

**PEOPLE FOR THE ETHICAL TREATMENT OF
ANIMALS (PeTA) FOUNDATION**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 JULY 2020

Registered Company number: 03135903
Registered Charity number: 1056453

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
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REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2020

People for the Ethical Treatment of Animals (PeTA) Foundation is a Registered Charity, number 1056453 and Registered Company, number 03135903.

DIRECTORS

The Directors of the Company who are also Charity Trustees who served during the year were:

L Lovich
I Newkirk
L Chappell

COMPANY SECRETARY

Ingrid Newkirk

REGISTERED OFFICE

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AUDITOR

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**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2020

The Trustees of the Charity, being the Company's Directors, present their report and financial statements for the year ended 31 July 2020. These financial statements are a consolidation of the Charity with its wholly owned subsidiary PeTA Europe Limited. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities" SORP 2015 (Second Edition, effective 1 January 2019) (FRS 102), in preparing the annual report and financial statements of the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PETA is a company limited by guarantee and is a registered charity. It has no share capital and the liability of the members is limited to £1.

PETA was incorporated on 8 December 1995. The main aim of the Charity is to research the treatment of animals throughout society and to educate the public about steps to reduce cruelty to animals.

Organisational Structure

The Trustees of PETA were:

L Lovich
I Newkirk
L Chappell

Trustees were originally asked to serve by the founder. They are experienced in animal rights issues and animal protection matters and often have their own business experience. They receive legal advice from experienced solicitors when necessary, as, for instance, when there is a new regulation or law that might affect the organization.

Risk statement

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The Trustees, aware that this is an ongoing process, updated their risk assessment in the year and are satisfied that, where appropriate, effective controls are in place to mitigate against key risks.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard with the Charity Commission's general guidance on public benefit "Charities and Public Benefit". After careful consideration, they have concluded that:

1. The aims of PETA continue to be exclusively charitable.
2. The aims, and the work done in pursuance of them, give clearly identifiable benefits to the public including, both indirectly and directly, to individuals in need;
3. The benefits are for the public at large, and are not unreasonably restricted in any way (and certainly not by ability to pay); and
4. There is no significant detriment or harm arising from the aims or activities.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

PeTA Europe Limited

PeTA Europe Limited (PEL) is a wholly owned non-charitable subsidiary of the Charity. The results of PEL are consolidated in the financial statements of the Charity set out on pages 14 - 25. During the year the aims of PEL continued to be that of preventing or relieving suffering of animals, in particular through seeking participation in campaigns to end or curtail animal suffering, and educating the public concerning animal abuse, protection and related subjects.

On 30 September 2009, People for the Ethical Treatment of Animals (PeTA) Foundation commenced the transfer of all the activities and assets of PeTA Europe Ltd., following discussions with the Charity Commission to ensure that all of PEL's activities could be validly carried on by PETA.

MISSION

We believe that animals have an intrinsic worth of their own, quite apart from their utility to humans, and should not be reduced to human commodities. Therefore, PETA's motto is "Animals are not ours to experiment on, eat, wear, use for entertainment, or abuse in any other way."

PETA works through public education, research, legislation, special events, celebrity involvement and protest campaigns.

STRATEGY

Public awareness is PETA's most effective weapon against animal mistreatment. The video footage and other findings from our exposés of facilities in which animals are neglected and abused draw millions of Web viewers each year. Our media campaigns—and especially our use of celebrity spokespeople—put animal issues in the headlines of major media outlets every single day. Our grassroots outreach, with demonstrators and leafleters on the streets all over the UK, is constantly reaching new consumers.

With this approach, we're getting animal tests replaced with sophisticated non-animal test methods. We're persuading designers and retailers to stop selling fur and skins. We're turning people away from live-animal shows and exhibits. We're engaging young people and revolutionizing the way future generations will regard animals. And we're inspiring countless people to go vegan, to buy only cruelty-free products, and to make animal-friendly choices in all aspects of life. PETA is using this method in our work to achieve a world in which animals are respected and people are aware of and concerned about the ways in which their daily decisions affect the lives of other sentient beings.

OBJECTIVES AND ACTIVITIES

- 1) to prevent or relieve suffering of animals and to promote the prevention and relief of suffering by animals, in relation to areas including but not limited to the use of animals for the purposes of commerce (including without limitation food and clothing), entertainment or experimentation; and
- 2) to advance the education of the public concerning the care and treatment of animals;
- 3) to conduct or promote the conduct of research into:
 - a) subjects connected with the use and treatment of animals for the purposes of commerce, entertainment or experimentation;
 - b) the care and treatment of animals;
 - c) animal behaviour; and
 - d) the production, utilisation, preparation, preservation and dietetic effects of vegetarian substances for human consumption.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2019

ACHIEVEMENTS AND PERFORMANCE

The sections which follow demonstrate the manner in which PETA met its charitable purposes in 2019–2020 and list the organisation's principal achievements within the scope of each of its stated objectives which benefit the public.

Preventing or Relieving the Suffering of Animals and Promoting the Prevention and Relief of the Suffering of Animals

PETA is an active member of the PETA International Science Consortium Ltd. (the Science Consortium), which was set up in 2011 and became a company limited by guarantee in 2012. The Science Consortium coordinates and applies its members' scientific and regulatory expertise in order to promote reliable and relevant strategies for reducing and ultimately eliminating the use of animals in experiments. Its website (PISCLtd.org.uk) has continued to grow and is a valuable resource for those involved in regulatory testing.

PETA and our affiliates continue to engage with the European Chemicals Agency (ECHA) – the administrative body overseeing the European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) programme – to promote the reduction and replacement of animal tests. For example, the Science Consortium has intervened in several cases appealing ECHA requests for tests on animals.

Furthermore, the European Commission is currently investigating how polymers could be registered under REACH. Their registration could dramatically increase the number of animals used in testing, so, on behalf of the Science Consortium, a PETA research associate will observe the Competent Authorities for REACH and CLP (CARACAL) subgroup advising the Commission on the registration of polymers. Additionally, a PETA research associate, on behalf of the Science Consortium, is an observer of a CARACAL subgroup advising the Commission on legislative and policy issues related to endocrine-disrupting chemicals in REACH and CLP. The observers will advise their respective subgroups on strategies for reducing the impact on animals.

The Science Consortium provided the European Commission with expert advice on how to minimise tests on animals for the registration of biocide formulations and their active ingredients. The updates to the data requirements are expected to be published in the second half of 2020.

PETA has contacted numerous universities and companies to urge them to end the use of the forced swim test, in which terrified rats, mice, or other small animals who have been placed in inescapable beakers of water search frantically for a way out. After hearing from PETA, King's College London became the first known academic institution to declare that it will no longer use the test. After more than a year of campaigning by PETA and our international affiliates that included nearly 800,000 e-mails from supporters around the globe, Bristol-Myers Squibb confirmed a ban on the cruel forced swim test.

The Science Consortium continued its work to reduce the number of fish used in aquatic toxicity tests through the development of an integrated approach to testing and assessment for the assessment of acute fish toxicity.

PETA scientists wrote and distributed a detailed strategy – “The Research Modernisation Deal” – to the European Commission, UK government, and relevant agencies on how and why to make the transition from useless animal experimentation to humane research methods that hold real promise.

After a whistle-blower from a Charles River Laboratories facility in Scotland provided us with a statement alleging that the company is responsible for crushing rats to death, administering excessive doses of chemicals to rats – leading them to self-mutilate – and other atrocious acts, we filed a complaint with the Home Office. The facility has been formally investigated and sanctioned. Its violations also garnered media coverage, helping the public gain a better understanding of the cruelty animals endure in laboratories.

We've thwarted efforts to build factory farms: an application to build a cruel chicken farm in Great Ponton, Lincolnshire, was rejected after more than 25,000 PETA supporters signed a petition opposing the facility. Had the farm been constructed, it would have kept up to 270,000 chickens at a time in severely crowded, dark sheds with no opportunity to engage in natural forms of behaviour such as foraging and roosting. Likewise, an application for a cruel factory farm near Harmston, Lincolnshire – which would have condemned nearly 2,000 pigs at a time to a life of suffering and misery – was rejected after councillors heard from PETA and our supporters.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACHIEVEMENT AND PERFORMANCE (continued)

After learning from PETA of the harm caused by selling greetings cards featuring depictions of captive great apes in unnatural situations, popular card retailer Moonpig pledged that it would no longer sell such products – and has removed all existing ones from its website. The decision is an important one, as numerous studies show that inaccurate portrayals of great apes in the media and in popular culture can seriously hinder conservation efforts and may also increase the demand for these dangerous animals as “pets”.

Following a PETA campaign and e-mails from more than 280,000 concerned shoppers, Sephora has confirmed that it has banned mink-fur eyelashes and will stock only synthetic or faux-fur ones going forward.

After a concerned supporter informed PETA that finches and budgies were kept caged in the busy lobby at the Rosewood London hotel, we worked with the hotel's management to transfer the six stressed birds to a suitable aviary, where they could do what comes naturally to them: fly. The management pledged never to keep birds on the premises again.

A Scottish sheep farmer pleaded guilty to cruelty to animals after a PETA Asia investigator filmed him viciously punching and kicking sheep in the face. It's the *first time ever* that a Scottish court has convicted a farmer of causing unnecessary suffering to animals during the shearing process. This would never have been possible without PETA's exposé, and it sends a strong message to farmers and shearers that cruelty will not be tolerated.

A PETA Asia investigation revealed that in Thailand, monkeys – many of whom are illegally captured in their habitat – are forced to scale trees and pick as many as 1,000 coconuts a day. They are also kept chained and isolated and driven insane by captivity, deprivation, and violent abuse. PETA and our affiliates have since persuaded Walgreens Boots Alliance to stop selling coconut food and drink products of Thai origin; Sainsbury's, Tesco, and Asda to stop selling products from Chaokoh (a brand that uses monkey labour); and Ocado, Waitrose, and Co-op to never knowingly sell *any* products involving monkey labour. More than 25,000 stores around the world have committed to never stocking products sourced from monkey labour after speaking with PETA and our affiliates.

After learning from PETA how marine animals such as orcas and other dolphins suffer when they're confined to cramped concrete tanks, luxury travel provider Premier Holidays stopped selling tickets to SeaWorld – the world's most notorious marine *abusement* park – and all other parks that confine these highly intelligent beings in the name of entertainment. The company told a travel industry publication that “we took the decision to follow the advice of Peta (People for the Ethical Treatment of Animals) and remove from sale any attractions that keep whales and dolphins in captivity. There are lots of opportunities throughout our product range to experience seeing animals in the wild, in their natural habitat, and that's what we would encourage our customers to do”. PETA has been in talks with all the major travel companies to push them to end their endorsement of attractions that exploit animals in marine parks, zoos, and deadly dog-sled races.

After year of pressure from PETA, Mulberry and Paul Smith banned exotic skins – which will prevent alligators, crocodiles, ostriches, kangaroos, lizards, and snakes from being killed in painful ways, including by being skinned alive.

After nearly two years of pressure from PETA and our international affiliates, the cabinet secretary of Kenya's Ministry of Agriculture banned donkey abattoirs in that country. The donkey skins were previously exported to China, where they were boiled down to make *ejiao*, an ingredient used in medicines, cosmetics, and confectionery.

As revealed in a landmark PETA exposé of the alpaca-fleece trade in Peru – the world's top producer of the fibre – alpacas screamed and vomited in fear as workers tied them to devices that resemble medieval torture racks (which nearly wrenched their legs out of their sockets) and roughly sheared them, leaving many with bloody wounds. As a result, PETA persuaded Marks & Spencer, Next, Ted Baker, and New Look to phase out the sale of alpaca fleece.

The Welsh Parliament finally passed a law banning the use of wild animals in travelling circuses. For years, PETA had been pushing for this important piece of legislation – which will spare animals the trauma of being carted around the country, forced to perform painful tricks under threat of punishment – and had presented evidence in support of the bill to policymakers.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Advancing Public Education Concerning the Care and Treatment of Animals

Media outlets reported on our annual Fashion Awards, which celebrate the luxury labels and forward-thinking, up-and-coming brands that made big statements for animals in 2019. The coverage helped us inform shoppers that there is now a vast array of animal-friendly styles for anyone who wants to look good and feel good about their fashion choices – from H&M's range of sneakers in Piñatex pineapple-leaf leather to Hemp Tailor's wool-free collection, which includes knitwear made of recycled hemp and organic cotton.

PETA and our European affiliates submitted a petition signed by 117,000 supporters to the European Commission and the European Parliament calling on the EU to carry out a systematic review of all research areas in which animals are used, and it was accepted by the European Parliament Committee on Petitions as admissible. This is an important step forward, as it'll now be formally considered by the committee and we'll be able to put forward the case for animals.

PETA's fourth annual Vegan Homeware Awards were issued, and our news release noted the ways animals routinely suffer in the leather, wool, and down industries.

PETA's Travel Awards celebrated travel providers, hotels, attractions, and other industry leaders that are meeting the skyrocketing demand for vegan and animal-friendly travel.

Through our Campus Rep Programme, a dozen students from universities across the UK took part in peer-to-peer animal rights outreach. The most recent semester saw students hand out vegan burgers donated by Beyond Meat to encourage their fellow students to go vegan, distribute leaflets highlighting the cruelty of the fur trade, and more. One campus rep, together with her PETA supervisor, launched a successful initiative that saw the London School of Economics and Political Science (LSE) vote to implement a ban on beef across campus in an effort to tackle climate change and prevent animal suffering.

London Fashion Week and Milan Fashion Week attendees got an eyeful when PETA supporters poured buckets of black "toxic slime" over their heads to call attention to the hazardous waste associated with the leather industry. The protest ensured that media coverage of the event drew attention to the suffering of animals in the global skins trade and the industry's impact on the environment – and highlighted the many exciting alternatives available today.

PETA and food brand Quorn teamed up to mark World Vegan Month by providing people in the aptly named village of Quorn with a free vegan Ultimate Burger, served up at Quorn Village Hall. Locals who attended the event also benefited from free cooking demonstrations – for dishes included Quorn Vegan Cumberland Sausage puff pastry twists and a tikka masala curry made with Quorn Vegan Pieces, chickpeas, and spinach – and food sampling. PETA gave out free vegan starter kits, which show that going vegan is easy, saves animals' lives, safeguards your health, and protects the environment.

Simon Cowell's radio spot warning the public about the dangers of leaving dogs in hot cars was run free of charge on Virgin Radio's streaming services.

One of Europe's biggest suppliers of shaving and grooming products, The Executive Shaving Company, banned badger-hair brushes after a PETA video exposé of China's badger-brush industry revealed that "protected" badgers are illegally hunted using snares and other cruel methods.

As UK consumers became increasingly worried that chlorinated chicken from the US could flood the UK market following Brexit, we placed a one-page advert in the *Daily Mirror* urging concerned consumers to think twice about eating chickens raised on UK farms, too.

Our corporate team spoke about sustainable diets on a panel at the Food Matters Live trade show, making sure animals were not left out of the conversation. The team also led roundtable sessions on the commercial benefits of vegan food, speaking with 23 companies, including major players AAK, Tesco, Mondelez, and Cargill, all of which have exciting new vegan products out or launching soon.

We used a head-turning mobile billboard to demand the closure of abattoirs and meat factories in the wake of coronavirus outbreaks at Irish meat plants.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACHIEVEMENT AND PERFORMANCE (continued)

We plastered London buses with our “Pigeons Are Just Sky Puppies” ads to convey our anti-speciesist message that all animals deserve the same respect and kindness that many dogs enjoy.

We marshalled the support of veterinary professionals in our call for Channel 4 to stop promoting irresponsible dog breeding by airing Crufts, the world’s largest dog show.

PETA seized every opportunity to drive home the fact that the way in which animals are raised and killed for food can cause the spread of diseases such as SARS, MERS, swine flu, avian flu, and COVID-19. We released exposés of wet markets in six countries, each a petri dish where frightened monkeys, birds, dogs, pigs, cats, and other animals cowered in faeces-covered cages and floors were slick with blood, guts, and fetid water. We demonstrated outside the World Health Organization to call for a ban on live-animal markets, PETA and our affiliates launched petitions with the same demand that have gathered more than 500,000 signatures, and we took other actions that grabbed international headlines while urging consumers to keep animal-derived foods off their plates.

We released an exposé revealing that the South African Million Dollar Pigeon Race – known by fanciers as a “slaughter race” – causes so much suffering that more than 4,200 of the 5,000 pigeons entered in the 2020 race died or were lost before finishing. Housing conditions were so bad that all eight of the Queen’s pigeons died before the race had even started.

PETA volunteers regularly protested outside Canada Goose’s European flagship store in London to speak out against the company’s use of fur from coyotes who are trapped and killed. We have distributed tens of thousands of leaflets at these outreach sessions, informing shoppers about the company’s use of cruelly obtained animal skins.

PETA issued tips (printed in the media and published on our blog) to protect companion dogs, cats, and rabbits during extreme weather.

Following incidents in which young people were involved in cruelty to animals, PETA sent humane education kits to schools in an effort to prevent future incidences of violence. Our materials are designed to teach young people to have respect for all members of the community, both human and non-human.

More and more companies are using the “PETA-Approved Vegan” logo – which makes it easier for compassionate shoppers to spot animal-friendly fashion items on the shelves.

PETA organised many eye-catching events and demonstrations to raise awareness of the suffering of animals in laboratories, on factory farms, on fur farms, for “sport”, and in other ways. Every month, we reach around 9 million people on social media with our animal rights messages and achieve almost 600,000 page views on PETA.org.uk, where people can find helpful information about the link between animal abuse and violence towards humans, making choices that don’t cause animals to suffer, ways to lead a healthier lifestyle and reduce the risk of developing diseases, and the devastating impact that the meat, egg, and dairy industries have on the environment.

We placed eye-catching billboards, bus adverts, and newspaper ads across the UK to advance public awareness of issues including the suffering of animals in marine parks, the sentience of animals killed for their flesh, and more.

We secured free placement of Tom Hardy’s PETA ad campaign calling on fans to adopt dogs from animal shelters and Gemma Collins’ ad highlighting the cruelty of marine parks in magazines including *New*, *HELLO! Fashion*, and *OK!*. Altogether, the campaigns garnered an estimated more than £150,000 worth of free ad space.

As the number of vegans in the UK topped 3.5 million, the market for meals, snacks, and drinks free of meat, eggs, and dairy was stronger than ever – and PETA recognised some of the most exciting new plant-based offerings with our seventh annual Vegan Food Awards. The awards logo was proudly displayed by winners, including by the UK’s largest coffee chain, Costa, and on the tin of Fray Bentos’ new vegan Steak and Kidney Bean Pie, which was developed with input from PETA.

PETA’s corporate team actively worked with restaurant chains and other food establishments to help them develop and promote their vegan options, making it even easier for people to enjoy compassionate dining. Following outreach from PETA, new vegan options were added by Rollover, KFC, Subway, Greggs, Pizza Hut Restaurants, Papa John’s, Motorpoint

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Arena Nottingham, health clubs, universities, schools, hospitals, and more. These changes will decrease the number of animals subjected to disbudding (burning off calves' horn buds), debeaking, castration without pain relief, lifelong intensive confinement, and other horrors of the meat, egg, and dairy industries.

PETA partnered with Waterstones in January to promote animal rights books covering food, fashion, and travel, with visitors to their One Stop Vegan page directed to PETA's 30-day vegan pledge.

We responded to numerous government consultations on issues related to the abuse and exploitation of animals, including on the welfare of primates as pets in England, in which we called for a ban, given how greatly these wild animals suffer in domestic environments. We also responded to the UK government National Food Strategy consultation – calling for a change to the outdated school food regulations that require mandatory servings of dairy, fish, and meat. PETA's school meals campaign is supported by Sir Paul McCartney, the Royal Society for Public Health, and other groups, and its launch received widespread media coverage.

We spoke at over a dozen fashion universities and colleges around the UK – including the prestigious Condé Nast College of Fashion & Design – providing aspiring designers, fashion journalists, and businesspeople with information about the suffering of animals used for fashion. We also introduced them to exciting, modern technology and innovations that are making animal-derived materials redundant.

Following the news that this year's San Fermín festival in Spain – and the infamous Running of the Bulls event – would be cancelled because of the COVID-19 pandemic, PETA fired off a letter to the mayor of Pamplona, Enrique Maya Miranda, offering the city a *quarter of a million euros* if he commits to permanently ending the cruel bull runs and subsequent bullfights. We also staged a dramatic, eye-catching demonstration on what would have been the opening day of the festival, with banners reading, "No More Deaths. End Bullfighting." The actions garnered immense media attention around the world, highlighting the cruelty of bull runs and bull fights – and urging tourists never to attend.

We recognised companies that provide alternatives to products and services that harm animals – including VR Therapies for its virtual reality "swim with a dolphin" experience – by giving them awards that many have proudly displayed on their websites, labels, and products.

Well-known figures – including musicians Sir Paul McCartney and Tove Lo; actors Alicia Silverstone, Brian Cox, Ferdia Shaw, Sir Mark Rylance, and Peter Egan; and reality TV stars Charlotte Crosby, Gemma Collins, Lucy Watson, and India Reynolds – helped PETA push back against cruelty to animals, including for food, entertainment, and the pet trade. These celebrity collaborations allowed us to inform their millions of fans about issues affecting animals – and what they can do to stop them.

Conducting and Publishing Research

In addition to the Research Modernisation Deal and the other publications and presentations mentioned above, PETA placed opinion pieces in *The Independent*, the *Daily Post*, *Harper's Bazaar*, *Euronews*, and *The Ecologist*, among other news outlets around the world, on subjects ranging from the dangers of factory farming to the suffering endured by sheep in the wool trade.

We published numerous exposés of animal abuse in businesses such as the alpaca trade and the pigeon-racing industry.

FUTURE PLANS

Based on our experience in the past year and our analysis of new opportunities, PETA will carry out the following activities in the year ahead:

Advancing Public Education Concerning the Care and Treatment of Animals

We will provide the public with information about vegan and animal test-free products and, where necessary, give examples of crude and egregious animal tests. We will also use consumer pressure to persuade companies that conduct or commission these tests to change their policies.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
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TRUSTEES' REPORT (continued)

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FUTURE PLANS (continued)

PETA will continue to respond to threats of increased animal use in laboratories – such as legislative changes or plans to build new facilities – and to new information about existing animal testing. We will bring these issues to the attention of both the public and the media and mobilise our supporters to express objections through appropriate democratic means.

On our website and social media platforms and in our other written materials, PETA will continue to provide accurate, current information about animal experiments and their alternatives. We will also continue to give such information to the Science Consortium to publish on its website.

PETA will campaign to persuade retailers and restaurants to remove foie gras from their shelves and menus and increase their vegan options, making it easier than ever for people to make compassionate food choices.

PETA will work to persuade more companies to use the “PETA-Approved Vegan” logo on their clothing and accessories to make it easier for consumers to choose fashion items that did not result from animal suffering.

We will distribute various forms of literature – including leaflets, magazines, guides, and stickers – to inform the general public about the many ways in which animals are abused in experiments, for food, for clothing, and in the entertainment industry and the detrimental consequences that this abuse has, in turn, on the planet, our health, people living in poverty, and our moral progression.

We will use social media and our website to promote respect for all living, feeling beings and to inform consumers how their choices affect animals.

In order to inform the public about the health benefits of adopting a vegan lifestyle and the ways animals suffer for human interests, PETA will look to secure free advertising space in magazines, online, and on the radio for our ads and public service announcements.

PETA will work to inform tourists visiting Spain about the barbarity of bullfighting and the psychological scars it can leave on spectators.

We'll continue to raise awareness of “pedigree” dogs' predisposition to genetic disorders and the ways they suffer as a result of being bred for unnatural physical characteristics. In addition, PETA will encourage the public to consider adopting animals from shelters and will promote the spaying and neutering of animal companions to address the cat and dog overpopulation crisis caused by breeders and pet shops.

As a tool against companies that refuse to stop unethical practices, PETA will also call on celebrity supporters to endorse various campaigns.

PETA will continue to inform the general public about the benefits of vegan eating with regard to health, the environment, and animal welfare through media campaigns, online promotions, mailings, and eye-catching demonstrations and events.

We'll continue to expose the cruelty inherent in using animals for their skins and to encourage consumers to choose animal-free clothing.

PETA will keep supplying companies and other entities that use animals with information about non-animal approaches, and we'll continue engaging with students and others to foster studies and career development that don't involve animal use.

In response to instances of cruelty involving young people, PETA will provide schools with our free humane education kits.

Preventing and Relieving the Suffering of Animals

PETA will encourage ECHA and the European Commission to ensure that the cosmetics testing ban is not undermined by companies that test ingredients on animals for the purposes of REACH.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FUTURE PLANS (continued)

The Science Consortium will intervene in cases about animal testing before the ECHA Board of Appeal and provide points of principle that may influence how decisions are made by ECHA in the future.

PETA will work with chemical companies, regulators, and governments to ensure that all possible opportunities to reduce animal testing under REACH are taken advantage of. Particular attention will be paid to updates to the standard data and testing requirements for polymers and endocrine disruptors.

As representatives of the Science Consortium, the director of our science department, our research associates, and our science policy advisers will participate in the work of ECHA and a number of international forums, including the EURL ECVAM Stakeholder Forum, as accredited stakeholders, where necessary, to promote the development and use of non-animal methods in regulatory testing. Members of PETA's science department, representing the Science Consortium, will participate in various ECHA meetings, including those of the Member State Committee and the Nanomaterials Expert Group. They will also participate in OECD meetings, representing the Science Consortium through the International Council on Animal Protection in OECD Programmes.

PETA will promote its Research Modernisation Deal both within the UK and at the European level.

PETA will continue to campaign for the repeal of Section 24 of the Animals (Scientific Procedures) Act 1986 to ensure that transparency in the regulatory system is maximised, and we will advocate for greater protection of animals used in science after the EU exit transition period.

We will continue to provide financial support for the development and validation of appropriate non-animal methods as they arise.

PETA will continue to seek and exploit opportunities to promote the replacement of live animals in undergraduate teaching in the UK. We will also work towards the elimination of dissection in schools.

PETA will continue to oppose factory-farm planning applications, focusing our resources on those farms that would have the most negative impact on the largest number of animals and those that would set negative trends that others may follow, such as zero-grazing facilities.

By organising eye-catching events, offering vegan food samples, and informing people about the options available, PETA will continue to advocate vegan eating.

We will continue working to develop good relationships with retailers and encourage them to promote animal-friendly fashion and stop selling products that come from cruel industries.

PETA will also keep working to encourage travel companies, department stores, major venues, and sporting-event organisers to implement more animal-friendly policies. This will include having meetings with key decision-makers, spreading the message to buy only from ethical companies, and posting action alerts to enlist the help of our supporters in writing letters.

We will maintain our efforts to reduce the number of animals suffering for human entertainment by pressuring the government to implement a total ban on the use of animals in circuses, informing the general public about the suffering of animals in the entertainment industry, and encouraging tour operators not to promote activities that are cruel to animals.

PETA will continue working with groups in Spain and elsewhere to push for bans on bullfighting.

Conducting and Publishing Research on Animal Care, Animal Behaviour, the Use and Treatment of Animals, and Vegan Foods

PETA will continue to share investigative findings with designers and clothing retailers and promote developments in animal-free fabrics.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FUTURE PLANS (continued)

We will respond to threats of increased animal use in laboratories (such as legislative changes or plans to build new facilities) and new information about existing animal testing. We will bring these issues to the attention of the public and the media and mobilise our supporters to express objections through appropriate democratic means.

PETA will supply accurate, current information about animal experiments on our website and in our other written materials, including guidance on finding products that have not been tested on animals.

We will maintain our own knowledge base with regard to alternatives to animal use and, as appropriate, disseminate research and other information. PETA's science department director, research associates, and science policy advisers will continue to participate in scientific workshops, conferences, and symposia to represent the scientific case for reducing animal use, and we anticipate delivering papers and presentations at these and other events.

PETA will conduct research in support of a wide variety of animal protection issues and publish and distribute reports and educational materials to the general public throughout the year in an effort to reduce animal suffering.

Through the Science Consortium, PETA will continue to publish articles in relevant outlets about minimising testing on animals.

PETA will continue to develop relationships with restaurants to share the benefits of vegan eating for human health, the planet, and animals.

REMUNERATION POLICY

Consistent with its charitable mission, PETA sets compensation at modest and charity-appropriate levels while still ensuring it can recruit and retain the skilled, experienced staff necessary to carry out its work in a competitive job market. PETA is committed to dedicating as much revenue as possible directly to its charitable activities, so it sets staff compensation with this in mind.

FUNDRAISING POLICY

We are registered with the Direct Marketing Association (DMA) and the Fundraising Regulator, and we commit to conducting legal, open, honest, and respectful fundraising, meeting the standards set in both organisations' Codes of Practice. We also ensure that nobody who appears to be vulnerable is asked to commit to giving, as per our own internal guide of conduct for staff and following the DMA guidelines for dealing with vulnerable persons. Our fundraising is carried out by a team of professional fundraisers who are all employed by PETA. In 2020, we received a total of 184 complaints (2019: 70) from individuals concerning fundraising appeals that we sent them. All these complaints were dealt with by us, and there was no requirement for us to escalate them to the Fundraising Regulator.

FINANCIAL REVIEW

Results for the year

A summary of the results of the Group and Charity is set out in the Statement of Financial Activities on pages 14 and 15. Income for the Group for 2020 totalled £4,504,002 (2019: £3,768,579). Net income totalled £259,328 (2019: net expenditure of £(265,353)).

PETA has received/accrued legacy income totalling £898,617 (2019: £936,565) in the year ended 31 July 2020, as well as donations and interest receivable, leading to a total income of £4,504,002 (2019: £3,768,579).

A summary of the trading results and balance sheet of the subsidiary, PeTA Europe Limited, is set out in note 7 to the accounts. At 31 July 2020 the Group had accumulated funds of £2,982,661 (2019: £2,723,334).

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

Reserves policy

It is important to provide financial stability and in order to continue and maintain our principal activities we build up appropriate general and designated reserves, together classed as unrestricted reserves. Reserves are particularly important for PeTA as we are entirely dependent on voluntary income which is unpredictable.

We aim to maintain free reserves equivalent to between six and twelve months unrestricted expenditure. At the year-end free reserves (unrestricted reserves less fixed assets) totalled £2,869,520 (2019: £2,662,759). This represents approximately ten months' unrestricted expenditure. Total funds at the year end were £2,959,410 of which £71,378 were restricted.

The Trustees are satisfied that the Charity is able to meet its obligations when they fall due.

Investment powers, policy and performance

In accordance with Article 4 of the Charity's Memorandum of Association and the Trustee Act 2000, the Charity's investment policy is as follows:

Surplus cash of the Group shall be invested appropriately for adequate protection in the event of emergencies, unforeseen contingencies, and to enable the Charity to plan effectively for longer term projects over a five year horizon. Such investments shall be undertaken consistent with the Charity's animal protection mission, meaning no assets shall be invested in any enterprise directly engaged in the exploitation of animals. The Charity may invest in equities, bonds, cash equivalents, or other mechanisms consistent with this policy. This is in accordance with the Charity's investment powers and ensures that the appropriate balance of liquidity, security and income is maintained.

Grants

The Trustees do not regard the Charity as a grant making charity. However, periodically the charity receives donations restricted geographically meaning that a grant has to be made to an organisation able to fulfil the instructions of the donor.

Principal risks

PETA's principal risks are loss of funding, data breach, fraud, and reputational harm. PETA mitigates these risks by employing a wide range of fundraising methods; using strict internal procedures regarding data protection and handling and working with an experienced IT team to ensure systems are secure and up-to-date; using strict internal procedures on invoice processing and money handling; and obtaining legal advice and thoroughly training staff in order to avoid reputational harm.

COVID-19 presented a major new risk to PETA. We strongly encouraged staff to take every precaution to protect their own health and successfully made the transition to working from home. During the lockdown, PETA was unable to conduct creative direct outreach events, which are usually an opportunity to disseminate animal rights literature while also generating media coverage that takes our message to countless more people. Fundraising was at risk not only because of the wider economic impact of the pandemic and its effect on donors' ability to donate but also because people couldn't get to the post to respond to mail appeals. PETA met these challenges through the use of online outreach, our first virtual (Zoom) fundraising events, the promotion of online giving in mail appeals, and e-mails and social media posts urging our supporters to remember that animals still need our help during crises primarily affecting humans.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of PeTA Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which 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,

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

including the income and expenditure, of the charitable Company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Qualifying third party indemnity provisions

The Charity has granted an indemnity to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force at the date of approving the Trustees' report.

AUDITORS

The charity's auditors, Haysmacintyre LLP, have expressed a willingness to continue in office and a resolution proposing their reappointment will be put to the members in accordance with the Companies Act 2006.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities SORP 2015 (Second Edition, effective 1 January 2019) (FRS 102) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

By order of the Board of Trustees

Ingrid Newkirk

Ingrid Newkirk
Trustee

Date: 26 April 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS (PeTA) FOUNDATION

Opinion

We have audited the financial statements of People for the Ethical Treatment of Animals (PeTA) Foundation for the year ended 31 July 2020 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and of the group's and parent charitable company's net movement in funds, including the 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS (PeTA) FOUNDATION (CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 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 directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Use of our report

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



*Adam Halsey (Senior statutory auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor*

*10 Queen Street Place
London
EC4R 1AG*

Date: 26 April 2021

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 JULY 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
INCOME FROM:					
Donations and legacies	3	3,830,971	645,838	4,476,809	3,739,932
Investment income		27,193	-	27,193	27,684
Other income		-	-	-	963
Total income		<u>3,858,164</u>	<u>645,838</u>	<u>4,504,002</u>	<u>3,768,579</u>
EXPENDITURE ON:					
Raising funds		680,912	-	680,912	737,857
Charitable activities		2,754,269	837,460	3,591,729	3,406,906
Total expenditure	4	<u>3,435,181</u>	<u>837,460</u>	<u>4,272,641</u>	<u>4,144,763</u>
Net expenditure before gains/(losses) on investments		422,983	(191,622)	231,361	(376,185)
Net gains/(losses) on investments		27,966	-	27,966	110,832
Net income/(expenditure)		450,949	(191,622)	259,327	(265,353)
Transfers between funds	11	(260,000)	260,000	-	-
Net movement in funds		<u>190,949</u>	<u>68,378</u>	<u>259,327</u>	<u>(265,353)</u>
Funds at 1 August 2019	11	<u>£2,720,334</u>	<u>£3,000</u>	<u>£2,723,334</u>	<u>£2,988,686</u>
Funds at 31 July 2020	11	<u>£2,911,283</u>	<u>£71,378</u>	<u>£2,982,661</u>	<u>£2,723,334</u>

All amounts have been derived from continuing activities. There are no other gains or losses other than those stated above.

The accompanying notes are an integral part of these accounts. Details of comparative figures by fund are disclosed in note 16.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

**CHARITY STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 JULY 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
INCOME ON:					
Donations and legacies	3	3,830,971	645,838	4,476,809	3,739,508
Investment income		27,193	-	27,193	27,683
Other income		-	-	-	963
Total income		<u>3,858,164</u>	<u>645,838</u>	<u>4,504,002</u>	<u>3,768,154</u>
EXPENDITURE FROM:					
Raising funds		680,912	-	680,912	737,857
Charitable activities		2,753,902	837,460	3,591,362	3,406,482
Total expenditure	4	<u>3,434,814</u>	<u>837,460</u>	<u>4,272,274</u>	<u>4,144,339</u>
Net expenditure before gains/(losses) on investments		423,350	(191,622)	231,728	(376,185)
Net gains/(losses) on investments		27,966	-	27,966	110,832
Net income/(expenditure)		451,316	(191,622)	259,694	(265,353)
Transfers between funds		(260,000)	260,000	-	-
Net movement in funds		<u>191,316</u>	<u>68,378</u>	<u>259,694</u>	<u>(265,353)</u>
Funds at 1 August 2019		<u>£2,696,716</u>	<u>£3,000</u>	<u>£2,699,716</u>	<u>£2,965,069</u>
Funds at 31 July 2020		<u><u>£2,888,032</u></u>	<u><u>£71,378</u></u>	<u><u>£2,959,410</u></u>	<u><u>£2,699,716</u></u>

All amounts have been derived from continuing activities. There are no other gains or losses other than those stated above.

The accompanying notes are an integral part of these accounts.

GROUP AND CHARITY BALANCE SHEETS

AS AT 31 JULY 2020

	Note	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
FIXED ASSETS					
Tangible fixed assets	6	41,763	41,763	57,575	57,575
Investments	7	1,661,939	1,661,940	1,621,646	1,621,647
		<u>1,703,702</u>	<u>1,703,703</u>	<u>1,679,221</u>	<u>1,679,222</u>
CURRENT ASSETS					
Debtors	8	102,016	102,649	147,418	150,732
Cash at bank		1,406,524	1,382,640	1,218,499	1,191,567
		<u>1,508,540</u>	<u>1,485,289</u>	<u>1,365,917</u>	<u>1,342,299</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	9	(229,581)	(229,582)	(321,804)	(321,805)
NET CURRENT ASSETS					
		<u>1,278,959</u>	<u>1,255,707</u>	<u>1,044,113</u>	<u>1,020,494</u>
NET ASSETS					
		<u>£2,982,661</u>	<u>£2,959,410</u>	<u>£2,723,334</u>	<u>£2,699,716</u>
FUNDS					
UNRESTRICTED FUNDS					
General funds	11	2,888,032	2,888,032	2,696,717	2,696,716
Trading funds	11	23,251	-	23,617	-
RESTRICTED FUNDS					
Restricted funds	11	<u>71,378</u>	<u>71,378</u>	<u>3,000</u>	<u>3,000</u>
TOTAL CHARITY FUNDS					
	11	<u>£2,982,661</u>	<u>£2,959,410</u>	<u>£2,723,334</u>	<u>£2,699,716</u>

The financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 26 April 2021 and were signed below on its behalf by:

Ingrid Newkirk

Ingrid Newkirk
Trustee

The accompanying notes are an integral part of these accounts.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	2020	2019
	£	£
Cash flows from operating activities:		
<i>Net cash provided by operating activities</i>	180,969	(438,242)
Cash flows from investing activities:		
Bank interest	737	295
Dividend income	26,456	27,389
Purchase of tangible fixed assets	(7,810)	(3,791)
Purchase of investments	(230,719)	(68,023)
Proceeds from sale of investments	218,392	54,863
<i>Net cash generated from investing activities</i>	7,056	10,732
Change in cash and cash equivalents in the reporting period	188,025	(427,508)
Cash and cash equivalents at the beginning of the reporting period	1,218,499	1,646,008
Cash and cash equivalents at the end of the reporting period	£1,406,524	£1,218,499
Reconciliation of net income to net cash flow from operating activities		
	2020	2019
	£	£
Net income for the reporting period (as per the statement of financial activities)	259,328	(265,353)
Adjustments for:		
Depreciation charges	23,604	24,260
Bank interest	(737)	(295)
Dividend income	(26,456)	(27,389)
Loss on the sale of fixed assets	18	1,301
Gain on sale of investments	(27,966)	(110,832)
(Increase)/Decrease in debtors	45,402	(40,790)
Increase/(Decrease) in creditors	(92,224)	(19,144)
Net cash provided by operating activities	£180,969	£(438,242)
Analysis of cash and cash equivalents	At 31 August 2019	Cash flows
	£	£
Cash at bank	441,599	(101,875)
Deposit accounts	776,900	289,900
Total cash and cash equivalents	£1,218,499	£188,025
		At 31 July 2020
		£
		339,724
		1,066,800
		£1,406,524

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of Accounting

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 Statement of Recommended Practice "Accounting and Reporting by Charities" SORP 2015 (Second Edition, effective 1 January 2019) (FRS 102) and the Companies Act 2006.

The charity is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee (company number: 03135903 and charity number: 1056453).

b) Preparation of the accounts on a going concern basis

Having considered future budgets and cash flows and taking into account any potential future impact from COVID-19 pandemic the trustees confirm that they have no material uncertainties about the charity's ability to continue as a going concern for the foreseeable future.

c) Group accounts

The Group financial statements consolidate the results, assets and liabilities of the Charity's wholly owned trading subsidiary, PeTA Europe Limited (company number: 02886928) on a line by line basis. The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

d) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general and trading funds.

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is not restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Trading funds are the accumulated surpluses of the trading subsidiary.

Restricted funds are used for specific purposes as stated by the grantor. Expenditure which meet these criteria is charged to the fund.

e) Income

Income represents donations from the public, legacies and investment income. All income is accounted for on a receivable basis.

f) Expenditure

Expenditure is accounted for on an accruals basis.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Governance costs comprise the costs of strategic planning, external audit, any legal advice for the Charity's Trustees and all the costs of complying with constitutional and statutory requirements.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

g) Operating Leases

Rentals for assets held under operating leases are charged to the profit and loss account as they become payable.

h) Tangible fixed assets

Tangible fixed assets are stated at cost, less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less residual value of each asset on a straight line basis over its expected useful life as follows.

Leasehold improvements	- over 10 years
Furniture	- over 7 years
Computer software	- over 5 years
Computer equipment	- over 3 years

Individual items of capital expenditure over £500 are treated as fixed asset additions.

i) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

j) Cash and bank

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

k) Creditors and provisions

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

l) Estimation uncertainty

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

2. TAXATION

The charitable company is exempt from taxation under the Income and Corporation Taxes Act 2010.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Public donations		
Group	3,578,192	2,803,367
Charity	3,578,192	2,805,943
	<u> </u>	<u> </u>
Legacies		
People for the Ethical Treatment of Animals (PeTA) Foundation	898,617	933,565
PeTA Europe Limited	-	3,000
	<u> </u>	<u> </u>
	<u>£898,617</u>	<u>£936,565</u>

4. TOTAL EXPENDITURE

	Staff Costs £	Other costs £	Depreciation £	2020 Total £	2019 Total £
Cost of raising funds:					
Fundraising	255,253	421,882	3,777	680,912	737,857
Charitable activities:					
Education and prevention of cruelty	1,513,119	2,045,223	19,827	3,578,169	3,293,022
Governance costs		13,560	-	13,560	13,884
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>1,768,372</u>	<u>2,480,665</u>	<u>23,604</u>	<u>£4,272,641</u>	<u>£4,144,763</u>

Group expenditure disclosed above includes £4,272,275 (2019: £4,144,339) relating to the Charity alone. All expenditure is directly incurred in connection with each activity. Staff costs are allocated across activities based on time spent.

Governance costs relate solely to the fee for audit and advisory services.

TOTAL EXPENDITURE	Staff costs £	Other costs £	Depreciation £	2019 Total £	2018 Total £
Cost of raising funds:					
Fundraising	167,076	567,142	3,639	737,857	709,602
Charitable activities:					
Education and prevention of cruelty	1,373,920	1,998,481	20,621	3,393,022	3,286,948
Governance costs	-	13,884	-	13,884	12,660
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>1,540,996</u>	<u>2,579,507</u>	<u>24,260</u>	<u>£4,144,763</u>	<u>£4,009,210</u>

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

4. TOTAL EXPENDITURE (continued)

Net income is stated after charging:

	2020	2019
	£	£
Depreciation	23,604	24,260
Auditor's remuneration:		
Audit fees	14,640	13,560
Operating lease expense	128,203	130,114
	<u>128,203</u>	<u>130,114</u>

5. TRUSTEES AND EMPLOYEES

The Group did not pay the Trustees any remuneration, nor did it reimburse to them any expenses (2019: none). One employee received remuneration between £60,000 - £70,000 and one employee received remuneration between £70,000 - £80,000 (2019: One employee £60,000 - £70,000). The total remuneration of key management personnel during the year was £287,878 made up of four employees. (2019: £58,434 one employee)

	2020	2019
	£	£
Wages and salaries	1,413,535	1,325,510
Social security cost	143,404	141,204
Pension cost	63,386	62,400
	<u>1,620,325</u>	<u>1,529,114</u>

The average number of employees during the year was as follows:

	2020	2019
	No.	No.
Charitable activities	42	41
	<u>42</u>	<u>41</u>

6. TANGIBLE FIXED ASSETS – GROUP & CHARITY

	Leasehold Improvements	Equipment	Total
	£	£	£
Cost			
At 1 August 2019	47,268	121,032	168,300
Additions	-	7,809	7,809
Disposals	-	(62,326)	(62,326)
	<u>47,268</u>	<u>62,515</u>	<u>113,783</u>
At 31 July 2020	47,268	62,515	113,783
Depreciation			
At 1 August 2019	31,907	78,818	110,725
Charge for the year	4,727	18,877	23,604
Disposals	-	(62,308)	(62,308)
	<u>36,634</u>	<u>35,387</u>	<u>72,021</u>
At 31 July 2020	36,634	35,387	72,021
Net Book Value			
At 31 July 2020	10,634	31,128	41,762
	<u>10,634</u>	<u>31,128</u>	<u>41,762</u>
At 31 July 2019	£15,361	£42,214	£57,575
	<u>£15,361</u>	<u>£42,214</u>	<u>£57,575</u>

All fixed assets are wholly used for charitable purposes.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

7. INVESTMENTS	2019 £
Group and charity	
Market value	
At 1 August 2019	1,621,646
Additions	230,719
Disposals	(218,392)
Gain on revaluation	27,966

At 31 July 2020	1,661,939
	=====
 Listed securities	 1,608,465
Investment cash	53,474

	1,661,939

PeTA Foundation acquired the whole of the issued share capital of PeTA Europe Limited during 1997. PeTA Europe Limited is a private company (company number: 02886928) limited by shares and registered in England and Wales. Its registered office is 78 Cannon Street, London, EC4N 6AF.

The share has been included in the accounts of the Charity at cost (£1). The subsidiary is registered in the UK and educates the public concerning animal abuse, protection and related subjects, and seeking participation in campaigns to end or curtail animal suffering. A summary of the profit and loss and balance sheet of PeTA Europe Limited are set out below:

	31 July 2020 £	31 July 2019 £
Profit and loss account		
Income	-	3,001
Expenditure	(366)	(3,001)
	-----	-----
Profit before tax	(366)	-
Tax	-	-
Gift aid donation to PETA Foundation	-	-
	-----	-----
Profit for the financial year	(366)	-
	=====	=====
Balance sheet		
Net current assets	23,252	23,618
	-----	-----
Net assets	23,252	23,618
	=====	=====

8. DEBTORS	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	13,678	28,146	13,678	28,146
Other debtors	7,301	19,108	7,301	19,108
Amounts owed from subsidiary	-	-	633	3,314
Prepayments and accrued income	81,037	100,164	81,037	100,164
	-----	-----	-----	-----
	102,016	£147,418	102,649	£150,732
	=====	=====	=====	=====

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

9.	CREDITORS: amounts falling due within one year	Group		Charity		
		2020 £	2019 £	2020 £	2019 £	
	Trade creditors	134,343	258,106	134,343	258,106	
	Tax and social security	39,576	36,869	39,576	36,869	
	Amounts owed to subsidiary	-	-	1	1	
	Accruals	13,000	13,000	13,000	13,000	
	Other creditors	42,662	13,829	42,662	13,829	
		<u>229,581</u>	<u>321,804</u>	<u>229,582</u>	<u>321,805</u>	
10.	FINANCIAL INSTRUMENTS	Group		Charity		
		2020 £	2019 £	2020 £	2019 £	
	Financial assets measured at amortised cost	3,145,962	£1,249,262	3,146,595	£1,249,261	
	Financial liabilities measured at cost	<u>190,005</u>	<u>£284,935</u>	<u>190,006</u>	<u>£284,936</u>	
Financial assets measured at amortised cost comprise of trade debtors, other debtors, accrued income and cash.						
Financial liabilities measured at amortised costs comprised of trade creditors, other creditors and accruals.						
11.	FUNDS	As at 1 August 2019	Income/ gains	Expenditure	Transfers	As at 31 July 2020
		£				£
	Unrestricted funds:					
	General funds	2,696,717	3,886,130	(3,434,815)	(260,000)	2,888,032
	Trading funds	23,617	-	(366)	-	23,251
		<u>2,720,334</u>	<u>3,886,130</u>	<u>(3,435,181)</u>	<u>(260,000)</u>	<u>2,911,283</u>
	Restricted funds:					
	Vivisection	-	313,845	(573,845)	260,000	-
	Skins	-	109,809	(109,809)	-	-
	Animal Rahat	-	110,716	(72,095)	-	38,621
	PETA US	-	880	(560)	-	320
	Global Compassion Fund	-	92,177	(59,740)	-	32,437
	Fur	-	81	(81)	-	-
	PETA India	-	15,590	(15,590)	-	-
	Northern Ireland	3,000	-	(3,000)	-	-
	PETA Asia	-	2,740	(2,740)	-	-
		<u>3,000</u>	<u>645,838</u>	<u>(837,460)</u>	<u>260,000</u>	<u>71,378</u>
	Total Funds	<u>£2,723,334</u>	<u>£4,531,968</u>	<u>£(4,272,641)</u>	<u>-</u>	<u>£2,982,661</u>

The transfer between unrestricted and restricted funds relates to a legacy received in 2019 which has been clarified as restricted for Vivisection.

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

Trading funds represents accumulated profits retained within the trading subsidiary PeTA Europe Limited.
Restricted funds represent amounts raised for particular programmes and spent in accordance with donor's wishes.

11. FUNDS	As at 1 August 2018 £	Income £	Expenditure £	Transfers £	As at 31 July 2019 £
Unrestricted funds:					
General funds	2,814,522	3,609,036	(3,525,995)	(200,846)	2,696,717
Trading funds	23,617	3,001	(3,001)	-	23,617
	<u>2,838,139</u>	<u>3,612,037</u>	<u>(3,528,996)</u>	<u>(200,846)</u>	<u>2,720,334</u>
Restricted funds:					
Vivisection	150,547	168,781	(473,315)	153,986	-
Skins	-	34,039	(43,697)	9,658	-
Animal Rahat	-	26,027	(26,027)	-	-
PETA US	-	120	(120)	-	-
Animals in Entertainment	-	5,944	(7,531)	1,586	-
Fur	-	104	(26,312)	26,208	-
University Outreach	-	1,149	(7,546)	6,398	-
Germany	-	200	(2,895)	2,695	-
PETA India	-	26,006	(26,006)	-	-
Northern Ireland	-	3,000	-	-	3,000
Chicken	-	2,971	(3,287)	316	-
France	-	10	(10)	-	-
Netherlands	-	82	(82)	-	-
PETA Asia	-	1,517	(1,517)	-	-
	<u>150,547</u>	<u>269,950</u>	<u>(618,343)</u>	<u>200,846</u>	<u>3,000</u>
Total Funds	<u><u>£2,988,686</u></u>	<u><u>3,881,987</u></u>	<u><u>(4,147,339)</u></u>	<u><u>-</u></u>	<u><u>2,723,334</u></u>

12. FUNDS - GROUP	General Funds £	Trading funds £	Restricted funds £	Total 2020 £
Fixed assets	41,763	-	-	41,763
Investments	1,661,939	-	-	1,661,939
Current assets	1,413,911	23,251	71,378	1,508,540
Current liabilities	(229,581)	-	-	(229,581)
	<u>2,888,033</u>	<u>23,251</u>	<u>71,378</u>	<u>2,982,662</u>

FUNDS - GROUP	General funds £	Trading funds £	Restricted funds £	Total 2019 £
Fixed assets	57,575	-	-	57,575
Investments	1,621,646	-	-	1,621,646
Current assets	1,339,300	23,617	3,000	1,365,917
Current liabilities	(321,804)	-	-	(321,804)
	<u>2,696,717</u>	<u>23,617</u>	<u>3,000</u>	<u>2,723,334</u>

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

13. OPERATING LEASES – GROUP & CHARITY

At the year end, the company was committed to making the following payments in total in respect of operating leases:

	Buildings		Equipment	
	2020	2019	2020	2019
	£	£	£	£
Payments due:				
Within one year	138,600	138,600	1,351	1,351
Between 2 - 5 years	153,131	289,495	1,689	3,040
More than 5 years	-	-	-	-
	<u>291,731</u>	<u>428,095</u>	<u>3,040</u>	<u>4,391</u>

14. SHARE CAPITAL

The Charity is a company limited by guarantee and a registered Charity. It has no share capital and the liability of the members is limited to £1.

15. RELATED PARTY TRANSACTIONS

At the 31 July 2020, the Charity was owed £633 (2019: £3,316) from PETA Europe Ltd the wholly owned subsidiary company. There were no other related party transactions in the year.

16. PRIOR YEAR COMPARATIVES BY FUND

CHARITY	Unrestricted	Restricted	2019 Total
	£	£	£
INCOME ON:			
Donations and legacies	3,469,558	269,950	3,739,508
Investment income	27,683	-	27,683
Other income	963	-	963
Total income	<u>3,498,204</u>	<u>269,950</u>	<u>3,768,154</u>
EXPENDITURE FROM:			
Raising funds	737,857	-	737,857
Charitable activities	2,788,139	618,343	3,406,482
Total expenditure	<u>3,525,996</u>	<u>618,343</u>	<u>4,144,339</u>
Net income/(expenditure)	83,040	(348,393)	(265,353)
Transfers between funds	(200,846)	200,846	-
Net movement in funds	<u>(117,806)</u>	<u>(147,547)</u>	<u>(265,353)</u>
Funds at 1 August 2018	<u>£2,814,522</u>	<u>£150,547</u>	<u>£2,965,069</u>
Funds at 31 July 2019	<u>£2,696,716</u>	<u>£3,000</u>	<u>£2,699,716</u>

**PEOPLE FOR THE ETHICAL TREATMENT OF ANIMALS
(PeTA) FOUNDATION**

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

16. PRIOR YEAR COMPARATIVES BY FUND (continued)

GROUP	Unrestricted £	Restricted £	2019 Total £
INCOME ON:			
Donations and legacies	3,469,982	268,433	3,738,415
Investment income	27,684	-	27,684
Other income	963	-	963
Total income	3,498,628	268,433	3,767,061
EXPENDITURE FROM:			
Raising funds	737,857	-	737,857
Charitable activities	2,788,563	616,826	3,405,389
Total expenditure	3,526,420	616,826	4,143,246
Net expenditure before gains/(losses) on investments	(27,792)	(348,393)	(376,185)
Net gains/(losses) on investments	110,832	-	110,832
Net income/(expenditure)	83,040	(348,393)	(265,353)
Transfers between funds	(200,846)	200,846	-
Net movement in funds	(117,806)	(147,547)	(265,353)
Funds at 1 August 2018	£2,838,139	£150,547	£2,988,686
Funds at 31 July 2019	£2,720,333	£3,000	£2,723,333