,616
Global advocacy for animals	208	6,158	1,981	8,347	9,244
	1,248	19,954	6,598	27,800	24,279

## Notes to the consolidated financial statements

### 8. Grants

Grants were made to the following institutions:

	2014 £'000	2013 £'000
University of Oxford	250	119
Assoc de Protectie a Animaleor	230	252
Compassion in World Farming	157	-
Chinese Preventive Medicine Association (CACDC)	110	-
Office International des Epizooties	50	-
Makueni County Government	48	7
Humane Society International (HSI)	46	9
Animal Disease Control	36	-
All Party Parliamentary Group	25	-
University of Queensland	24	-
Directorate General for Ariculture & Rural Development	23	-
Species Survival Network - SSN	20	19
North Carolina Zoological Society	19	-
University of Nairobi	16	14
Palestine Wildlife Society	15	-
Freeland Foundation	13	19
Kenya Veterinary Association	12	17
Asicattia Save the Dogs and other animals	10	-
International Whaling Commission (IWC)	10	18
Elephant Conservation Network	9	-
Global Alliance for Rabies Control	9	67
Surfers against Sewage LTD	7	-
Lanna Dog Welfare	7	45
Zoonotic Disease Unit	7	-
International fund for Animal Welfare (IFAW)	7	16
Department of Live Stock - World Rabies Day in Chiang Mai	6	-
International Federation of Red Cross	6	-
Centre Compassionate Conservation UTS	5	-
Bioresource Research(Pakistan) BRC	-	296
Food and Agricultural Organisation (FAO)	-	169
China Animal Disease Control Center	-	137
Education for Nature (Vietnam), (enV)	-	86
Metropolitan Police - Wildlife Crime Unit	-	78
Fai Farms Ltd	-	69
Metro Manila	-	52
Zanzibar Department of Veterinary Services	-	50
Beijing Chaoyang Dist Anhua Dongwu Chanping Anquan Research	-	44
Animal Disease Control	-	35
Green Korea United	-	33
Pegasus	-	32
World Horse Welfare	-	29
Directorate General of Health Services - Bangladesh	-	27
Borneo Orangutan Survival Foundation	-	25
Uon Veru	-	20
Oxfam GB	-	20
Commonwealth Veterinary association	-	19
Wildlife Trust India	-	15
Kenyatta University	-	13
The Royal Veterinary College	-	13
Indonesian Veterinary Medical Association (IVMA)	-	12
Sierra Leone Animal Welfare Society	-	11
The University of Edinburgh	-	10
National Curriculum Development Centre	-	10
The Winged horse trust	-	10
Lampang Pony Welfare foundation	-	10
Makueno	-	7
Urban St Leonards	-	7
Love Wild Life Foundation	-	6
Trinidad and Tobago Vet	-	5
Other grants to institutions (all under £5,000)	71	50
	1,248	2,002

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

	Animals in communities	Animals in farming	Animals in disasters	Animals in the wild	Global advocacy for animals	Costs of generating voluntary income	Governance (see Note 10)	Total 2014	Total 2013
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Office and IT	367	575	307	841	897	427	89	<b>3,503</b>	2,922
Staff costs	443	695	371	1,018	1,084	415	91	<b>4,117</b>	3,848
	<b>810</b>	<b>1,270</b>	<b>678</b>	<b>1,859</b>	<b>1,981</b>	<b>842</b>	<b>180</b>	<b>7,620</b>	<b>6,770</b>

Support costs are apportioned on the basis of direct spend on each area.

### 10. Governance costs

	2014 Total £'000	2013 Total £'000
Audit fees	172	98
Legal fees	208	523
International management	394	349
Support (see Note 9)	180	472
	<b>954</b>	<b>1,442</b>

### 11. Net incoming resources

<b>This is stated after charging:</b>	2014 £'000	2013 £'000
Operating lease – premises	976	518
Depreciation:		
Tangible fixed assets owned	391	343
Auditor remuneration		
- Statutory audit*	111	70
- Non-audit services	-	1
- Internal audit	61	27
Investment manager fees	15	21

\*Audit remuneration in relation to the group audit was £42,000 and this was paid to Grant Thornton UK LLP. Audit remuneration for overseas offices was £69,000 and this was paid to Grant Thornton International Member firms.

## Notes to the consolidated financial statements

### 12. Employees and staff costs

The payroll costs of these were as follows:

	2014 £'000	2013 £'000
Wages and salaries	12,024	9,816
Social security costs	1,237	870
Other pension costs	678	550
	<b>13,939</b>	<b>11,236</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:

	2014 Number	2013 Number
Charitable activities, campaigns and publicity	153	134
Fundraising	60	31
Managing and administration	55	51
Leadership and governance	15	8
	<b>283</b>	<b>224</b>

The emoluments of members of staff, including benefits in kind, above £60,000 are:

	2014 Number	2013 Number
£60,000 - £69,999	16	14
£70,000 - £79,999	17	8
£80,000 - £89,999	6	4
£90,000 - £99,999	1	2
£110,000 - £119,999	3	2
£120,000 - £129,999	-	2
£130,000 - £139,999	1	-
£230,000- £239,999	-	1

Pension costs were paid in respect of 38 of these employees which amounted to £218,709 (2013 £166,050)

## 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 2014	1,048	89	241	298	1,676
Additions due to new entities	55	333	168	46	602
Additions	-	33	19	-	52
Disposals	-	-	-	-	-
<b>At 31 December 2014</b>	<b>1,103</b>	<b>455</b>	<b>428</b>	<b>344</b>	<b>2,330</b>
<b>Accumulated depreciation</b>					
At 1 January 2014	396	43	165	203	807
Accumulated depreciation due to new entities	12	39	88	33	172
Depreciation in year	160	54	92	85	391
<b>At 31 December 2014</b>	<b>568</b>	<b>136</b>	<b>345</b>	<b>321</b>	<b>1,370</b>
<b>Net book amount at 31 December 2014</b>	<b>535</b>	<b>319</b>	<b>83</b>	<b>23</b>	<b>960</b>
Net book amount at 31 December 2013	652	46	76	95	869

### Tangible fixed assets (charity)

	Leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
<b>Cost</b>					
At 1 January 2014	1,048	89	241	298	1,676
Additions	-	33	5	-	38
Disposals	-	-	-	-	-
<b>At 31 December 2014</b>	<b>1,048</b>	<b>122</b>	<b>246</b>	<b>298</b>	<b>1,714</b>
<b>Accumulated depreciation</b>					
At 1 January 2014	396	43	165	203	807
Depreciation in year	155	17	57	74	303
<b>At 31 December 2014</b>	<b>551</b>	<b>60</b>	<b>222</b>	<b>277</b>	<b>1,110</b>
<b>Net book amount at 31 December 2014</b>	<b>497</b>	<b>62</b>	<b>24</b>	<b>21</b>	<b>604</b>
Net book amount at 31 December 2013	652	46	76	95	869

## Notes to the consolidated financial statements

### 14. Investments (consolidated and charity)

	Charity 2014 £'000	Consolidated 2014 £'000	2013 £'000
Market value as at 1 January 2014	2,928	2,927	2,567
Acquisition due to new entities	-	105	
Less: disposals at opening book value	(2,928)	(2,978)	(475)
Add: acquisitions at cost	2,995	3,374	470
Unrealised gain/(loss) on revaluation	215	215	365
	<b>3,210</b>	<b>3,643</b>	2,927
Market value at 31 December 2014			
Cash	-	-	231
	<b>3,210</b>	<b>3,643</b>	3,158
Historical cost at 31 December 2014	<b>2,995</b>	<b>3,414</b>	2,323

An analysis of the market value of investments at 31 December 2014 is as follows:

	Charity 2014 £'000	Consolidated 2014 £'000	2013 £'000
UK equities	-	-	1,385
Overseas equities	-	79	828
UK stock indexed funds	3,210	3,210	-
US stock indexed funds	-	198	-
Bonds	-	22	-
Bond indexed funds	-	134	-
UK fixed interest stock	-	-	714
	<b>3,210</b>	<b>3,643</b>	2,927
Cash	-	-	231
	<b>3,210</b>	<b>3,643</b>	3,158

At 31 December 2014 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 3. At 31 December 2014 the amount of this company's assets, liabilities, share capital and reserves was:

	2014 £'000	2013 £'000
Current assets	16	38
Creditors: amounts falling due within one year	(12)	(34)
	<b>4</b>	4
Called up share capital - (£2 rounded down to nil)	-	-
Profit and loss account	4	4
	<b>4</b>	4



## Notes to the consolidated financial statements

### 15. Debtors

	Consolidated 2014 £'000	Charity 2014 £'000	Consolidated 2013 £'000	Charity 2013 £'000
Owed by World Animal Protection Trading Company limited	-	3	-	31
Trade debtors	205	5	10	10
Owed by other World Animal Protection entities	1,121	1,532	1,203	1,203
Accrued income	464	460	1,037	1,037
Prepayments	447	297	216	216
Inventory	3	-	-	-
Other debtors	81	76	155	155
	<b>2,321</b>	<b>2,373</b>	2,621	2,652

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

	Consolidated 2014 £'000	Charity 2014 £'000	Consolidated 2013 £'000	Charity 2013 £'000
Trade creditors	1,239	1,091	834	831
Other creditors	99	25	9	9
Tax and employee benefits payable	330	230	201	201
Provisions	186	-	-	-
Accruals	599	346	681	681
Amounts owed to other World Animal Protection entities	240	489	271	271
	<b>2,693</b>	<b>2,181</b>	1,996	1,993

### 17. Provisions

	2014 £'000	2013 £'000
Provisions	330	91
Other non current liabilities	26	-
	<b>356</b>	91

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 are in discussions with HMRC and a third party contractor to clarify the position.

## Notes to the consolidated financial statements

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

Consolidated	Balance at 1 January 2014 £'000	Income £'000	Expenditure £'000	Investment gains /(losses) £'000	Transfers £'000	Balance at 31 December 2014 £'000
Designated funds	1,010	-	-	-	90	1,100
General funds and revaluation funds	7,849	32,172	32,211	189	(90)	7,909
	<b>8,859</b>	<b>32,172</b>	<b>32,211</b>	<b>189</b>	-	<b>9,009</b>

As at 31 December 2014, 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 board of trustees).

Charity	Balance at 1 January 2014 £'000	Income £'000	Expenditure £'000	Investment gains /(losses) £'000	Transfers £'000	Balance at 31 December 2014 £'000
Designated funds	1,010	-	-	-	(266)	744
General funds and revaluation funds	7,845	23,764	25,071	189	266	6,993
	<b>8,855</b>	<b>23,764</b>	<b>25,071</b>	<b>189</b>	-	<b>7,737</b>

### 19. Restricted funds (Consolidated)

	Balance at 1 January 2014 £'000	Income £'000	Expenditure £'000	Balance at 31 December 2014 £'000
Animals in communities	49	160	203	6
Animals in farming	1,036	53	988	101
Animals in disasters	40	504	544	-
Animals in the wild	81	919	996	4
Global advocacy for animals	29	5	34	-
<b>Total restricted funds</b>	<b>1,235</b>	<b>1,641</b>	<b>2,765</b>	<b>111</b>

### Restricted funds (Charity)

	Balance at 1 January 2014 £'000	Income £'000	Expenditure £'000	Balance at 31 December 2014 £'000
Animals in communities	49	160	204	5
Animals in farming	1,036	53	988	101
Animals in disasters	40	504	544	-
Animals in the wild	81	905	986	-
Global advocacy for animals	29	5	34	-
<b>Total restricted funds</b>	<b>1,235</b>	<b>1,627</b>	<b>2,756</b>	<b>106</b>

## Notes to the consolidated financial statements

These funds are allocated for specific projects as follows:

Fund	Purpose
<b>Animals in communities</b>	World Animal Protection aims to help animals in communities around the world by persuading national and local governments to stop the needless killing of the animals which live in and belong to those communities, especially in response to the fear of rabies. We also work with communities to end cruelty towards and neglect of working equines.
<b>Animals in farming</b>	The aim of the animals in farming programme is to promote humane and sustainable agriculture and achieve measurable improvements in farm animal welfare in strategically key areas of the world.
<b>Animals in disasters</b>	Funds for disaster relief work are used in emergencies and working with governments and communities to help reduce risks posed by future disasters. Our disaster management work saves the lives of animals in disasters and the livelihoods of people who depend on them.
<b>Animals in the wild (bears)</b>	Funds are used for a variety of bear protection projects including bear sanctuaries and ongoing campaigns on the bear bile industry and bear trade issue, dancing bears in Asia and bear baiting in Pakistan.
<b>Animals in the wild (other)</b>	Funds were received and used on a variety of wildlife projects including marine debris, human-elephant conflicts, and tackling wildlife crime.
<b>Global advocacy for animals</b>	Funds were received for our First Concept in Animal Welfare Education Programme.

### 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 2014	-	-	636	349	985
Endowment funds acquired as at 1 January 2014	30	637	-	-	667
Net realised and unrealised gains	-	-	47	-	47
Sale of assets - realised losses	-	-	(29)	(16)	(45)
Balance at 31 December 2014	<b>30</b>	<b>637</b>	<b>654</b>	<b>333</b>	<b>1,654</b>

### Endowment funds (Charity)

	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2014	636	349	985
Net realised and unrealised gains	47	-	47
Sale of assets - realised losses	(29)	(16)	(45)
Balance at 31 December 2014	<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 board of trustees.

The Ruth Whist Capital Cash Fund arises from a donation for use in work for animals in need. The capital of the fund cannot be spent and interest should be withdrawn annually for use at the discretion of International Director of Campaigns. The income arising from this fund is part of unrestricted investment income.

In World Animal Protection USA, since 1980, a number of 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 according to type of funds

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	960	-	-	960
Investments	2,324	-	1,319	3,643
Provisions	(356)	-	-	(356)
Net current assets	6,081	111	335	6,527
	<b>9,009</b>	<b>111</b>	<b>1,654</b>	<b>10,774</b>

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	604	-	-	604
Investments	2,223	-	987	3,210
Provisions	(330)	-	-	(330)
Net current assets	5,240	106	-	5,346
	<b>7,737</b>	<b>106</b>	<b>987</b>	<b>8,830</b>

### 22. Commitments

Capital commitments: there were no capital commitments by the charity or group, contracted or authorised, at 31 December 2014 or 31 December 2013.

### 23. Operating lease

Operating lease payments relate to the premises of the charity including the overseas branch offices. The leases to which these amounts relate expire as follows.

	Consolidated 2014 £'000	Charity 2014 £'000	Consolidated 2013 £'000	Charity 2013 £'000
In one year or less	49	49	45	45
Between one and five years	773	627	459	459
In five years or more	184	-	-	-



## Notes to the consolidated financial statements

### 24. Board of trustees, directors and related parties

No trustee receives any remuneration for their services as trustee of the charity.

Eight trustees received payments totalling £12,170 (2013: 6 Trustees - £18,381) as reimbursement of travel costs.

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.

<b>World Animal Protection entities</b>	<b>Paid to £'000</b>	<b>Received from £'000</b>
Brazil	778	-
Canada	-	591
Colombia	-	8
Costa Rica	786	-
Denmark	-	1,961
India	353	-
Netherlands	-	3,596
Sweden	-	539
	<u>1,917</u>	<u>6,695</u>

Advantage has been taken of the exemption given by FRS 8, Related Party Disclosures from disclosing balances and transactions with wholly owned subsidiaries.

### 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 surplus of income to net cash inflow from operating activities

	<b>2014 £'000</b>	<b>2013 £'000</b>
Net movement in funds for the year before investment gains	<b>(496)</b>	(1,089)
Removing donated fixed assets and investments	<b>(535)</b>	-
Investment income	<b>(150)</b>	(117)
Gains / losses on foreign exchange transactions	-	13
Depreciation	<b>391</b>	343
increase in other non current assets	<b>(13)</b>	-
Decrease in debtors	<b>300</b>	863
Increase/(decrease) in creditors	<b>962</b>	(180)
<b>Net cash from operating activities</b>	<b><u>459</u></b>	<b><u>(167)</u></b>

## Notes to the consolidated financial statements

### 27. Analysis of net cash resources

	At 1 January 2014 £'000	Cashflow £'000	At 31 December 2014 £'000
Cash held on short-term deposit by investment managers (note 14)	231	(231)	-
Cash on deposit	558	443	1,001
Cash at bank and in hand	5,960	(75)	5,885
	6,749	137	6,886

Some of the year end cash balances are held in a number of foreign currency accounts including US Dollars and Euros.

### 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 £2.3 million (2013: £1.1 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 are currently looking to sublet or reassign the lease. This will result in significant annual cost savings for the charity. At present it is not possible to calculate with reasonable accuracy the financial impact that will be realised in this coming financial year due to the uncertainty over timing of any potential agreement.

# Thank you

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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 2014. With your continued generous support, we will work hard in 2015 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.

Cover image

**Looking forward:** Herding sheep on El Hatico, a sustainable farm in Colombia

## Contact us



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