



Annual report and accounts 2022

Our vision:
A world where animals live
free from cruelty and suffering

Our purpose:
We move the world to
protect animals

Our brand statement:
Together, we are changing
the way the world works to
end animal cruelty and
suffering. Forever.

World Animal Protection is
registered with the Charity
Commission as a charity and
with Companies House as a
company limited by
guarantee. World Animal
Protection is governed by its
Articles of Association.
Charity registration number
1081849
Company registration number
4029540
Registered office 222 Gray's
Inn Road, London WC1X
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About the cover:

As one of the most intensively
farmed animals on the planet
pigs suffer from the moment they
are born. Their lives in the wild
are in stark contrast to the life
they face on a factory farms.
These piglets are born into a
lifetime of suffering.

Undisclosed location in Latin
Ame.
Credit: World Animal Protection
/ Emi Kondo

Our strategic and trustees' annual report	
Foreword. Facing our global crisis. Together.	3
Moving the world in numbers through systems change – 2022	4
A new world for animals... 2021–2030. Our strategy made simple	5
What does system change actually mean?	7
Making legal history for animals – 2022	8
Taking animals to the heart of COP27	9
Transforming the broken farming system	10
Transforming the world for wildlife	20
How we'll move the world in 2023	30
Our global reach	31
Financial review	32
Our fundraising approach	34
Financial policies	36
Risks and uncertainties	38
Structure, governance and management	39
Reference and administrative details	41
Our public benefit requirement	42
Statement of trustees' responsibilities	43
Independent auditor's report to the members of World Animal Protection	44
Consolidated financial statements	47
Consolidated statement of financial activities	47
Consolidated and charity balance sheets	48
Consolidated statement of cash flows	49
Reconciliation of net income to net cash flow from operating activities	49
Notes to the consolidated financial statements	50
Thank you	68

Foreword

Facing our global crisis. Together.

Three distressing images from 2022. A zebra lying dead in the parched Kenyan landscape – its once strong and vibrant body strangely deflated. An anteater gingerly picking its way through fire-devastated land in the Amazon. And a mother pig looking out from her small steel cage on a factory farm in Europe – hopelessness and suffering dulling her eyes.

Three animals – two wild, one farmed – separated by thousands of kilometres. Yet all are connected. The root of their suffering? The factory farming system so inherently cruel and so strongly linked with climate change that it is devastating our world. Demand for animal feed for factory farms is causing deforestation and loss of precious wild animals and their habitats at an extraordinary rate.

Confronting climate-linked cruelty

Your support helped us take this critical message, to the UN climate conference – COP27 – in Sharm El Sheikh, Egypt in November. We urged delegates to understand inextricable connections. How factory farming, which condemns 80 billion animals to unimaginable and largely secret suffering, depends on a huge carbon footprint to fuel its existence. We led 26 local organisations to demand that factory farming stay out of Africa, where people and animals are bearing the brunt of climate change, and released shocking evidence regarding JBS, the world's largest meat processor. This global giant sources crops from deforested areas to feed the factory farmed pigs, chicken and cattle fuelling its business.

Solving our global crisis

We also presented our powerful, science-based solution to the deep-rooted problems caused by the factory farming system. This calls for a moratorium on factory farming from governments, in conjunction with a plant-based food system, and a diversified, kinder livestock farming sector that produces fewer animals.

Our solution boldly recognises the connectedness of our world, protects farmed and wild animals, environments, and ensures enough food for everyone on our planet. Its approach is underpinned by the world-moving research and science central to our 'Climate change and cruelty' report.

Launched in August, 'Climate change and cruelty' spells out, for the first time, the science behind transforming farming systems and the urgent need for change. It highlights the impact of farming animals in the smallest spaces possible, denying them any hope of natural behaviour, fresh air and light. 'Climate change and cruelty' shows that even if fossil fuel emissions were eliminated immediately, emissions from the global food system alone would make it impossible to limit warming to 1.5°C.

Persistence mobilising change

Despite such evidence, convincing governments and businesses to put industrial farming on the same climate change footing as fossil fuels or transport is not easy. But persistence pays off and we made some key progress in 2022.

We persuaded several leading financial institutions to introduce animal welfare policies. And our work with the Financing Factory Farming campaign resulted in the Inter-American Development Bank dropping a plan for a US\$43 million loan for Marfrig, a Brazilian beef company. This is a huge step towards the development banks acknowledging the harm caused by industrial livestock – and that they must stop funding it.

Building a better world for wildlife

Ending factory farming will lead to a better, kinder world for wild animals – stopping the deforestation that drives them from their homes, injuring, killing and wiping out species. It will also protect water, soil and air, allowing wildlife to thrive.

But true and complete protection will only happen when any commercial exploitation of any wild animal is seen as unviable and unacceptable by us all.

We have identified South Africa as a potential influencer in inspiring other nations to shift to wildlife-friendly tourism. So, throughout 2022 we continued to urge the government to end the trophy hunting and captive lion breeding that stains their reputation as a tourist destination. Our research released during the year shows that most South African citizens and international tourists want this to happen too, and that the country will only benefit economically as a result.

We also began scoping out wildlife protection projects with rural communities in India, West Bengal and those surrounding Belen Market – a known illegal wildlife trading point – in Peru. We expect that results from this work will inform government and UN policy on wildlife protection and community involvement.

Over the next decade, with your help, we are confident of great progress. That we'll see millions of animals no longer suffering in industrial farms and a profound change in the way food is produced. This will in turn help to protect our environments, the wild places and spaces that animals live in, and create the healthy future we want for ourselves and our children.

Thank you for facing the global crisis with us. We can end it. Together.



Steve McIvor
Chief executive

Moving the world in numbers through systems change - 2022

193

We convinced the **193** members of the United Nations Environment Assembly to adopt a landmark resolution recognising the link between animal welfare, sustainable development and environmental protection.

60,000

60,000 supporters helped us urge travel giant TUI to stop selling tickets to venues that are causing great suffering to more than 400 captive dolphins worldwide.

60

When we asked governments attending COP27 in Sharm El Sheikh, Egypt to put a hold on factory farming, we were also backed by **60** key organisations based in Africa and Asia.

27

With our NGO partners we helped free **27 bears** farmed for their bile in Vietnam bringing the end to this cruel practice ever closer.

20,000

More than **20,000** supporters helped us move the Australian government to update poultry standards and guidelines involving a battery cage phase out by 2036. This will change the lives of around 5.36 million egg-laying hens annually.

62

We supported the care of **62** elephants in **10** venues around the world that were still recovering from tough Covid times.

30,000

More than **30,000** of you in the UK took actions to support our No Future for Factory Farming campaign.

1,200

More than **1,200** doctors in China signed up to support wildlife-free medicine.

47 million

We helped Kenyan poultry producer Kenchic develop a new animal welfare policy which will give **47 million chickens** better lives.

6,602

6,602 supporters worked with us to pressurise the Thai government to redirect subsidies away from factory farming towards humane and sustainable practices.

A new world for animals... 2021–2030.

Our strategy made simple.

Change starts with us.

There is a deepening crisis facing animals around the world. Its scale is alarming.



1.6 trillion

At least 1.6 trillion wild animals are killed and suffer through people's actions every year.



80 billion

More than 80 billion land-based farm animals are consumed annually. Most are cruelly confined to industrial, low-welfare systems.

Under pressure

Our growing population, urbanisation, increasing economic prosperity and addiction to meat are driving greater demand for animal products and placing more pressure on animal habitats.

If left unchecked, this demand for animals and their scale of suffering will continue to accelerate.

The global wildlife trade and farming systems...



Inflict suffering and anguish on animals.



Devastate habitats.



Cause public health crises – like COVID-19, SARS, Ebola, Swine and Avian Flu and antibiotic resistance.

Our 10-year strategy connects 4 elements for long-lasting change...

Animal sentience

Science shows animals are sentient – thinking, feeling beings with individual personalities, needs and the capacity to suffer. We encourage people to understand this and change their behaviour to improve the lives of animals and ultimately their own.

Transforming broken systems

The factory farming and wildlife trade systems, supported by powerful institutions and governments worldwide, treat animals as commodities. This causes well-documented cruelty and irreparable damage to our world. By changing attitudes and raising animal protection to a global priority issue we will take billions of animals out of this cruel cycle of abuse.

Change at scale

We are focused on transforming the lives of the greatest numbers of animals, both now and in the future, prioritising those enduring the most severe and long-lasting suffering.

Sustainability

We demonstrate how the health and lives of animals, people and planet share a deep interconnection, ensuring people realise that how we treat animals affects us all. We endorse a 'One Health – One Welfare' approach.

We have 2 urgent goals...

Goal 1

Ensure farmed animals live good lives by transforming the global food system

With your help we will...

Expose the hidden costs of factory farming and shine a light on the collusion and corruption that allow it to thrive.

Demonstrate irrefutably that factory farming harms, rather than feeds, the world.

Accelerate the shift to a humane and sustainable food system that prioritises plant-based proteins and high welfare farming by working with industry, its regulators and communities.

Reveal the hidden financial systems propping up factory farming and seek to redirect this money to humane, sustainable food production.

Work with our ever-increasing number of allies demanding change to a food system that damages animals, people and our planet. Before it's too late.

Goal 2

Stop wild animals being cruelly exploited as commodities by changing the systems that allow this

With your support we will...

Expose the harm industries inflict on our precious wildlife, so that commercial exploitation is universally condemned.

Champion wildlife-friendly alternatives by working with partners to research and promote the development of alternative wildlife friendly products and experiences.

Encourage the private sector to invest in solutions - from plant-based ingredients for traditional wildlife-based medicine, to responsible, humane wildlife experiences.

Involve local communities and support organisations and industry to find a clear route out of wildlife exploitation, turning the problem into the solution.

Influence government to enact a global package of wildlife laws, policies and practices that will permanently protect wildlife and their habitats across the world.

We are making world-moving connections

Our two goals are inextricably linked. Intensive agriculture, fuelled by the growth of animal feed production, is the single greatest cause of wildlife habitat destruction around the world. It causes great cruelty to farm and wild animals and threatens the extinction of entire species.

Our strategy seeks to disrupt the exploitation of wildlife habitats caused by the agribusiness industry and end factory farming.

People power is vital to our success.

We will galvanise a movement of millions to become advocates for change and will not stop until we all succeed in ending animal cruelty. We will not stand for the status quo - we will speak out with courage and determination.

What does system change actually mean?

Billions of animals are suffering; environments continue to be destroyed, and the next pandemic looms ever closer because of the factory farming and wildlife trade systems.

These systems, supported by powerful institutions and governments worldwide, cause well-documented cruelty and environmental devastation which most people, either wittingly or unwittingly, make possible.

At World Animal Protection we emphasise the urgency of 'system change', to address our global crisis, but what does it actually mean?

System change addresses the root causes of problems - why things happen. Our 'New world for animals' strategy aims to elevate animal protection to a priority issue of global importance. It commits us to changing attitudes and mindsets. This means ensuring that animals are no longer seen as commodities for people to exploit and transforming the systems that fuel their abuse.

Systems embedding cruelty

For example, in factory farming, animal cruelty is caused by and embedded in complex, interconnected systems and networks that people have created. These relate to food production, global markets and finance.

Globally, billions of animals live short, painful lives in the name of industrialised meat production. However, a focus on improving their welfare alone can't produce the scale of impact or the change they need.

Let's consider the 80 million mother pigs exploited for breeding and the demand for cheap meat in the global farming system. They endure the process of pregnancy and giving birth on average more than twice a year. Many are confined to farrowing crates for around a week before birth and then usually a month afterwards. These crates cruelly stop them building their nests and turning around and behaving naturally.

But simply giving them bigger crates or adjusting the time they spend in them doesn't challenge or end the system in which these sentient beings are trapped.

Tackling root causes

To make a real difference for farm animals, we must tackle the root cause of their suffering. This means shifting the system that creates demand for cheap animal protein, destroys forests, absorbs government subsidies and generates profit for investors such as banks and pension funds. Governments and big businesses must be held accountable for their continued investment in broken systems and persuaded to change.

But system change doesn't just come from governments - lots of people making small behaviour changes such as reducing meat consumption or coming together to demand change can add up to an important shift. Likewise conscious choices about pensions and investments can potentially shift power away from unethical providers. United and individually, we all have the power to create change and overturn the systems that fuel animal cruelty.

Animal welfare must be placed at the heart of sustainable solutions, to build new world for animals and a better world for all.



Photo credit:
Noelly Castro / World Animal Protection



Photo credit:
World Animal Protection / Tracks Investigations

Making legal history for animals – 2022

Our high-level advocacy work led to first-time recognition from the United Nations Environment Assembly (UNEA), that animal welfare and the environment are inextricably reached and are at the heart of sustainable development. UNEA adopted the 'Animal Welfare – Environment – Sustainable Development Nexus' resolution at their meeting in Kenya in March.

"This bold step should provoke other policy bodies to recognise the sentience of animals as it is inextricably linked to protection of the environment and promotion of people's livelihoods," said Tennyson Williams, World Animal Protection country director for Africa.

And in the UK, after intense pressure from our supporters and partner organisations, the Animal Welfare (Sentience) Bill finally became law in April. This landmark piece of legislation will recognise the sentience of all vertebrate animals, decapod crustaceans and cephalopods. It will also promote the legal protection of animals when new UK laws and policies are made.

Taking animals to the heart of COP27

First-hand accounts of elephants and zebras dying in a drought-stricken Kenyan landscape, and of African farmers desperately seeking water for their animals from nearly empty water holes...

Exposing the links between meat producing giant JBS and rainforest destruction for animal feed production...

These are just some of the powerful stories and challenges we took to COP27 at Sharm El Sheikh in November. The conference was attended by more than 100 heads of state, nearly 200 governments and over 35,000 participants.

Our expert advocates urged them to understand the inextricable connections between factory farming's huge carbon footprint and the climate change crisis devastating our world. They made it clear that even if fossil fuel emissions were eliminated immediately, emissions from the global food system alone would make it impossible to limit warming to 1.5°C.

To drive this message home we...

Hosted the first ever Food4Climate side event with 20 other civil society organisations and called on governments to stop approving new factory farms.

Embraced the first ever Agriculture Day at a COP. This put food systems firmly on the radar of the world leaders charged with saving our planet.

Pressed for a moratorium on factory farming.

Collaborated with civil society allies in Africa and Asia on support for climate-safe humane and sustainable food and protein production instead.

Highlighted the irony that Africa, despite its low contribution to greenhouse gas emissions and low levels of factory farming is the most vulnerable continent to climate change.

Bolder action needed

Despite the clear emergency and links to factory farming presented, COP27 only agreed to small steps forward not bold actions in tackling the farming connection.

These included:

Recognition from the meeting that agriculture and food systems will be included in future COP discussions, but no guarantee of their rightful place near the top of the agenda.

Fifty more countries signing the Global Methane Pledge to reduce emissions, bringing the number to 150. However, the pledge doesn't specifically cover livestock farming.

More information about our COP27 work appears on page 12.

Moving forward – COP28

Kelly Dent our global external engagement director says:

"We'll step up our efforts in raising the visibility of factory farming as a climate culprit in the lead up and press governments for a moratorium on factory farming. We'll also call for a predominantly plant-based food system supported by clear food systems policies and targets, and a diversified livestock farming sector with fewer animals produced.

"Transforming the global food system and ending factory farming means that we can protect precious habitats and prevent billions more animals from being born into a life of cruelty and pain."



Photo credit:
World Animal Protection / Crimson Communications

Transforming the broken farming system

Factory farming is killing our planet. It is to blame for the destruction of vital habitats, the displacement of wildlife, climate change and is the largest cause of animal suffering globally. Within this broken and greedy system, nearly 80 billion land-based animals are farmed annually, most on factory farms. They are deprived of any quality of life and suffer their entire lives. Many never see sunlight, roam freely in a field, or even have a life free of pain. This is cruelty at its very worst and it must end.

To end farmed animal suffering we want...

Governments to put a ban on building new factory farms instead of using their power to subsidise these cruel and planet-killing systems. Government policy and funding must shift to support humane and sustainable food systems.

The factory farming industry to switch to humane and sustainable food systems that are kinder to animals, people and the planet. They can start to achieve this goal by implementing farmed animal responsible minimum standards,* halving animals farmed by 2040 and phasing out monocrops like soya as feed.

* See site: farms-initiative.com

People choosing to eat less meat. By consuming fewer animal products and ensuring that those we do eat are higher welfare, we can all help end farmed animal suffering and save our world.

Fairer finance

What we intended to do in 2022...

Target financial institutions, giving them the information they need to push factory farms to give their animals better lives; this includes reducing antibiotic use. We'll expose financial institutions making 'green' claims, but still investing in factory farming. We'll also document the damage inflicted by harmful industrial livestock projects funded by development banks using public money.

What we did...

Pushed three super funds (pension funds) in Australia to recognise that live animal export is not sustainable. CareSuper, Rest Super and HESTA sustainable fund options will no longer invest in live animal exports that subject tens of thousands of sheep and cattle to horrendous suffering over great distances. We also convinced two commercial Swedish banks (Swedbank and Länsförsäkringar) to publish and publicly announce their very first animal welfare policies. Such policies are key in helping customers understand exactly how (and whether) banks consider animal welfare when they lend.

Moved Dutch pension fund company ABP to include animal welfare in their policy. This was made possible by more than 15,000 supporters sending an SMS to ABP's phone line, demanding they stop investing in factory farming. They were shocked by our exposé revealing that ABP invests more than US\$8bn in companies that either financially support or are directly involved in factory farming.

Convinced the Inter-American Development Bank through the Stop Financing Factory Farming campaign - a coalition of seven partners - to drop a planned US\$43m loan to Marfrig, a large Brazilian beef company. This is a huge step towards development banks acknowledging the harm caused by industrial livestock - and that they must stop funding it.

Joined our partners from the Stop Financing Factory Farming campaign at the World Bank meetings in Washington DC. We shared the simple message that development banks must stop financing factory farming. More than 10 million people saw our posts online - warming them up for a 2023 campaign against the International Finance Corporation (IFC) next year. The IFC is the largest global development institution focused on the private sector in developing countries.

Launched the 9th edition of the Fair Finance Guide in Brazil, and the first edition to include animal welfare in its ranking. This means that banks in Brazil are now assessed on their animal welfare policies, alongside other important issues like weapons, climate change and labour rights. The guides are compiled by a coalition including the Brazilian Institute of Consumer Protection, Conectas Human Rights, Sou da Paz Institute and World Animal Protection. Disappointingly, in this most recent edition all banks scored a zero for their failure to properly consider animal welfare.

What challenged us?

Development banks often fund projects in countries where it can be difficult or even dangerous for local communities and NGOs to speak up. This slowed down our plans to release three case studies of harmful factory farming projects, but we will release them in 2023. We couldn't stop the International Finance Corporation's approval of a US\$200m loan to Louis Dreyfus Company to expand their soy and corn operations in Brazil. Much of that soy and corn ends up as animal feed in factory farms. However, we'll keep working to stop similar projects being approved in the future. We'll do this through a coalition of NGOs, including Friends of the Earth US, the Global Forest Coalition, Bank Information Centre and the International Accountability Project.

"This great first step will hopefully encourage CareSuper and HESTA to take even stronger positions on farmed animal industries and practices, not just in their sustainable options but across their portfolios..."

"We know most people don't want their superannuation financing animal cruelty, and it's time for the industry to align their policies with the expectations of the Australian public. We'll continue to encourage superannuation funds to do so!"

Suzanne Milthorpe

Head of campaigns, Australia

No future for factory farming

What we intended to do
in 2022...

What we did...

Form alliances with other movements to expose factory farming's contribution to the climate crisis and force some of the biggest factory farming companies to take responsibility. We'll also build evidence of public and environmental health impacts caused by factory farming antibiotic overuse. And with affected communities we'll demand a humane and sustainable food system. We'll also lobby delegates to the UN global climate change conference (COP27) to convince them to encourage the end of factory farming in their countries.

Launched our powerful report 'Climate change and cruelty' in August which contains world-first research and firmly identifies factory farming as a major risk to the Paris Climate Agreement. 'Climate change and cruelty' formed the backbone to our calls for change at the UN's climate conference (COP27) and the G20 meetings in November. It grabbed media headlines worldwide, reaching more than 180 million people.

Spelled out a clear pathway in 'Climate change and cruelty' to tackling the climate crisis. Our solution involves halving the carbon emissions of chicken and pork production in factory farming hotspots. To achieve this target, people in these areas should reduce their animal-sourced meat consumption by 50% by 2040. And when they eat meat they should only choose that from higher welfare sources.

Supported 'Climate change and cruelty' findings through our collaborative research in Canada with an economic and environmental modelling company. The results revealed that Canada could meet its climate targets if residents switched to low-meat diets - reducing consumption by 50% by 2030 and 80% by 2050. The average Canadian eats 70kg of meat a year - twice the global average.

Called out factory farming as the hidden culprit in climate change during Climate Week in New York in September which also coincided with UN General Assembly meetings. Thousands of policy makers and advocates from around the world were confronted with our powerful 'What we eat is causing this heat' projections, mobile billboards, and posters. These devices, supported by videos on our TikTok and YouTube channels, sharply highlighted the connection between everyday factory farmed meat-based fast foods and climate change. They featured a QR code taking people to further information areas and enabling them to sign up to our Meating Halfway - meat reduction journey.

Exposed JBS, the world's biggest meat processor, and its links with deforestation via sourcing crops to feed animals in cruel factory farms. Our investigation with Reporter Brazil implicated JBS in several instances of deforestation by sourcing soy and corn, which is exported around the world to feed intensively farmed animals. We released the findings which received strong media coverage in Brazil, China and Europe. We also presented this research at COP27.

Hosted the first ever Food4Climate side event at COP27 with 20 other civil society organisations and called on governments to stop approving new factory farms. We urged COP27 attendees to understand the inextricable connections between factory farming's huge carbon footprint and the climate change crisis devastating our world. Our expert advocates made it clear that even if fossil fuel emissions were eliminated immediately, emissions from the global food system alone would make it impossible to limit warming to 1.5°C.

Brought the stories of people and animals suffering from climate-related disasters in Africa to COP27. We collaborated with more than 60 of our civil society allies in Africa and Asia on support for climate-safe humane and sustainable food and protein production instead. We highlighted the irony that Africa, despite its low contribution to greenhouse gas emissions and low levels of factory farming is the most vulnerable continent to climate change.

Pressed for a stop to the development of multistorey pig farms in China. They can be as many as 26 storeys high, packing hundreds of thousands of pigs together. Our report on the issue, commissioned from PWC experts, shone a light on the intense animal cruelty, risks to people and the environment involved. We followed this with a virtual event attended by 7,000 participants including leading pig producers. We urged them to rethink investments in multistorey farms and instead move to a more sustainable food system.

What we intended to do in 2022...

(cont.) Form alliances with other movements to expose factory farming's contribution to the climate crisis and force some of the biggest factory farming companies to take responsibility. We'll also build evidence of public and environmental health impacts caused by factory farming antibiotic overuse. And with affected communities we'll demand a humane and sustainable food system. We'll also lobby delegates to the UN global climate change conference (COP27) to convince them to encourage the end of factory farming in their countries.

What we did...

Presented our report 'Life-threatening superbugs: how factory farm pollution risks human health' to the UK government in November. The government had called for evidence to develop the UK's antimicrobial resistance (AMR) national action plan. The plan is expected to be completed by the end of 2023. We are pressing for it to include a ban on the overuse of antibiotics to compensate for cruel conditions.

Worked with the Centre to Impact AMR to test beef and salmon samples across Australia's major supermarkets for superbugs. This report found a high proportion of bacteria had acquired resistance to antibiotics. The findings generated significant media coverage with Australia's national broadcaster highlighting the risks inherent in industrial meat production. This helped us secure meetings with high level members of agriculture departments, chief veterinary officers and members of parliament.

Captured the attention of more than 7.3 million people in Brazil by raising awareness of the superbug crisis through subway station advertisements. We also launched our 20-minute documentary 'Multi-resistant bacteria: An invisible threat' at cinemas in June.

Ensured that antimicrobial resistance was included in the drafting of Canada's pandemic prevention and preparedness act. It is expected to go to Parliament in early 2023.

Co-hosted Thailand's third National Forum on Antimicrobial Resistance for the second time at the end of June and showcased our work on superbug contamination in public waterways and environments. The event was attended by international and local experts, governmental bodies, intergovernmental organisations and academics who are working on AMR. We were also invited to join a working group that is reviewing Thailand's AMR national action plan.

What challenged us?

We hoped to expose the negative impacts of factory farming in Argentina as it is a key animal feed producing country. However due to resourcing constraints, we couldn't allocate people to work on the issue.

"Our report shows that our rivers are awash with superbugs. The World Health Organization has estimated that antibiotic resistance will be the leading cause of death globally by 2050 with a total economic cost of £66tn – this is a human health crisis. We are calling on the UK government to act now, to raise welfare standards, prevent suffering and ban routine preventative use of antibiotics on farm animals. If the welfare of farm animals was improved, there would be no need for this dangerous and unnecessary overuse of antibiotics that is such a threat to human health."

Lindsay Duncan

UK campaigns manager, animals in farming

Factory farms behind global superbug crisis

Factory farms use as many as 75% of the world's antibiotics to prevent sickness among farmed animals forced to live in their thousands in highly stressful, cruel and squalid unnatural conditions. Such overuse, condemned by the World Health Organization, contributes to the superbug crisis – antibiotic resistant infections – which now kill more than 1.27 million people annually.

Since 2018, our pioneering research has identified superbugs in meat from factory farmed animals, and superbugs and antibiotic resistant genes in water, soil and air around factory farms. Countries covered by our research include: Australia, Brazil, Canada, Indonesia, Kenya, Spain, Thailand, the UK and the USA.

Food revolution

What we intended to do in 2022...

Launch a fourth version of 'The pecking order' in nine World Animal Protection country locations and extend coverage to five European countries – Italy, Spain, Germany, Croatia and France. We'll also commission research in China into the broiler cage industry – one of factory farming's cruellest forms – to pressure key industry decision makers to end it for good. And we'll lobby delegates to the UN global climate change conference (COP27) to convince them to encourage the end of factory farming in their countries.*

* See activities and impact under No future for factory farming, pages 12-13.

What we did...

Launched our fourth edition of 'The pecking order' across six countries (Australia, Brazil, India, Indonesia, Thailand, USA) with strong media coverage. This annual ranking, first produced in 2019, shines a spotlight on the steps eight global fast-food companies have taken to improve chicken welfare. Around 40 billion meat chickens are confined to cruel factory farming conditions annually to fuel the global fast-food industry. In Indonesia, 'The pecking order' resulted in key Indonesian NGOs, and volunteers, joining with us for the first time to publicly campaign with us against KFC. All were united in saying that there is no justification for profiting from the pain of billions of sentient animals.

Moved Kenchic, East and Central Africa's leading poultry producer to take major steps during 2022 to protect animals, people and the planet. The company has introduced policies to give its 47 million chickens that are annually reared for meat better lives. Its animal welfare policy includes giving chickens more space to move around and breeds that demonstrate higher welfare outcomes.

These outcomes include better leg health, fewer mortalities from cardiovascular and pulmonary disorders, and more opportunities for chickens to express their natural behaviours, such as foraging, perching, and dust-bathing. Kenchic also committed to never using cages, responsible antibiotic use and to ensure sustainable practices, including those relating to farming waste and emissions. All improvements will be introduced by 2030.

Launched the Plant Protein Challenge in Aotearoa, New Zealand and the Plan Meatless Better campaign in Canada. More than 500 participants were guided in their meat-free journey with advice, tasty recipes and expert support.

And through our 'Protein switch' report in Australia, we ranked fast food restaurants on their plant-based offerings, and their commitment to meat chicken welfare. KFC Australia received the lowest ranking. Our petition, launched in October calling for KFC improvements achieved more than 7,000 signatures by the year's end.

Hosted eight animal-friendly influencers in The Netherlands at Kerstdiernee – our plant-based Christmas dinner on 24 November. We posted two videos of the meal on social media, plus supporting recipes and plant based tips, which were seen more than 210,000 times. We also promoted ethical and sustainable eating through our gastronomic event held with 10 prestigious restaurants in São Paulo, Brazil in June.

Galvanised 18,880 people in the USA to send 169,912 emails to the executives of fast-food chain Popeyes and Restaurant Brands International – the company's owner – to add a plant-based menu item. We also persuaded restaurant chains International House of Pancakes (IHOP) and Jack in the Box to run a plant-based meal trial. Our Meating Halfway (plant-based) journey attracted more than 9,000 new participants, bringing the total number of people involved to more than 50,000.

And in Canada we launched the 'Plan Meatless Better' campaign. This is custom-made journey and guide encouraging people to eat less meat. It features incentive \$1 donations to World Animal Protection for each person who signs up from Planefriendlynews.com. During the year more than 3,916 people joined our meatless campaign.

What we intended to do in 2022...

(cont.) Launch a fourth version of 'The pecking order' in nine World Animal Protection country locations and extend coverage to five European countries – Italy, Spain, Germany, Croatia and France. We'll also commission research in China into the broiler cage industry – one of factory farming's cruellest forms – to pressure key industry decision makers to end it for good. And we'll lobby delegates to the UN global climate change conference (COP27) to convince them to encourage the end of factory farming in their countries.*

*See activities and impact under No future for factory farming, pages 12-13.

What we did...

Collaborated with two Instagram-famous celebrities in India for our Eat less meat and more plant-based food campaign. Mature model Dinesh Mohan's meat-free journey highlights that it is never too late to make better choices and Roshni Sanghvi devised a 'Mantra to Fitness' Instagram Reels series. Roshni is India's leading plant-based sports nutritionist. Through this collaboration nearly 12,000 supporters indicated they would take meaningful actions to reduce demand for factory farmed animal products.

What challenged us?

There has been some progress by companies on improving chicken welfare, with some innovating by offering meat-free options in their menus. However, 'The pecking order 2022' showed that most of the world's leading fast-food companies continue to subject billions of chickens to unimaginable suffering. These companies continue to ignore urgent consumer demands, and animal welfare science regarding the importance of improving animal welfare standards.

"We are proud that the adoption of animal welfare, food safety and antimicrobial policies has set us apart from other players in the industry. This makes us the leading producer in safe, healthy, and sustainable animal farming practices in the region. There is a need for appropriate prudent use of all antimicrobials, including those used in food animals. We would like to acknowledge World Animal Protection's work in the industry as a catalyst in setting standardised regulations that level the playing field."

Jim Tozer

Managing director, Kenchic Ltd

Generous grants to give farmed animals better lives

Investing in Others is a grant programme that we execute in collaboration with our strategic philanthropic partner, Open Philanthropy. There is a growing interest in farmed animal welfare in Southeast Asia, so together we are awarding small-scale grants to grassroots organisations across the region. These will increase their capacity and potential to transform the global food system and the lives of billions of animals.

In 2022, we awarded up to US\$80,000 for a two-year grant to eight organisations in Thailand, the Philippines, Bali, Vietnam, and Indonesia. These projects focus on a range of issues including policy change to benefit farmed animals, corporate engagement, public mobilisation, communications, research, and transitioning to plant-based diets and meat reduction. Our organisation supports the grantees by providing grant management support and developing their technical capacity to improve the lives of farmed animals.



Photo credit:

Noelly Castro / World Animal Protection

Burning lands: Killing the planet for animal feed crops, photographed in October 2022.

Breaking the cruelty chain

Relentless demand for cheap, low welfare meat on supermarket shelves has created a brutal chain of cruelty that is killing our world. Lush savannah and rainforests in Brazil are deliberately reduced to scorched earth, to clear land to grow animal feed crops for meat producing giants like JBS. Consequently, wild animals are suffering and dying in their millions. Meanwhile, billions of farmed animals live a tortured existence on factory farms eating the soy and grain grown on these desecrated habitats.

With your help we are tackling industrial farming – a root cause of wild and farmed animal suffering – and supporting emergency action in Brazil for fire-affected animals.

Exposing a corporate culprit – JBS



Photo credit:
Noelly Castro / World Animal Protection

JBS, the world's biggest meat processing company, depends on the flow of cheap animal feed to fuel its business. Our investigations released in the lead-up to the UN's climate conference in November firmly linked the feed it sources to suppliers who have carried out illegal deforestation. We are calling on JBS to stop profiting from soy and grain products grown on lands that should be wildlife habitats. We want them to come up with clear plans to end deforestation in animal feed sourcing.

Saving wild lives

Through Instituto Ecótono, a local environment protection NGO we supported the care of wild animals in Matto Grosso State in 2022. Meet two of them – Xamá, a jaguar cub and Baby a collared peccary...



Photo credit: Wild animals care / UFMT SINOP

Trauma recovery: Xamá was found alone, weak and dehydrated, near a hydroelectric power plant in August. Thanks to the Federal University of Mato Grosso's veterinary hospital (UFMT) in Sinop, that works with Instituto Ecótono, he is growing well. To help with Xamá's eventual wild release we established a successful partnership with Onçafari, an NGO that specialises in jaguar rehabilitation. He'll move to their facilities in January 2023.



Photo credit: Noelly Castro / World Animal Protection

Safe haven: Baby, a collared peccary, arrived at UFMT in Sinop in August. She was found on a road with her dead mother who had been run over when fleeing the fires. By the end of the year Baby was feeding well, gaining weight, and enjoying playing outside – all good signs for her eventual return to the wild.

Facing the crisis – together

With our supporters we are...

Funding work in emergency zones, rescuing and caring for animals affected by fires and habitat loss, meeting their survival needs and moving them to safety.

Building a movement to oppose cruel factory farming by educating the public to show how companies like JBS are profiting from habitat loss.

Exposing the practices of companies involved in deforestation for farming.

Moving governments and businesses to stop the expansion of factory farming and fight for new legal protection of existing habitats.



Photo credit: Noelly Castro / World Animal Protection

Field work: Monitoring the impact of the fires and looking for injured animals with our local partner GRAD.

Transforming the world for wildlife

Their plight is urgent. And their future is inextricably linked with ours. Animals in the wild must be protected from the cruel exploitation and the unbearable suffering they endure in their billions. They must feel safe and secure, and free to thrive in abundant, natural habitats. This will ultimately protect us all.

With your help we worked tirelessly throughout the year to safeguard wild animals and change the way the world works.

Together we can end wildlife cruelty and suffering. Forever.

To end wild animal suffering we want...

Governments and businesses worldwide to accept that wild animals are born to be wild – not to be treated as commodities or exploited for profit. Policies and funding must focus on solutions to exploitation – protecting wild animals in their natural habitat so that they thrive unharmed.

Legal protection – international and national laws and enforcement that ensure wild animals and their habitats across the globe are safeguarded.

People to take action and hold wildlife exploiters and complicit governments to account, and to recognise and reject industries and activities dependent on wildlife exploitation and habitat destruction. These include irresponsible tourist activities, wildlife-based traditional medicines, food, fashion and ornaments, and the trade in wild animals as pets.

Wildlife. Not Entertainers

What we intended to do in 2022...

Disrupt industries most responsible for exploiting wild animals for profit. We'll do this by galvanising people power to convince more travel companies to stop profiting from cruel wildlife entertainment and to commit to wildlife friendly alternatives.

We'll provide the travel industry with community-led wildlife-friendly alternatives and give practical solutions and rescue to wild animals needing protection and care from exploitative industries.

What we did...

Targeted Travel giant TUI by launching an honest rebrand video of a UK TUI store. The film featured award-winning writer and performer Jolyon Rubenstein selling the true unhappy holiday horrors behind dolphin entertainment. TUI currently promotes at least 25 venues that cause suffering to more than 400 captive dolphins. Widely shared on social media during October, the film reached more than 550,000 people.

Through #FreeTUI we urged the company to stop ticket sales to such venues; our petition asking TUI Group to stop selling captive dolphin entertainment achieved more than 60,000 signatures. Of those people, 3,800 emailed the TUI CEO asking him to stop selling captive dolphin experiences.

Travel companies including Expedia Group, Virgin Holidays, TripAdvisor, British Airways Holidays, and Booking.com have already shown leadership and cut ties with the cruel captive dolphin industry.

Continued scoping wildlife-friendly alternatives for the travel industry by developing the Whale Heritage Sites project run by the World Cetacean Alliance (WCA). The accreditation project promotes responsible whale and dolphin watching. During 2022 five new candidate Whale Heritage Sites were put forward. These are located in Santa Catarina, Brazil; Plettenberg Bay, South Africa; Madeira, Portugal; South San Jorge Gulf, Argentina; Salvador, Brazil. When accredited they will join three other sites in Spain, South Africa and California, USA.

Convinced Australia's Dreamworld amusement park to stop offering visitors circus-style tiger entertainments and direct contact activities, such as hand bottle feeding these iconic animals, within 18 months. Their decision was prompted by our 'Too close for comfort' report launched in July detailing how some Australian wildlife venues exploit wildlife for profit through forced visitor interactions. Report researchers documented how koalas, tigers and dolphins are the most exploited and identified Queensland as a hotspot for this type of cruelty.

The widespread media coverage we achieved with 'Too close for comfort' has helped people's understanding of the unacceptability and suffering caused by seemingly benign wildlife activities like koala cuddles.

Highlighted some of the worst captive wildlife entertainment venues sold on e-commerce platform Groupon through our 'Devastating deals' report launched in the USA. Our research showed Groupon profiting from marine amusement parks, so-called 'sanctuaries' and roadside zoos. We also launched three billboards in Chicago in collaboration with Chicago-based street artist Blake Jones. His artwork boldly called out Groupon for selling deals to wildlife entertainment venues. The billboards ran for the full month of October. Hundreds of supporters sent Tweets to Groupon, with a picture of the billboard, asking the company to stop profiting from wild animal suffering.

We also...

Released new research on World Lion Day (10 August) convincing some of the world's largest travel companies to press the South African government to publicly commit to end trophy hunting. Companies including Booking.com, Expedia Group and TripAdvisor issued a joint statement against this unacceptable cruelty which results in hundreds of lions being slaughtered by tourist hunters annually. Many will have been captive bred in horrific conditions for the blood sport.

The research surveyed 10,900 people, including international tourists from countries who most frequently visit South Africa, and South African citizens. It revealed universally strong opposition to trophy hunting and a desire to finance the protection of the nation's iconic wildlife through responsible, non-lethal wildlife tourism. We conducted the survey in response to the South African government's consultation on its draft white paper on the conservation and sustainable use of the country's biodiversity.

We provided comprehensive written comments regarding the consultation and mobilised the public to participate too. More than 3,400 people sent emails to the department of forestry fisheries and environment minister, calling for an end to the commercial exploitation of wildlife.

What we intended to do in 2022...

(cont.) Disrupt industries most responsible for exploiting wild animals for profit. We'll do this by galvanising people power to convince more travel companies to stop profiting from cruel wildlife entertainment and to commit to wildlife friendly alternatives.

We'll provide the travel industry with community-led wildlife-friendly alternatives and give practical solutions and rescue to wild animals needing protection and care from exploitative industries.

What we did...

We also...

Mobilised more than 25,000 supporters through #CancelCaptive to demand that South Africa's government produce their long-promised plan to shut down the commercial captive lion breeding industry. #CancelCaptive was launched with our partner Blood Lions with whom we have worked on the issue since 2019. Between 8,000- 12,000 lions are held in lion farms; cruelly bred for hunting and tourist interactions like cub petting, and for wildlife-based traditional Asian medicine. There is a risk that the government may bow to industry pressure, watering down its commitment to a voluntary phase out and this is clearly not acceptable.

Galvanised YouTube to remove two channels showing physical and mental cruelty inflicted on wild animal 'pets' through our work with the Social Media Animal Cruelty Coalition. The Coalition's report, launched in November, featured distressing videos of wild animal species kept as pets in people's homes. The animals were filmed simply to get likes and comments on social media.

Films included bush babies dressed in baby clothes, lions and tigers dragged around on leads and monkeys fed bottles of milk. Some species, such as orangutans and chimpanzees, were endangered. Eight hundred and forty individual links to videos from Facebook, YouTube, TikTok, Twitter and Instagram were documented. Although YouTube has responded, these other platforms have not. We will continue our campaign for social media platforms to take full responsibility and prevent cruel content appearing on their channels in the first place.

Continued our urgent appeal to provide essential funds for 10 observation-only elephant-friendly venues, holding 62 elephants across Asia. We've supported them throughout the pandemic enabling them to continue provide the best care to their elephants and be influential examples for other elephant venues.

Funded transport and a vet to care for Delhi the elephant on her 30-hour journey from a Czech Republic zoo to Elephant Haven, in France, in August. Delhi had lived in captivity all her life and for the last four years lived alone in the zoo. Elephants are social animals and such isolation leads to great stress and suffering. At Elephant Haven - Europe's first elephant sanctuary - Delhi has made firm friends with Gandhi another female elephant.

Inspired and mobilised more than 8,000 young people in China to consider how tourists can best protect wild animals. We did this via three live streaming workshops in Shanghai. With travel industry opinion leaders, influencers, and World Animal Protection supporters, participants discussed changing people's mindsets to understand the difference between wildlife-friendly tourism and exploitative, harmful activities. We'll build on this work in 2023 and mobilise these audiences to take action to support our tourism campaigns.

What challenged us?

During COVID-19, the travel industry was in lockdown mode. This made it unreceptive to our calls to 'Build back better' (improving their policies and practices so that wild animals would be protected rather than exploited) after the pandemic.

Also, as key tourism markets such as Thailand re-open, we face a big challenge in securing key commitments from key corporate laggards such as Tui.com, Trip.com and Groupon. To date, their actions indicate that they will continue to put profits above animal welfare. So we must rebuild the levels of people power we need to put pressure on these companies to secure final lasting changes in this industry.

Travel partnership helps wildlife worldwide

"It's truly exciting to collaborate with World Animal Protection. Together we are dedicated to changing the systems that allow wild animals to be abused for tourism.

Through our partnership we will guide our guests to animal-friendly and responsible wildlife experiences at our many destinations. We are looking forward to developing new and exciting wildlife-friendly experiences in the future - leading the way for Scandinavian travellers."

Sofie Folden Lund

Head of communications and press, Spies Travel

Wild animals worldwide will benefit from our new collaboration, with Scandinavia's largest travel company, Spies Travel (Nordic Leisure Travel Group.) Through this joint venture Spies will ensure animal welfare is at the forefront of all their 400+ destinations around the globe.

All wild animal experiences offered by Spies and their sister companies Globetrotter, Ving Rejser and Tjaereborg will now focus on animals in their natural environment and animal welfare. This means excursions to entertainments like dolphin shows or rides on elephants will not be offered.

Spies travellers will also be advised against participating in other cruel activities they might encounter during their trip. These could include petting lions and tigers, taking selfies with wildlife, or paying to see dancing monkeys and bears.

"Spies' decision, as the Nordic region's largest travel group, to work with us is truly world-moving," says Stephanie Kruise Klausen, campaign manager at World Animal Protection Denmark. "It will undoubtedly have a positive effect on both animals, people, and nature in the farthest corners of the globe."

"The life of a wild animal is worth so much more than the trophy it is too often reduced to. This is the shared view of tourists, who want to visit the country to see wildlife alive and thriving, and of South Africans who want to see the incredible wildlife on their doorstep, protected properly, in a humane and ethical manner."

"The government needs to listen to South African voices who clearly don't want their wildlife heritage plundered any further and want to see change. Continuing to make wild animals shoot-to-kill targets at the mercy of wealthy westerners is outdated in a world where public attitudes are swiftly shifting."

Edith Kabesiime

Wildlife campaign manager (Africa)

Wildlife. Not Medicine

What we intended to do in 2022...

Increase corporate and public support for plant-based traditional medicines in China by driving down demand for the wild animal exports needed to supply this industry.

Innovate new solutions with partners, enabling key industries to leave wild animal exploitation behind them for good. This includes creating a pro-plant alliance with the wildlife-based traditional medicine industry and scientists to shift demand to plant-based products.

"We've seen great strides being made by numerous provinces, but Hanoi consistently lags in its efforts to follow suit. Ultimately, ending bear bile farming in Hanoi is essential to ending bear farming in Vietnam."

Gilbert Sape

Global head of campaign for wildlife

What we did...

Inspired five pharmaceutical companies to sign our wildlife-friendly campaign pledge which supports ending the use of wild animals in traditional medicine. We moved 1,237 doctors and practitioners in China to sign the pledge too. In total 13 pharmaceutical companies and 2,423 doctors and practitioners have made the commitment since 2019.

Mobilised 22,292 people in China to support plant-based traditional medicines and sign our wildlife-friendly campaign pledge through the Chunyu Doctor social platforms. Chunyu Doctor is one of the companies that pledged to support our wildlife-friendly medicine initiative in 2020. As a leading internet medical care company it connects 650,000 registered doctors with 3.2 million daily active users. Over the past two years we have collaborated with Chunyu Doctor to conduct research on doctors' attitudes towards herbal alternatives. So far, more than 1,500 doctors linked with the platform have signed the pledge to be wildlife friendly. And since 2020, 47,974 people have signed our pledge.

Secured the commitment of three medical-related companies to be the founding members of a pro-plant alliance with the wildlife-based traditional medicine industry. This alliance, which we are planning to launch in 2023, will shift demand from wildlife-based to plant-based products and other innovative solutions.

Continued to develop and expand our website tawap.org. The site is dedicated to showing plant-based and mineral-based alternatives to wild animal ingredients in traditional Chinese medicine preparations. In 2023 it will include patented medicine preparations making it even more relevant to practitioners and consumers.

During the year, three more wildlife-based traditional medicine associations also endorsed tawap.org and signed our campaign pledge. These are the Shen Nong Society (USA), the Chinese Medicine and Acupuncture Association of Canada and the National Federation of Chinese TCM Organizations (USA representing thousands of practitioners).

Rescued 27 bears from bear bile farms with Vietnam's government and our partners Education for Nature - Vietnam (ENV), and Four Paws. Nine were rescued from three separate bear bile farms in Binh Duong province Vietnam during February in the largest bear rescue ever supported by World Animal Protection. The bears had been kept in tiny cages and endured painful bile extraction for more than 17 years. They were very small, thin and weak.

All are now living safe from harm in NGO sanctuaries and government rescue centres. Thankfully, through our partnership with ENV which started in 2005, the number of bears farmed for their bile, has dropped from 4,300 to 257 and 42 out of 61 provinces are now bear farm free.

Targeted local authorities in the Hanoi region - Vietnam's largest bear bile hotspot - and persuaded them to agree to ramp up wildlife protection and tackle illegal bear bile farming. Hanoi holds 140 bears, or 54% of captive bears in Vietnam.

What challenged us?

COVID-19 adversely affected our work, especially in China and Vietnam. In China we couldn't travel and meet personally with people and organisations that we sought to influence. This meant our symposium with Health News, focused on tackling the challenges of using wild animals in traditional medicine, had to be moved online. However, it still enabled nine distinguished speakers to share their understandings and insights and latest research findings with more than 40 participants from the corporate sector and wildlife-based traditional medicine community.

And we had to delay some bear farm inspections in Vietnam during the first quarter of the year because of various COVID-19 waves and restrictions. Also in Vietnam, restructuring of the ministry of agriculture and rural development meant the development of the conservation facilities law in Vietnam was delayed. Once enacted this law would protect numerous wildlife species and involve a breeding ban for bears on farms.

In South Africa the minister for forestry, fisheries and environment announced that a ministerial task team would be created to discuss plans and make preparations for a voluntary phase out of the captive lion breeding industry. We will submit a detailed white paper that will explain in detail why a mandatory phase out should remain the ultimate goal to safeguard lion welfare and South Africa's reputation as a conservation leader.

Wildlife. Not Pets

What we intended to do in 2022...

Disrupt key retail outlets in North America and Europe profiting from the cruel wildlife as pets trade.

What we did...

Ended one of the most high profile reptile events in the UK. Thanks to the action of World Animal Protection supporters, thousands of reptiles will not be sold at Doncaster Reptile Market in the UK. Since 2020 we have campaigned against this cruel event, held at the city's racecourse, and galvanised tens of thousands of people to call for its end.

In April we asked our supporters to put the pressure on again. Within just 24 hours 4,809 people emailed the Mayor of Doncaster asking the local authority to stop the market taking place. This resulted in the racecourse not renewing the market's contract. Doncaster Reptile Market has been held at the racecourse for more than 10 years and was a large sales event for ball python breeders. It regularly attracted as many as 5,000 people.

Achieved great success for captive wild animals in the USA through our contribution in getting the Big Cat Public Safety Act passed. This Act makes the private possession of big cats including lions and tigers illegal. And in December 2022, Washington DC became the second city in the country to ban the sale of almost all animals (mammals, amphibians, arachnids, birds, and reptiles) in pet stores.

The ban is a significant step forward for wild animals suffering in the pet industry. To bring it about, we ran an action enabling our DC-based supporters to contact their council members in support of the bill. We were the only advocacy group to testify to the cruel conditions in which wild animals are bred and sold in the USA. We also contacted DC council members directly and were instrumental in countering the inaccurate claims of PetSmart, Petco, and the pet industry's lobbying group trying to prevent the bill. This ban is a significant step forward for wild animals suffering in the pet industry. The new law will shut down animal sales in one PetSmart and three Petco locations.

Started formally meeting with PetSmart, one of the largest pet retailers in North America. Our aim is to persuade them to commit to phase out their selling of reptiles and amphibians. PetSmart is the largest pet store chain in Canada and the only big box store still selling reptiles and amphibians. They are ignoring animal welfare concerns and a growing body of science that clearly outlines the negative impact the exotic pet trade has on animals, human health and biodiversity.

What challenged us?

In the UK, the kept animals bill was introduced by Boris Johnson's government in 2021. However, in the context of the cost of living crisis and the war in Ukraine, animal welfare has been deprioritised by subsequent leaders seeking to appeal to more traditional Conservative priorities. Consequently, the bill has been denied parliamentary time. World Animal Protection UK is working with allies in the animal welfare sector to keep the bill alive. Together we are engaging the media and mobilising supporters through the Don't Betray Animals campaign, and through parliamentary lobbying.

"We're delighted that Doncaster Reptile Market will close following publication of our evidence of potential illegal trading, two years of our campaigning and 75,000 members of the public calling on the event to end. Captive bred reptiles are wild animals with complex needs, that suffer in captivity."

Charlotte Regan

Wildlife campaigns manager (UK)

Wildlife. Not Fashion

What we intended to do in 2022...

Disrupt high profile fashion brands exploiting wild animals.

What we did...

Urged Fashion Week organisers in Melbourne, Copenhagen, and Sydney to ban the use of wild animal fur, skins and feathers in their shows. Joint action with our partners Collective Fashion and Four Paws resulted in Melbourne Fashion Week banning skins from wild animals and fur, while Copenhagen agreed to introduce a fur ban from 2023.

Sydney Fashion Week did not introduce a complete ban in 2022, despite seven months of lobbying and pressure from our supporters. However, AfterPay and the City of Sydney, the key sponsors have agreed to continue working with us to ensure 2023's fashion show protects wild animals. Copenhagen Fashion Week agreed that animal welfare should be considered when they revise their minimum standards in 2023. They also discussed with us the possibility of expanding their ban to wild animal skin and feathers.

Moved famous Dutch ice skate brand and Olympic athlete supplier Viking to stop using kangaroo leather for their skates. Millions of kangaroos are brutally hunted annually in Australia to supply the kangaroo leather trade; the Netherlands is one of the largest kangaroo leather and meat importers in the world.

Convinced Gucci owners – the Kering Luxury Group – to rethink the use of wild animals in their advertising and marketing campaigns across all their brands. During 2022 we challenged them on their use of captive tigers in its latest Gucci Tiger collection in celebration of the Year of the Tiger. The luxury brand had released campaign images of models with real tigers, photographed in a captive environment, superimposed into them. Kering Luxury Group has agreed to work with us and other partners to develop standards to protect wildlife.

What challenged us?

We couldn't do everything we hoped regarding targeting the big four fashion weeks (New York, London, Milan, Paris), mostly because of circumstances beyond our control. For example, London Fashion week was cancelled due to the death of Queen Elizabeth II. Next year we will use what we learned from our 2022 challenges and successes to identify key opportunities to mobilise people globally in protecting animals from the cruelty of the fashion industry.

During 2021 we launched a campaign to stop high-end fashion brand Hermes expanding their farming of Australian saltwater crocodiles in the Northern Territory. Crocodiles farmed for their skins suffer cramped, short lives before a brutal death all for a handbag. The Australian government responded by agreeing to update the code of practice for farmed crocodiles. However the review date for the code was not announced in 2022, partly because of the ongoing major reform of environmental law occupying government time.

“Melbourne Fashion Week is leading the way by banning fur and exotic skins on their runways – we would like to see AfterPay Australian Fashion Week follow their lead. We are also urging all shows, including Melbourne, to ban the use of feathers from next year, taking them off their runways, and leaving them on the animals where they belong. This would truly make Australia a global leader in ethical fashion.”

Suzanne Milthorpe

Head of campaigns (Australia)

Thirty years of care for bears – 1992 – 2022

With our supporters, we've dedicated 30 years to stopping the suffering of the world's bears. Together, we've ended cruel entertainments – like bear dancing and baiting and campaigned hard to protect bears from the wildlife-based traditional medicine trade. We are also currently supporting two sanctuaries in Pakistan and Romania that help bears rescued from cruel entertainments.

During 2022 we...

Funded our partner the Bioresource Research Centre of Pakistan (BRC) to care for the 75 former baited and dancing bears at the Balkasar bear sanctuary in Punjab Province. Three were rescued during the year – surrendered to BRC by their owners in exchange for alternative livelihoods and a pledge to never own bears and earn money from them again. In total 111 owners have taken up alternative livelihoods since 2008. These include 31 who are operating as goods transporters and 68 who own shops.

Helped rescue Bolik, a 15-year-old bear from a tiny cage in a bombed out tourist resort in Ukraine. He was saved in a complex mission involving several of our partners who bravely took him to the Romanian border. Bolik also had a travelling companion – Elza a wolf rescued from the same resort. We funded their transport from the border to the Romanian bear sanctuary in the Carpathian Mountains near Zarnesti. Both are now living happily among the woodland, grasses and ponds at the 69-hectare sanctuary run by our partner Asociația Milioane de Prieteni (AMP) which we have supported since 2005. By the end of the year it was home to 115 bears and six wolves.

Animal personality award celebrates the life of Audrey Mealia

Cecilia, a young anteater, was named winner of the first 'wildlife unique personality award' in 2022. The award is given in memory of Audrey Mealia, a much-loved member of World Animal Protection's wildlife team. Its aim is to show how wild animals have unique, individual personalities and have the right to a wild life.

The little anteater's nomination was submitted by Instituto Tamanduá, a rehabilitation centre in Brazil which helped care for her and cares for other animals affected by the burning of the Amazon. Cecilia's award is a grant of US\$10,000 to the institution to help improve its facilities. At the end of 2022, Cecilia was moved to an immersion enclosure to adjust to her natural habitat and is due to be released into the wild in February 2023.

Submissions for the 2023 award open in April 2023.

Developing global policies, practices and laws that work for wildlife

What we intended to do in 2022...

Research and make the case for a new policy agenda for protecting wildlife and to make this the last generation of wild animals to be commercially exploited. We'll build on recent progress in securing commitments from the government of South Africa to phase out lion farming and the government of South Korea to end bear bile farming.

Our campaigns will influence other key countries to introduce new policies and laws that will end wildlife exploitation. This includes policies and laws to end: bear bile farming in China and Vietnam, captive elephant breeding in Thailand and lion farming in South Africa. We'll also scope and develop new community-based wildlife and habitat protection projects in Peru and India.

What we did...

Celebrated South Korea's agreement to end bear bile farming signed with the country's Bear Farmers Association, Green Korea United - our partner since 2003 - and other local animal protection organisations. The agreement involves a commitment to prohibit bear bile farming and bile extraction from 1 January 2026 and to humanely care for the remaining farmed bears in the interim. The ministry of environment will prepare the legislative framework to ensure that bear bile farming is prohibited under law.

The government's decision sends a clear signal that the cruel practice of bear bile farming is no longer acceptable in South Korea. This will be the last generation of farmed bears to suffer for profit in the country. We hope South Korea's example will be followed by other Asian countries in bringing the cruel farming of bears for their bile to an end.

Reviewed legislation in the USA, Peru, India, China, Brazil to gain a thorough understanding of the changes to government policies and laws needed to make this the last generation of wild animals exploited in captivity.

Secured a grant from the UK government's Illegal wildlife trade challenge fund to gather evidence for our project to reduce demand for wildlife products in Peru. This will be the backbone of our new community-based wildlife protection work which focuses on WhalBelén Market and surrounding communities.

Belén is the largest, most important open market selling wildlife in the Peruvian Amazon and the key point where poached wildlife is illegally traded. This threatens the survival of species and the wellbeing of the region's poorest citizens.

The evidence we gather and our resulting project will help reduce the illegal wildlife trade in Belén and provide guidance to support sustainable, legal livelihood transitions for local communities dependent on the trade.

Started our research in central India and West Bengal for the potential development of community-based wildlife protection projects. In Madhya Pradesh (central India), the government is relocating rural villagers from Nauradehi Wildlife Sanctuary to increase protection for wildlife. We began a survey in Nauradehi to gain understanding of villagers' views towards the relocation process and gain insights into protecting habitats and wildlife humanely and ethically. Our long-term aim is that the evidence gathered will inform policy recommendations and wildlife protection at a state, national, and UN level.

Launched a survey among rural communities in West Bengal into ritualistic hunting. We want to understand the scale and species involved, local attitudes and motivations for ritualistic hunting, our aim is to assess the potential for turning ritualistic hunters into wildlife protectors.

What we intended to do in 2022...

(cont.) Research and make the case for a new policy agenda for protecting wildlife and to make this the last generation of wild animals to be commercially exploited. We'll build on recent progress in securing commitments from the government of South Africa to phase out lion farming and the government of South Korea to end bear bile farming.

Our campaigns will influence other key countries to introduce new policies and laws that will end wildlife exploitation. This includes policies and laws to end: bear bile farming in China and Vietnam, captive elephant breeding in Thailand and lion farming in South Africa. We'll also scope and develop new community-based wildlife and habitat protection projects in Peru and India.

What we did...

We also...

Contributed towards the reintroduction of the Jane Goodall bill into the Canadian senate. If made law the bill would end the commercial trade of more than 800 species and have a profound impact on the commercial zoo industry in Canada. To facilitate the bill's passage we worked closely with the Senator's office to provide data to strengthen the arguments for the bill. We are also working closely with Canada's Ministry of Environment encouraging the Canadian government to adopt it.

Formed the Wildlife Innovation Hub. This is a small team of public mobilisation and campaign communications experts aiming to drive campaigns purely through mass mobilisation and people-powered disruptive activities. Their work will start in Spain which has the highest number of captive dolphins in Europe and their first campaign, targeting a captive dolphin venue, will launch in early 2023. The Wildlife Innovation Hub will share what they learn from this project enabling our whole organisation to benefit from their campaign experiences, insights and successes.

What challenged us?

Conducting comprehensive legal reviews in the USA, Peru, India, China, Brazil to understand how laws are implemented to protect wildlife has not been as straightforward as we would like. The first stage - an overview from an international perspective - was completed by a university law faculty in the USA. But, unfortunately securing additional insights and expertise from a national perspective by law and advocacy experts has been very challenging. This is because reviews are very time-consuming so it has been difficult to find experts who can do this in a short time. We are exploring how we can rectify this for 2023.

We decided to delay our people powered pilot campaigns until 2023. Our own initial experimentation, research, and advice from experts in this type of campaigning showed us we need to dedicate more time to get our approach right.

"The Jane Goodall bill would make Canada a global leader in protecting wildlife and animal welfare. It would phase out the practice of keeping certain animals for entertainment and exotic pets.

We hope it will motivate the government to pass stronger regulations to curb the commercial trade of wild animals to prevent cruelty, extinction and future pandemics."

Melissa Matlow

Campaign director (Canada)

How we'll move the world in 2023



Working for goal 1

Ensure farmed animals live good lives by transforming the global food system.

No Future for Factory Farming

We'll...

Focus our bold people-powered campaigning on the world's biggest meat processor, JBS. With our campaigners we'll call for an end to the company's link with habitat destruction through their animal feed sourcing, and expose the climate-destroying nature of their business. We'll also raise public concern by shining a stark light on the harms imposed on the world by the global factory farming industry. And through our work with civil society groups we'll create a united people-powered political push for a moratorium on factory farming. The UN's climate conference for governments (COP28) will be a key rallying moment.

Food Revolution

We'll...

Mobilise people to secure commitments for higher welfare in farmed animal systems from ten companies with the power to influence the whole industry. And we'll continue our work to give high meat consuming countries and companies a clear path to meat reduction. We'll also develop and present our global solutions and compelling arguments fostering reduced meat consumption and humane and sustainable protein consumption. In doing so we'll turn the world away from factory farming.

Fairer Finance

We'll...

Continue campaigning against the development banks who continue to fund new cruel factory farms. Our research will document the problems these projects cause, and rank, name and shame the worst banking offenders. We'll also continue to push commercial banks and pension funds to improve animal welfare by moving their investment and lending capital away from harmful animal industries. Our public campaigns and one-to-one dialogue with financial institutions will focus on the importance of a protein transition and humane and sustainable farming in saving our world.



Working for goal 2

Stop wild animals being cruelly exploited as commodities by changing the systems that allow it.

We'll...

Build global, people-powered campaign momentum to disrupt and secure commitments from key outstanding travel industry laggards still profiting from cruel wildlife entertainment. Three hundred companies have already made these changes; commitments from Tui.com, Trip.com and Groupon, will further make the cruel wildlife industry commercially non-viable.

Launch our new Wildlife Not Profit campaign to make this the last generation of wild animals to suffer from cruel commercial exploitation. In 2023, we'll push for bear, elephant and lion farming and breeding bans in China, Thailand and South Africa. We will also continue to build our case and evidence for a new agenda that protects wild animals' right to a wild life.

Innovate new solutions for wild animals. These will include building a pro-plant alliance to secure the end of wild animal use in wildlife-based traditional medicine, and a 'Wildlife Heritage Areas Network'. This will bring wildlife-friendly solutions to the travel industry. We'll also develop a 'Frontline Community Protectors Network'. It will develop new approaches in Peru, India and South Africa, making local communities central to wild animal and habitat protection.

Our global reach

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



Our offices

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

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

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

3 These offices are affiliates.

4 New Zealand is a branch of the Australian office.

Financial review

Our income

Every donation fuels our work to protect animals

Diversifying and growing our income is a critical component of our work to build a worldwide movement of people who value animals and join us in helping to protect them. World Animal Protection is committed to delivering sustainable and reliable income in alignment with our mission to protect animals and improve the wellbeing of people and our planet.

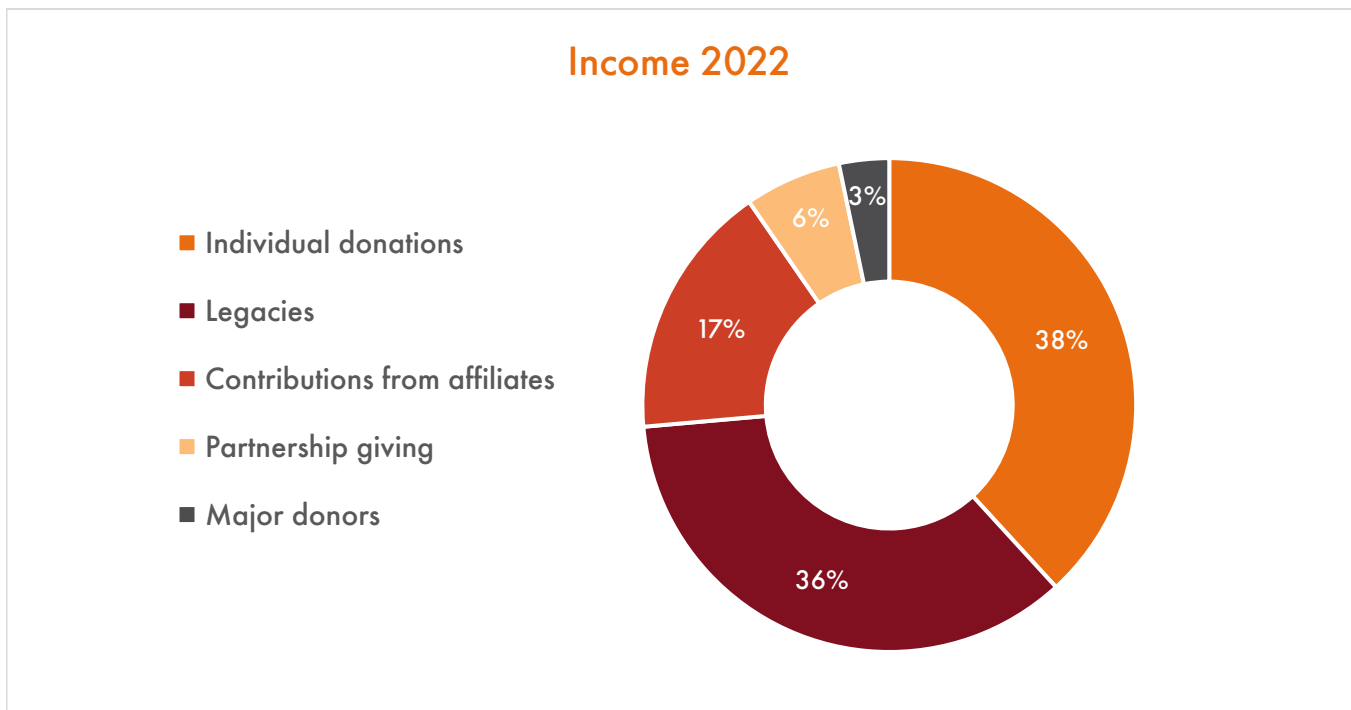
In 2022, we secured £38.2m in income from donations and legacies, which was 17.5% more than the previous year. This increase was primarily because of exceptional amounts given to us from people who have chosen to leave a legacy for animals, supporting our work after their death by way of a bequest in their will. To all our supporters, we are deeply thankful for your commitment to animals and your trust in our work to protect them.

The generosity of our many supporters, who give regular gifts and make one-off donations in response to our appeals, contributed £14.6m in 2022. This is a decrease of 3.5% compared to 2021, which reflects the impact of the rising cost of living and other economic challenges in several countries. Legacy income increased by 46.4% compared to 2021, largely thanks to a small number of very substantial legacies in the US and the UK.

Major gifts and grants from individuals, governments, businesses and trusts and foundations totalled £3.6m, which is an increase of 83% compared to 2021. We have been able to secure further funding from Open Philanthropy to cover work on animals in the farming system in Southeast Asia and China for the next couple of years.

In 2022, our network of affiliated World Animal Protection entities in Canada, Denmark, Netherlands, and Sweden, contributed £6.4m to our animal protection mission; this was 4.3% higher than the previous year.

For more information on our fundraising, please refer to our 'Global Review 2022', which includes a summary of gross income across all World Animal Protection entities.



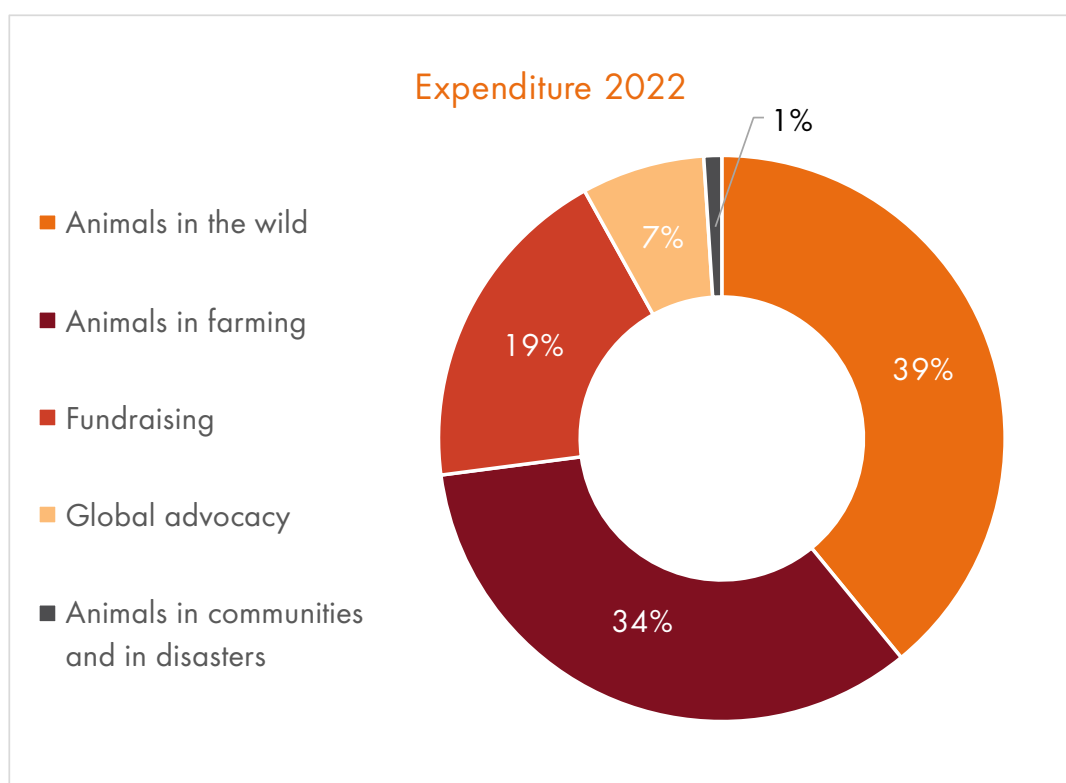
Our expenditure

During 2022 our total expenditure increased by 14% from £27.8m to £31.8m. Whilst global inflation has affected some of our cost base, we also accelerated implementation of our 2021-2030 strategy. Some of the increase in expenditure also relates to food systems activities funded by Open Philanthropy. We also finalised a global pay structure project in November 2022 which has resulted in a pay structure that is fair, transparent and competitive in the market rate for the skills we need to attract and retain.

We ensure that our fundraising is effective and are mindful how we spend our income. In 2022, we spent £6.1m on fundraising activities, which is an 8% increase compared to 2021. Inflationary pressures across the world has meant that our fundraising activities now cost more to deliver than they used to. Despite such economic challenges, by the end of the year, the rate of return was £5.25 for every £1 spent. Our growth strategy means we are looking to invest in activities that will increase our financial resources and increase engagement from stakeholders to create the impact for animals that we seek.

A key performance indicator is our spend on charitable activities and in 2022, this was 81.0% of total expenditure, compared to 79.8% in 2021. Staffing costs represented 37.7% of total expenditure in 2022, compared to 38.9% in 2021.

In support of our two key programmatic areas of 'animals in the wild' and 'animals in farming', we also engage in global advocacy. This is key to our theory of change in order to move the world to protect animals and these costs relate to communication, education, and advocacy across the world.



Going concern

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

The trustees have considered the potential impact of a reduction in future income and the consequential effect on expenditure. The scenarios considered have assumed a minimum reduction of 5% and a maximum reduction of 30% in Group income until December 2024. The trustees have also assumed a reduction in expenditure within six months after the initial drop in income, to allow time for the group to implement necessary actions to maintain a sustainable financial position.

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

Our fundraising approach

Fundraising practices and performance

The positive and lasting change for animals highlighted throughout this report is possible because of our supporters. Thanks to their dedication we have given captive elephants lives worth living in Asia, protected wild animals and their habitats from fires in Brazil. We have also tackled the root causes of these fires, and of farmed animals' suffering, by working to stop the advance of factory farming in Brazil itself and globally.

Our fundraising is part of our 2030 aim to double our reach, visibility and resources to enable our strategic goals for farmed and wild animals. In 2022, we continued to build further foundations to support that aim, and made progress towards it thanks to the engagement and generous contributions from our supporters.

Our aim is to raise more income, balanced across our income streams, so that we can scale up our work and impact for animals. We aim to do that by:

- innovating to reach more people - involving them in our mission
- putting our supporters at the heart of what we do
- establishing strong, long-term partnerships.

In 2022, World Animal Protection secured £38.2m of donations and legacies across UK, Australia, New Zealand, USA and Thailand (increased compared to £32.5m in 2021).

Most of our income was given by our individual supporters. This was just under £14.6m (this was less than the £15.1m raised in 2021). This reflects the impact of inflation meaning our fundraising activities cost more and some other factors, including the setting up a new entity in Thailand and associated licensing has taken longer than expected.

We are always mindful of how we spend our income and ensure that our fundraising is effective and efficient. We re-invest a proportion of the donations we receive in finding new supporters and raising more funds to make sure we can deliver our animal protection work now and into the future.

And we are committed to making our fundraising higher returning through focusing on Legacy Giving and Partnership Giving - that is major gifts from people, businesses, governments and trusts and foundations.

Gifts and grants from partnership giving was around £2.4m. (this is £2m higher than previous year). This is largely because we were able to continue much of our work through our single largest partnership with the US-based Open Philanthropy Project. The project is designed to make lasting change for farmed animals at scale, across Southeast Asia and China. In addition, we secured new commitments from the Oak Foundation, Switzerland and Defra, UK.

We received £13.5m from thoughtful bequests given by individuals in their wills to secure a better future for animals. This has been an exceptional year (a significant increase compared to £9.2m in 2021), where this type of giving was particularly high in the USA and also increased in UK and Australia.

Total restricted funds were £4.7m, which represented 12% of income, proportionally this is an increase compared to the previous year when restricted funds were 9% of income.

Fundraising standards

We continued to adhere to the highest standards of fundraising practice and all fundraising and data protection regulations. We review how we communicate with the public, donors, and organisations to request support and we continue to maintain our membership of fundraising and other relevant bodies. Specifically, we voluntarily subscribe to the Fundraising Regulator and its Code of Fundraising Practice and we have maintained our membership in the UK with the DMA (Data and Marketing Association), the Lotteries Council, the Institute of Legacy Management, the Withers Indemnity Project and NCVO (National Council for Voluntary Organisations).

World Animal Protection UK is also licensed by the Gambling Commission. And members of our team are an active member with the Chartered Institute of Fundraising and other relevant fundraising forums.

Our fundraising approach (cont.)

Working with third party fundraisers

Most of our fundraising activity is undertaken by our own directly employed colleagues and volunteers. The specialist nature of some of our activity means that there are some areas where we contract with external agencies. Talking to individuals in person and on the telephone are important ways of engaging the public with our mission and raising funds. In some markets, including the UK, we work with external organisations who have specific expertise in face-to-face fundraising (although we have not undertaken this type of fundraising in the UK since 2016) or telephone fundraising, so that we can talk to as many individuals as possible in a timely, efficient and effective way.

We work closely with these partners, including monitoring and supporting their performance through providing training and information; listening to recorded telephone calls and keeping a close eye on feedback or complaints from supporters. This is supported by contracts requiring that individuals who carry out these activities are trained to adhere to applicable laws and codes, such as in the UK the Fundraising Regulator's Code of Fundraising Practice, as well as data protection laws.

We did not have any commercial participators in 2022 in the UK. These are corporate partner organisations who provide charitable contributions to us from the sale of their goods or services and fundraise from customers and employees.

Feedback and complaints

To ensure we provide a relevant and a positive experience to supporters, we continue to monitor all feedback, queries and complaints closely. In 2022, the total supporter interactions in the UK ran into the millions, which resulted in a total of 80 complaints, similar to the 75 we received in 2021. This was broken down into 61 fundraising complaints and 19 non-fundraising complaints.

Proportionally the complaints we received were similar to previous years and we continued to have low number of telemarketing and TV television complaints despite their reach. We have seen an increase in complaints from our online givers, who are eager to receive all thanking and correspondence electronically rather than via post, we are setting up this electronic system, so these complaints will reduce. All these complaints were successfully resolved.

We appreciate that complaints and supporter feedback provide us with insights and lessons for future fundraising communications and activity. We were not subject to any complaint investigations through the Fundraising Regulator in 2021/22.

Protecting vulnerable people

In the course of our fundraising, we know that we will come into contact with people who may be in vulnerable circumstances. As we set out in our Fundraising Promise, we aim to be honest, responsible and committed to high standards and we have guidance in place to ensure colleagues are sensitive when engaging with vulnerable people, including the CARE model check-list (Comprehend; Assess; Retain; Evaluate).

Further information on our fundraising and supporter care can be found on each of our dedicated national websites., for example, our Supporter Promise and Complaints Policy on our UK website

<https://www.worldanimalprotection.org.uk/about/our-policies>

Financial policies

Reserves policy

The World Animal Protection Group will establish reserves and designated funds in accordance with national statutory and legal requirements and the principles contained in this policy. Reserves are defined as that portion of unrestricted funds that have not been designated for a specific purpose by the trustees.

Reserves are established to ensure that the World Animal Protection Group is:

- able to meet its financial commitments and obligations as they fall due (i.e., fund working capital),
- able to fund unexpected expenditure until adjustments can be made, for example when unplanned events or shocks occur, and
- resilient to uncertainty over future income.

The level of reserves is set at an amount sufficient to cover unfunded expenditure from unrestricted funds for a period of 10 months in the event of a 40% fall in unrestricted income.

Reserves will only be depleted to a level below that calculated with the approval of the board of trustees and, in such an instance, World Animal Protection will seek to replenish the reserves to the minimum level as quickly as is feasible following any approved depletion below the minimum level.

Designated funds are established at the discretion of the International Board for specific purposes which are in the best interests of the charity as determined by the trustees from time to time, or to represent the depreciated value of fixed assets which are not readily converted into cash.

The Group holds the following designated funds:

- Accelerator fund - £724,368 (\$1m) was set aside in 2021 to enable us to explore opportunities which can accelerate the achievement of our strategic goals for animals during 2022. In 2022, £105,454 was spent from this fund with the remaining £618,914 assigned to be spent in 2023 to build the organisation's digital capabilities and to improve our brand presence.
- Remuneration and grading project - an amount of £217,391 (\$300k) to cover costs of the project and changes in salary costs as a result of the review was set aside in 2021. In 2022, £196,208 of costs were utilised of this fund with the remaining £21,183 to be used in 2023 towards further work on this project.

Reserves performance

The total funds of the group amount to £26.1m (2021: £19.9m) of which £5.7m (2021: £4.8m) is restricted or endowed, and £0.5m (2021: £0.7m) is a revaluation fund representing the cumulative uplift in the value of the investments. Designated funds amounted to £0.6m (2021: £0.9m). The remainder are 'general funds' of £19.4m (2021: £13.4m), which correspond to the definition of 'reserves' in the reserves policy.

The minimum reserve levels are calculated based on the budget for the following year rather than retrospectively on historical results. The level of reserves sufficient to cover expenditure from unrestricted funds for a period of 10 months in the event of a 40% fall in unrestricted income would be £10m. If there was no income at all, this is equivalent to nearly 3½ months of expenditure based on the 2023 budget.

Recognising that reserves would be above the level set out in the reserves policy, the 2023 budget has been set to expend some of the carried over reserves in a controlled way for our charitable purposes over the coming years.

Investment policy

The investment policy of the charity is to balance the liquidity requirements between on-demand and fixed-term deposits with banks and the longer term returns that are possible through fixed asset investments.

Funds which are not expected to be needed except in the longer term are transferred to an investment manager, whose role is to protect World Animal Protection's investments and generate a return while observing our investment restrictions. As part of the trustees' oversight of this portfolio, the Audit & Finance Committee regularly reviews the performance of the investment portfolio, the investment principles and objectives, the charity's attitude to risk and advise the board on the selection of the charity's investment managers.

Investment performance

Our investment portfolios held in the UK and USA performed poorly in 2022 on the back of the poor global economic situation, with net investment losses of £838k being registered.

In the UK, average investment returns during the past 5 years has been 3.64% pa (19.57% over 5 years). We benchmark against the FTSE all share index which averaged returns of 3.05% pa over the same period (16.23% over 5 years). Investment performance has been acceptable over the longer term referred to in our policy, but recent performance has been poorer and management are considering other options.

Grant-making policy

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

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

Fraud resilience



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

We are not complacent, we provide training to staff and publish articles in our internal newsletter to raise awareness of how to spot and report suspected frauds or scams.

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

Data protection

The organisation continued implementing measures to strengthen our data protection procedures in the context of the General Data Protection Regulations (GDPR). These measures included data audits, improvements in policy and practice and improving staff awareness to strengthen a culture of privacy management and security.

Remuneration policy

We operate a World Animal Protection group remuneration policy, approved by the board, which requires an annual review of all salaries. Reviews take into account factors such as local market rates, the level of salary increases within the sector in a given year, inflation and affordability.

Any proposed increases are made in the context of the budgets approved by the board as a part of the annual budget process. Where there are changes to salaries, these are awarded to staff in July.

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

Safeguarding

As an organisation we have always taken seriously our duty to protect the welfare of our staff and partners. Within the charity sector there has been increased scrutiny from regulators and the media to ensure high levels of transparency and integrity. We regularly review our safeguarding policy and the most recent version was reviewed by the board in September 2021. The policy outlines our approach to protect the health, safety and welfare of all staff, volunteers, beneficiaries and others who come into contact with the organisation. This policy sets standards of behaviour and accountability for our staff and partners to ensure a workplace free from abuse and harassment. Aside from the primary purpose to protect individuals, this is essential if World Animal Protection is to remain a credible partner for the major global stakeholders we hope to influence as we seek to deliver our mission.

Our effort is not just focused on delivering the maximum impact for the animals we serve, but we seek to ensure that the way we go about our work reflects who we are and what we stand for as an organisation. This is reflected in a set of shared principles, values and behaviours that we have developed together, and reflect those standards expected of the charity sector more widely.

Modern slavery statement

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

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

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

Risk and uncertainties

We believe that sound risk management is integral to both good management and good governance practice. In the last two years we have enhanced our risk management policy and incorporated it within strategic and operational planning.

Our risk management strategy ensures...

- Risk assessments are conducted on all new activities and projects to ensure they are within our risk tolerance level and in line with the charity's objectives and mission.
- Any risks or opportunities arising are identified, analysed and reported at an appropriate level.
- A risk register covering key strategic risks is maintained as a living document and brought to each board and Audit & Finance Committee meeting.
- More detailed operational risk registers are maintained in aspects where this is considered appropriate, taking account of the impact of potential risk and the cost/benefit of the exercise.
- Staff are provided with adequate training on risk management and their role and responsibilities in implementing this.
- We regularly review and monitor the effectiveness of our risk management framework and update it as considered appropriate.
- The board receives regular reports on continuing and emerging high concern risks and those where priority action is needed to bring the risk within our stated risk appetite.

Our current significant risks include...

- **Ability to retain and attract staff.** Our people are the heart of our organisation. It is only through our dedicated and committed teams that we can deliver our mission to move the world to protect animals. We are strongly focused on creating the right culture for our employees and volunteers to grow and flourish. We want to be able to attract, recruit and retain the very best people to work for World Animal Protection and ensure they have the right support and development to nurture them to work flexibly across the globe.
- **Ability to deliver strategy.** 2021 was the start of a new ten-year global strategic period and as with any pivoting of strategy, this comes with a change in the ways in which we work. We engage frequently and openly as we seek to harmonise the ways in which we work together.
- **Strength of affiliate relationships.** Our World Animal Protection affiliates provided 16.8% of 2022 group income and play a key role in implementing our global strategies. We work closely and collaboratively with our affiliates to maximise the impact we have collectively.
- **Operational complexity.** We take all reasonable steps to comply with the laws and regulations applicable to UK registered charities, and the relevant regulations where our subsidiaries and branches are located. We engage local professional advice where necessary to supplement the local staff we employ in those locations.
- **Financial stability.** In an uncertain financial environment resulting from the continuing effects of a global pandemic, cost of living pressures and the war in Ukraine, we closely monitor the ongoing financial health of the organisation and mitigate risks by incorporating scenario planning into our budget setting, diversifying income and increasing the flexibility of our expenditure.

Structure, governance and management

Our structure

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

The board of trustees consists of no less than 9 and no more than 13 people and is responsible for the governance of World Animal Protection ensuring it is effectively and properly run and is meeting its overall purposes as set out in its Articles of Association (governing document).

Charity governance

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

Governance structure

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

Audit and finance committee:

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

Standing committee:

- discharge the functions of the board between regular board meetings in the event of a major unforeseen risk or opportunity that requires urgent attention falling beyond the delegated remit of the chief executive officer.

Mission committee:

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

People and culture committee:

- review the CEO's performance, remuneration and appraisal process
- ensure that the people and culture strategy is driven by and contributes to the achievement of the organisational mission and strategy
- maintain oversight of World Animal Protection's people policies and pay to ensure they are consistent with the needs of the business, current legislation and best practice and the board's requirements as expressed from time to time and
- Maintain an oversight of the organisation's development and culture and people performance.

Nominations and Governance Committee

In 2022, the board resolved to establish a Nominations and Governance Committee to:

- look across the global governance systems to ensure that agreements and processes best enable delivery of our global strategy,
- support board evaluation and performance, and plan for board succession.

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

Trustee recruitment

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

- reviewing the board's collective skills, knowledge and experience
- attracting candidates with identified skills and experience that the charity's needs, and
- interviewing candidates to explore their commitment, knowledge and skills etc.

Trustee induction

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

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

Management

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

The full list of 2022 and current members of the GLT and board can be found on page 41 under Reference and administrative details.



Photo: Noelly Castro / World Animal Protection

Reference and administrative details

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

Charity registration number 1081849

Company registration number 4029540

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

Board of trustees

(who are directors for Companies Act purposes)

Joanna Kerr Chair

Franc Alarcón de Barrientos³ (resigned 12 September 2022)

Sandra Lynn Bereti²

Tigere Chagutah (appointed 15 June 2023)

Franc Cortada³

Jamie Craig¹

Keung Ka Fung (appointed 15 June 2023)

Svetlana Ignatieva¹

Sarah Ireland³

Christine Lloyd^{2,3}

Bérangère Michel¹

Mwikali Muthiani²

Sol Oyuela (appointed 15 June 2023)

Karen Winton² (resigned 22 August 2022)

¹Member of audit and finance committee; ²Member of people and culture committee

³Member of policy and programmes committee

Chief executive officer: **Steve McIvor**

Investment managers

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

Bankers

Barclays Bank PLC
99 Hatton Garden
London EC1N 8DN

Solicitors

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

Co-operative Bank
1 King William Street
London, EC4N 7AF

Auditors (External)

Crowe UK LLP
55 Ludgate Hill
London EC4M 7JW

Auditors (Internal)

RSM
25 Farringdon Street
London EC4A 4AB

Global leadership team

Steve McIvor

Chief executive

Rachel Briggs

Global director of people

Lena Aahlby

Global director of programmes

Hok Pang

Global director of finance & resources

Thomas Schultz-Jagow (joined June 2022)

Global director of fundraising & engagement

Stephen Sibbald

Global director of strategic delivery

Our public benefit requirement

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

- charities promoting kindness and seeking to prevent or suppress cruelty to animals
- animal sanctuaries

- the provision of veterinary care and treatment
- charities concerned with the care and rehoming of animals that are abandoned, mistreated or lost
- feral animal control, e.g. neutering.

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

The report on pages 4-40 demonstrates how we met our charitable purposes in 2022 and our principal achievements under our respective strategic priority areas of work.



Photo credit: Vladimir Turkenich / Shutterstock

Statement of trustees' responsibilities

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

Under that law, the board of trustees has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Northern Ireland. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements including Financial Reporting Standard FRS 102;
- prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charitable group will continue in business.

The board of trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In the case of trustees in office at the date the Trustees' Annual Report is approved:

The trustees confirm that:

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

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

Auditors

Crowe 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 on 15 June 2023 and signed on their behalf by:



Joanna Kerr
Joanna Kerr
Chair

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

Opinion

We have audited the financial statements of World Animal Protection ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2022 which comprise Consolidated Statement of Financial Activities, Group and Parent Balance Sheets, Consolidated Statement of Cashflow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 43, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items. We also considered compliance with local legislation for the group's overseas operating segments.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation, employment legislation, taxation legislation, Anti-fraud, bribery and corruption legislation, and health and safety legislation.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit and Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical review and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood

Senior Statutory Auditor

for and on behalf of Crowe U.K. LLP

Statutory Auditor

London

Date: **4 September 2023**

Consolidated financial statements

Consolidated statement of financial activities for year ended 31 December 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Income and endowment from:									
Donations and legacies	2	33,499	4,660	-	38,159	29,557	2,924	-	32,481
Other trading activities	4	27	-	-	27	33	-	-	33
Investments	3	123	5	-	128	78	8	-	86
Total		33,649	4,665	-	38,314	29,668	2,932	-	32,600
Expenditure on:									
Raising funds	5	(5,851)	(200)	-	(6,051)	(5,441)	(187)	-	(5,628)
Charitable activities	6	(22,187)	(3,586)	-	(25,773)	(18,809)	(3,368)	-	(22,177)
Total		(28,038)	(3,786)	-	(31,824)	(24,250)	(3,555)	-	(27,805)
Net (losses)/gains on investments		(838)	-	-	(838)	515	-	-	515
Net income		4,773	879	-	5,652	5,933	(623)	-	5,310
Transfer between funds		181	-	(181)	-	53	(108)	55	-
Foreign exchange movement		418	120	73	611	83	(232)	9	(140)
Net movement in funds		5,372	999	(108)	6,263	6,069	(963)	64	5,170
Fund balances brought forward		15,073	2,556	2,242	19,871	9,004	3,519	2,178	14,701
Fund balances carried forward		20,445	3,555	2,134	26,134	15,073	2,556	2,242	19,871

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

The notes on pages 50 to 67 form part of these accounts.

Consolidated financial statements

Consolidated and charity balance sheets at 31 December 2022

	Note	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Fixed assets					
Tangible assets	11	327	237	324	251
Investments	12	4,631	3,274	5,334	3,738
		4,958	3,511	5,658	3,989
Current assets					
Stock		18	-	14	-
Debtors	13	3,402	2,354	1,800	2,245
Cash on deposit	24	2,494	1,700	781	-
Cash at bank and in hand	24	18,118	9,695	13,769	9,967
		24,032	13,749	16,364	12,212
Creditors: amounts falling due within one year	14	(2,705)	(1,846)	(2,002)	(1,359)
Net current assets		21,327	11,903	14,362	10,853
Provisions	15	(151)	(97)	(149)	(97)
Net assets		26,134	15,317	19,871	14,745
Unrestricted funds					
Designated funds	16	640	640	942	942
Revaluation funds		455	455	738	738
General funds		19,350	10,261	13,393	9,050
		20,445	11,356	15,073	10,730
Restricted funds	17	3,555	2,683	2,556	2,556
Endowments	18	2,134	1,278	2,242	1,459
Total funds		26,134	15,317	19,871	14,745

The notes at pages 50 to 67 form part of these accounts. The Charity-only net income for the year was £794,109 (2021: £4,477,506).

The financial statements were approved and authorised for issue by the trustees on 15 June 2023.


J. Kerr
Chair

Registered company no: 4029540

Consolidated financial statements

Consolidated statement of cash flows for year ended 31 December 2022

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Cash flows from operating activities:					
Net cash generated by operating activities			6,039		3,616
Cash flows from investing activities:					
Interest received	3	66		19	
Investment income	3	62		67	
Purchase of tangible assets	11	(110)		(219)	
Sale of tangible assets		-		2	
Purchase of investments	12	(65)		(98)	
Sale of investments	12	70		1,559	
Net cash generated in investing activities			23		1,330
Change in cash and cash equivalents in the reporting period					
			6,062		4,946
Cash and cash equivalents at the beginning of the reporting period					
			14,550		9,604
Cash and cash equivalents at the end of the reporting period	24		20,612		14,550

Reconciliation of net income to net cash flow from operating activities

Net movement in funds for the reporting period (as per Statement of Financial Activities)		5,652		5,310
Adjustments for:				
Depreciation charges	11	114		101
Net losses/(gains) on investments		835		(477)
Foreign exchange differences		467		(127)
Investment income	3	(128)		(86)
Loss on disposal of fixed assets		-		11
Increase in stocks		(4)		(8)
Increase in debtors		(1,602)		(309)
Increase/(decrease) in creditors		705		(799)
Net cash generated by operating activities		6,039		3,616

The notes on pages 50 to 67 form part of these accounts.

Notes to the consolidated financial statements

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

Going concern

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

The trustees have considered the potential impact of a reduction in future income and the consequential effect on expenditure. The scenarios considered have assumed a minimum reduction of 5% and a maximum reduction of 30% in Group income until December 2024. The trustees have also assumed a reduction in expenditure within six months after the initial drop in income, to allow time for the group to implement necessary actions to maintain a sustainable financial position.

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

b) Basis of consolidation

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

The charity is the sole member of World Animal Protection USA and World Animal Protection Australia. These are included in the consolidated accounts as subsidiaries. The registered offices for the subsidiaries are listed on our website: <https://www.worldanimalprotection.org/contact-us>

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

c) Fixed asset investments

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

d) Tangible fixed assets

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

- Computer equipment – 5 years
- Software – 3 to 5 years
- Office equipment – 3 years
- Leasehold improvements – The life of the lease

e) Fund accounting

Funds held by the charity are:

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

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

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

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

Notes to the consolidated financial statements

f) Income

Appeals, grants and donations

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

Legacies

Entitlement to legacies is taken as the earlier of the date on which either: the estate has been finalised and notification has been made by the executor(s) to World Animal Protection that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities

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

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

Interest receivable

Interest is included when receivable by the charity.

Commercial trading activities

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

g) Expenditure and irrecoverable VAT

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

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

Grants

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

Allocation of support costs

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

h) Stock

Stocks are valued at the lower of cost and net realisable value.

i) Debtors

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

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term

Notes to the consolidated financial statements

k) Creditors and provisions

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

l) Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments comprise fixed asset investments measured at fair value through profit or loss, and financial assets and liabilities that are initially recognised at transaction value and subsequently measured at their settlement value.

m) Foreign currency

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

n) Pensions

The Group has both defined contribution and defined benefit schemes.

The assets of each defined contribution scheme are held separately from the Group in an independently administered fund. The amount charged as an expense to the SOFA represents the contributions payable to the scheme in respect of the accounting period.

Normal contributions to the defined benefit scheme ceased in 2009 and is closed to future accrual. It is a multi-employer scheme and is accounted for as a defined contribution scheme as the Group is unable to identify its share of the plan assets and liabilities.

o) Significant accounting estimates and judgments

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually. The main estimates in the financial statements relate to depreciation (see section d above), legacies (see section f above) and provisions (see section k above).

Photo credit: Incubate Video



Notes to the consolidated financial statements

2. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Appeals and gifts (individual donations)	13,250	1,325	14,575	13,558	1,551	15,109
Legacies	13,426	84	13,510	9,144	85	9,229
Corporate donations, trusts, foundations, and society grants	156	2,224	2,380	249	170	419
Governments	-	9	9	363	2	365
Major donors	825	370	1,195	790	383	1,173
Gifts in kind	25	-	25	-	-	-
Other income	53	4	57	41	-	41
Income from World Animal Protection affiliates	5,764	644	6,408	5,412	733	6,145
	33,499	4,660	38,159	29,557	2,924	32,481

3. Investments

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Interest receivable	61	5	66	11	8	19
Investment income from investments	62	-	62	67	-	67
	123	5	128	78	8	86

Notes to the consolidated financial statements

4. Subsidiary companies

	Trading company		USA		Australia*	
	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Income	27	33	10,575	3,670	7,568	7,871
Expenditure	(32)	(22)	(5,007)	(3,270)	(7,567)	(7,870)
Net incoming/(outgoing) resources before gains and losses and gift aid	(5)	11	5,568	400	1	1
Gift aid	(8)	(14)	-	-	-	-
Net (outgoing)/incoming resources before gains and losses	(13)	(3)	5,568	400	1	1
Net (losses)/gains on investments	-	-	(382)	212	-	-
Net movements in funds	(13)	(3)	5,186	612	1	1
Assets	39	79	12,046	4,559	2,239	2,719
Liabilities	(24)	(51)	(2,062)	(251)	(1,502)	(2,004)
Funds	15	28	9,984	4,308	737	715

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

5. Expenditure on raising funds

	Total 2022 £000	Total 2021 £000
Appeals and gifts (individual giving)	5,487	5,117
Legacies	73	101
Corporate donations, trust foundations	354	300
Major donors	97	81
Fundraising trading	32	21
Investment managers' fees	8	8
Total	6,051	5,628

Included in the above are governance costs of £111,446 (2021: £89,023)

Notes to the consolidated financial statements

6. Charitable Activities

	Animals in communities	Animals in farming	Animals in disasters	Global advocacy for animals	Animals in the wild	Total 2022 £'000	Total 2021
Grants (see note 7)	73	168	10	55	1,298	1,604	1,619
Direct expenditure	88	7,956	81	1,633	8,150	17,908	14,768
Support costs	52	2,380	14	496	2,687	5,629	5,307
Governance costs	6	269	1	53	303	632	483
Total 2022	219	10,773	106	2,237	12,438	25,773	22,177
Total 2021	782	8,882	1,276	2,305	8,932	22,177	

Photo credit: Asociatia Milioane De Prieteni (AMP)



Notes to the consolidated financial statements

7. Grants

Grants were made to the following institutions:	2022	2021
Institution name:	£'000	£'000
Asociatia Milioane de Prieteni (AMP)	262	165
Bioresource Research Centre	186	126
Elephant Livelihood Initiative Environment (ELIE)	115	118
Boon Lott's Elephant Sanctuary	81	35
International Companion Animal Management Coalition	73	106
Bring the Elephant Home	65	-
Action for the Protection of Animals Africa (APAA)	55	93
Tiger Tops	49	32
Following Giants	48	44
Yayasan Lembaga Konsumen Indonesia	45	16
University of Surrey	42	-
World Cetacean Alliance	40	98
Kindred Spirit Elephant Sanctuary	36	48
Education for Nature - Vietnam	35	30
Evergreen Labs	33	33
Blood Lions	32	21
Instituto Ecológico	31	-
ChangChill	29	33
Instituto de Pesquisa e Conservação de Tamanduás	28	11
Manchester Metropolitan University	27	-
Beijing Chunyu Tianxia Software	26	-
Collective Fashion Justice	26	-
Emi Kondo	24	-
University of Pretoria	22	-
Beijing Guoweiijian Health Information Technology	19	-
Centre for Marinelife Conservation and Community Development	17	-
Patom Organic Living	17	-
Tambuyog Development Center, Inc	16	31
The Philippine Animal Welfare Society	16	21
Burm and Emily's Elephant Sanctuary	15	18
Vietnam Animal Welfare Association (VAWA)	13	-
Instituto Homem Pantaneiro	11	55
Mahouts Elephant Foundation	10	15
Coalition of African Animal Welfare Organisation	10	-
Roots and Shoots	8	-
Sappraiwan Elephant Resort	7	-
Catalyst	-	125
University of Oxford	-	60
Tree Tops Elephant Reserve	-	58
Ocean Conservancy	-	29
Compassion in World Farming	-	27
ProVeg e.V.	-	26
International Cooperation Committee of Animal Welfare	-	23
Green Korea United	-	22
Kenya Agriculture and Livestock Research Organization	-	21
Blue Ocean Gear	-	14
Vets Beyond Borders	-	14
Odonata Foundation	-	13
World Parrot Trust	-	9
African Union Interafrican Bureau for Animal Resources (AU-IBAR)	-	7
Faunalytics	-	5
Other grants to institutions (all under £5,000)	35	17
	1,604	1,619

Notes to the consolidated financial statements

8. Analysis of support and governance costs

	Animals in communities £'000	Animals in farming £'000	Animals in disasters £'000	Global advocacy for animals £'000	Animals in the wild £'000	Consolidated 2022 £'000	Consolidated 2021 £'000
CEO and executive management	11	549	3	125	590	1,278	1,145
Finance	6	431	3	70	421	931	1,050
IT	7	284	2	59	328	680	626
Facilities	14	621	3	124	706	1,468	1,510
HR	14	495	3	118	642	1,272	976
Governance	6	269	1	53	303	632	483
Total 2022	58	2,649	15	549	2,990	6,261	5,790
Total 2021	228	2,354	285	590	2,333	5,790	

In the table above, the basis of apportionment for support costs has been the proportion of the direct expenditure for each charitable activity compared to total expenditure.

9. Net incoming resources

This is stated after charging	2022 £'000	2021 £'000
Operating lease expense	1,209	1,207
Depreciation charges	114	101
Loss on disposal of fixed assets	-	11
Auditor's remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts	120	113
Fees payable to the charity's auditor and its associates for other services:		
- Audit of the accounts of subsidiaries (excluding US office)	25	28
- Other non-audit services	13	-
Amounts paid to US office auditors - Marks Paneth	35	33
Investment managers' fees	8	8

- Audit remuneration in relation to the group audit was £97,040 (2021: £86,220) inclusive of VAT, and this was paid to Crowe UK LLP.
- Audit remuneration for overseas offices was £48,403 (2021: £54,692) and this was paid to Crowe Global member firms.

Notes to the consolidated financial statements

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

	Consolidated 2022 £'000	Consolidated 2021 £'000
Wages and salaries	10,349	9,400
Social security costs (national insurance and other taxes)	942	815
Other pension costs	695	602
	11,986	10,817

In addition, a great amount of time, the value of which is impossible to reflect in these financial statements, was donated by our volunteers. Our volunteers helped to raise funds and provided office administration and support.

The average number of contracted employees throughout the year was:	2022 Headcount	2022 No. of full-time equivalents	2021 Headcount	2021 No. of full-time equivalents
Charitable activities, campaigns and publicity	121	119	123	121
Fundraising	41	39	39	38
Support	44	42	43	41
Leadership and governance	10	10	8	8
	216	210	213	208

The emoluments of members of staff, including benefits in kind within the range of £60,000 to £159,999, are:	2022 Number	2021 Number
£60,000 - £69,999	13	9
£70,000 - £79,999	12	16
£80,000 - £89,999	8	5
£90,000 - £99,999	8	4
£100,000 - £109,999	3	4
£110,000 - £119,999	3	1
£120,000 - £129,999	2	1
£130,000 - £139,999	1	-
£140,000 - £149,999	1	1
£150,000 - £159,999	1	-
	52	41

The pension costs paid in respect of these employees amounted to **£243,387** (2021: £183,655)

Within our branches and subsidiaries, we employ staff with the required skills and experience to enable our organisation to meet our goals. We attract and retain staff and the salaries are based on the local market. Many of our staff team could make use of their skills elsewhere in the charitable or private sector for considerably higher salaries and of the high earners' number quoted above, only 15 out of 55 staff were employed within the UK.

The key management personnel of the charity are considered to be the Global Leadership Team (GLT). The GLT comprises the CEO, the global director of programmes, the global director of fundraising and engagement, the global people director, the global director of finance and resources and the global director of strategic delivery. In the prior year, the GLT comprised the CEO, the global people director, the global director of programmes, the global director of finance and resources and the global director of strategy. The key management personnel of the charity received £724,642 (2021: £610,484) in salaries and fees. The employer contributions into the charity's pension scheme with respect to key management personnel amounted to £43,421 (2021: £34,915). The total employee benefits of the key management personnel of the charity were £3,437 (2021: £3,680).

Notes to the consolidated financial statements

Redundancy and termination payments	2022	2021
Redundancy/Termination payments (£'000)	-	30
Number of employees made redundant	-	1

Trustee expenses

Total board/committee expenses incurred in respect of travel, accommodation and subsistence was £8,948 (2021: £574).

Included in the above are £1,774 (2021: £244) of expenses reimbursed to three trustees (2021: one). The remaining expenses are paid directly by the charity.

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

Photo credit: World Animal Protection



Notes to the consolidated financial statements

11. Tangible fixed assets (consolidated)

	Leasehold improvements £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2022	914	187	240	282	1,623
Additions	-	9	101	-	110
Foreign exchange differences	13	14	11	4	42
Disposals	-	-	-	-	-
At 31 December 2022	927	210	352	286	1,775
Depreciation					
At 1 January 2022	745	162	210	182	1,299
Disposals	-	-	-	-	-
Foreign exchange differences	8	13	10	4	35
Depreciation in year	42	7	41	24	114
At 31 December 2022	795	182	261	210	1,448
Net book amount at 31 December 2022	132	28	91	76	327
Net book amount at 31 December 2021	169	25	30	100	324

Tangible fixed assets (charity)

	Leasehold improvements £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2022	741	45	95	220	1,101
Additions	-	9	48	-	57
Foreign exchange differences	4	1	3	-	8
Disposals	-	-	-	-	-
At 31 December 2022	745	55	146	220	1,166
Depreciation					
At 1 January 2022	633	24	74	119	850
Foreign exchange differences	1	1	3	-	5
Disposals	-	-	-	-	-
Depreciation in year	26	6	18	24	74
At 31 December 2022	660	31	95	143	929
Net book amount at 31 December 2022	84	24	51	77	237
Net book amount at 31 December 2021	108	21	21	101	251

Notes to the consolidated financial statements

12. Fixed Asset Investments (consolidated and charity)

	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Market value as at 1 January 2022	5,334	3,738	6,297	4,944
Add: acquisitions at cost	65	-	98	-
Less: investment manager's fees	(8)	(8)	(8)	(8)
Foreign exchange differences	137	-	21	-
Less disposals at market value	(59)	-	(1,589)	(1,500)
Unrealised (losses)/gains on revaluation	(838)	(456)	515	302
Market value at 31 December 2022	4,631	3,274	5,334	3,738
Historical cost at 31 December 2022	3,542	2,527	3,467	2,527

An analysis of the market value of investments at 31 December 2022 is as follows:	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Overseas equities	1,526	1,526	1,712	1,712
UK stock/bond mixed indexed funds	596	596	732	732
US stock indexed funds	980	-	1,197	-
Bonds and bond indexed funds	1,501	1,152	1,659	1,294
US fixed-interest stock	28	-	34	-
	4,631	3,274	5,334	3,738

At 31 December 2022, the charity owned the entire issued share capital of World Animal Protection Trading Company Limited (£2 cost), a company which supports the charity by carrying out ancillary trading activities. The trading results are set out in Note 4. At 31 December 2022, the amount of this company's assets, liabilities, share capital and reserves was:

	2022 £'000	2021 £'000
Current assets	39	79
Creditors: amount falling due within one year	(24)	(51)
Creditors: amount falling due after more than one year	-	-
	15	28
Called-up share capital - (£2 rounded down to nil)	-	-
Profit and loss account	15	28
	15	28

Notes to the consolidated financial statements

13. Debtors

	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Trade debtors	937	54	19	19
Amounts owed by subsidiary undertakings	-	324	-	972
Amounts owed by other WAP affiliates	147	147	122	122
Accrued income	612	552	303	248
Prepayments	1,194	1,008	929	712
Other debtors	512	269	427	172
	3,402	2,354	1,800	2,245

14. Creditors: amounts falling due within one year

	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Trade creditors	1,252	829	862	673
Other creditors	233	12	241	15
Taxes and social security	288	229	247	186
Accruals and deferred income	794	388	582	298
Amounts owed to other World Animal Protection affiliates	138	138	70	70
Amounts owed to subsidiary undertakings	-	250	-	117
	2,705	1,846	2,002	1,359

15. Provisions

	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Opening balance	149	97	151	97
Provision released during the year	-	-	-	-
Foreign exchange differences	2	-	(2)	-
Provision built up in the year	-	-	-	-
Closing balance	151	97	149	97

The provision relates to lease dilapidations for the London and Australian offices.

Notes to the consolidated financial statements

16. Unrestricted funds (Consolidated and Charity)

Consolidated

	Balance at 1 January 2022 £'000	Income £'000	Expenditure £'000	Realised and Unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2022 £'000
Designated funds	942	-	-	-	(302)	640
General & revaluation funds	14,131	33,649	(28,038)	(420)	483	19,805
Total unrestricted Funds	15,073	33,649	(28,038)	(420)	181	20,445

Charity

Designated funds	942	-	-	-	(302)	640
General & revaluation funds	9,788	19,496	(18,589)	(462)	483	10,716
Total unrestricted funds	10,730	19,496	(18,589)	(462)	181	11,356

The balance of the designated funds include an 'accelerator fund' of £619,184 and a fund of £21,183 to cover a remuneration and grading structure project. The purpose of the designated funds can be found in the reserves policy on page 42. £301,662 was transferred from unrestricted funds to designated funds as this represents the total expenditure in the year against those specific funds. £181,046 of losses has been transferred from revaluation to endowment funds for the movement in the year relating to the invested endowment funds.

17. Restricted funds

Consolidated

	Balance at 1 January 2022 £'000	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2022 £'000
Animals in farming	122	2,230	(957)	4	1,399
Animals in the wild	98	652	(745)	-	5
Animals in communities	16	14	(29)	(1)	-
Global advocacy for animals	-	251	(251)	-	-
Animals in disasters	(17)	28	(15)	4	-
Geographical restrictions	2,337	1,490	(1,789)	113	2,151
	2,556	4,665	(3,786)	120	3,555

Charity

	Balance at 1 January 2022 £'000	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2022 £'000
Animals in farming	122	1,358	(957)	4	527
Animals in the wild	98	652	(745)	-	5
Animals in communities	16	14	(29)	(1)	-
Global advocacy for animals	-	251	(251)	-	-
Animals in disasters	(17)	28	(15)	4	-
Geographical restrictions	2,337	1,490	(1,789)	113	2,151
	2,556	3,793	(3,786)	120	2,683

Notes to the consolidated financial statements

18. Endowments

Consolidated	Italy/ Isle of Capri £'000	General Operations £'000	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2022	35	748	967	492	2,242
Net realised and unrealised losses	-	-	(120)	(61)	(181)
Sale of assets - realised gains/losses	-	-	-	-	-
Foreign exchange differences	3	70	-	-	73
Balance at 31 December 2022	38	818	847	431	2,134

Charity	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2022	967	492	1,459
Net realised and unrealised losses	(120)	(61)	(181)
Sale of assets - realised gains/losses	-	-	-
Balance at 31 December 2022	847	431	1,278

All endowment funds held are permanent:

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

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

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

The net realised and unrealised losses during the year has been reallocated from the revaluation funds.

Notes to the consolidated financial statements

19. Analysis of net assets between funds

For 2022

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	263	64	-	327
Investments	2,497	-	2,134	4,631
Net current assets	17,836	3,491	-	21,327
Provisions	(151)	-	-	(151)
	20,445	3,555	2,134	26,134

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	173	64	-	237
Investments	1,996	-	1,278	3,274
Net current assets	9,284	2,619	-	11,903
Provisions	(97)	-	-	(97)
	11,356	2,683	1,278	15,317

For 2021

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	252	72	-	324
Investments	3,092	-	2,242	5,334
Net current assets	11,878	2,484	-	14,362
Provisions	(149)	-	-	(149)
	15,073	2,556	2,242	19,871

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	179	72	-	251
Investments	4,944	-	1,459	3,738
Net current assets	8,369	2,484	-	10,853
Provisions	(97)	-	-	(97)
	10,730	2,556	1,459	14,745

20. Commitments

Capital commitments: There were no capital commitments by the charity or group, contracted or authorised, at 31 December 2022 or 31 December 2021.

Notes to the consolidated financial statements

21. Operating lease commitments

Operating lease payments relate to total contractual rent commitments for premises within the group, over the remaining life of the leases.

	Consolidated 2022 £'000	Charity 2022 £'000	Consolidated 2021 £'000	Charity 2021 £'000
Due in one year or less	1,175	796	1,143	802
Between one and five years	2,644	1,273	3,604	2,003
In five years or more	635	22	634	72
	4,454	2,091	5,381	2,877

22. Related party transactions

	Paid by World Animal Protection £'000	Received by World Animal Protection £'000	Amounts owed by World Animal Protection £'000	Amounts owed to World Animal Protection £'000
World Animal Protection Brazil	792	-	54	-
World Animal Protection Canada	-	473	-	40
World Animal Protection (Thailand) Foundation	37	-	-	-
World Animal Protection Denmark	-	3,544	-	-
World Animal Protection India	271	-	-	107
World Animal Protection Netherlands	-	969	84	-
World Animal Protection Sweden	-	1,422	-	-
	1,100	6,408	138	147

The first column shows the grants given to those affiliate entities that carry out programme delivery work but do not fundraise locally. The second column shows the donations and grants received from fundraising affiliate offices. The balances owed to and from the affiliate entities at the end of the year are also disclosed.

Affiliate entities are governed by their own separate board of directors and are related parties by virtue of their representation on this charity's Senior Leadership Team and the collaboration arrangement between the entities.

23. 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.

Notes to the consolidated financial statements

24. Analysis of cash and cash equivalents

	At 1 January 2022 £'000	Cash flows £'000	At 31 December 2022 £'000
Cash at bank and in hand	13,769	4,349	18,118
Cash on deposit	781	1,713	2,494
	14,550	6,062	20,612

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

25. Pensions

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

Prior to 31 December 2009, World Animal Protection USA provided a defined benefit pension plan covering salaried permanent employees. Benefits were based on years of service and the employee's remuneration. Effective 31 December 2009, all benefits under the defined benefit pension plan were frozen. Following 31 December 2009, no employees were eligible to participate in the defined benefit pension plan and vested employees in the plan are no longer accruing additional benefits. The scheme is a multi-employer defined benefit pension scheme. The scheme as a whole was in a deficit position of £1.3m (\$1.6m) as at 31 December 2022 (2021: £2.4m/\$3.2m). The actuaries are unable to split out World Animal Protection USA's share of the assets and liabilities. World Animal Protection USA's best estimate of its share of the liability is 1.58% which would equate to a deficit position of £21k (2021: £37k). No deficit or other contributions were required in the year to 31 December 2022 (2021: £nil) as the scheme is above minimum funding level. World Animal Protection USA is not liable for any other entities' obligations under the terms and conditions of the plan.

Since 2010, World Animal Protection USA has provided a group tax-deferred 403(b) plan covering all permanent employees. The assets are held for each employee in an individual account maintained by an investment firm. Eligible employees may contribute to the plan up to allowable levels. World Animal Protection USA matches employee contributions to the plan up to 3% of each employee's bi-weekly salary. Employees forfeit employer contributions if they terminate in the first three years of employment.

26. 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 £3.9 million (2021: £6.5 million).

Thank you

To our supporters

We would like to say a sincere thank you to all our supporters. Ending animal suffering starts with moving people to care and contribute; you have made life-changing work for animals possible in 2022. With your continued generous support, we will work hard in 2023 and beyond to move the world to join us in protecting animals.

To our volunteers

Volunteers are important to World Animal Protection in many ways, from raising vital funds to helping with office administration and support. Many thousands give their time and support by engaging with us in forms of campaign action. So, we would like to express our warmest thanks to you all for your dedication and hard work during 2022. You make a fundamental contribution to our mission to move the world to protect animals.

Photo: On 25 August 2022 the Australia and New Zealand team had the opportunity to connect with some of the animals they work so hard to protect, spending the day volunteering at a farmed animal sanctuary, Moo to Ewe. Credit: Palmdale



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