

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

**ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

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**ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees B Chiao (Resigned 9 March 2021)
 J Robinson
 J S Warham (Resigned 9 March 2021)
 N Field (Appointed 9 March 2021)
 A Collier (Appointed 9 March 2021)

**Company registered
number** 04185603

**Charity registered
number** 1086903

Registered office Office 17 Mary Seacole Road
 The Millfields
 Plymouth
 PL1 3JY

Company secretary L Simpson

UK Director J Dunsford

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their annual report together with the audited financial statements of the company for the 1 January 2020 to 31 December 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the company are to promote animal welfare for the benefit of the public by activities including:

Providing and assisting in the provision of relief of suffering to animals in need of care and protection,

And preventing cruelty to animals in Asia and elsewhere; and
Educating the public in matters concerning animal welfare.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The objects of the company are to promote animal welfare for the benefit of the public by activities including:

Funding 3 main programs which are;

Ending Bear Bile Farming,
Cat and Dog Welfare and
Captive Animal Welfare

which are delivered and managed by ourselves in Asia, in particular, in China and Vietnam;

c. Activities undertaken to achieve objectives

Through our work we are providing support for many people both in the UK and elsewhere who have a deep respect for animals and wildlife. Our education activities with young people and adults in the UK and those we help fund in China and Vietnam are beneficial to those directly involved and their wider communities. We are also very fortunate to have a growing active supporter base which is instrumental in raising awareness of our work.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

d. Volunteers

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers. Our volunteer support network continued to grow through 2020 and we now have over 250 people regularly volunteering across the country, including our shop in Weston-Super-Mare and our Plymouth office. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

e. Related party relationships

Animals Asia works very closely with other animal charities in Asia. Donations from the UK charity are donated to Animals Asia Hong Kong who carry out the all the charitable activities.

Achievements and performance

Review of activities

Animals Asia works to improve the lives of animals in Asia. From rescuing bears from the bile trade to lobbying against the cat and dog meat industry and fighting for the welfare of animals in captivity, the work we carry out on behalf of supporters never ends.

Here's what we achieved in 2020:

Ending bear bile farming

In China, we brought 101 bile farm bears to our Chengdu sanctuary. We had cared for these bears on a former bile farm in Nanning since 2014, and spent years working to get the permits and permissions needed to transport them home.

In Vietnam, we rescued 11 bears from the bile industry. Moon bears James, Ban, Alice, Uno, Florence, Clara, Cotton Blossom, Storm and Starfire and cubs Anh and Em are starting new cruelty-free lives at our sanctuary.

Our vet teams performed 183 bear health checks under anaesthesia at our sanctuaries in Vietnam and China. As a result, these bears are able to live active, pain-free lives despite the cruelty they've suffered.

We prepared 128 sets of medications a day at our Vietnam sanctuary to keep the bears pain-free and able to enjoy life. That's nearly 46,720 individual prescriptions over the year hidden in bananas, honey, fruit shakes and marshmallows. Our sick and elderly China bears devoured 120,000 marshmallows stuffed with vital medicine and pain relief.

The bears at our China sanctuaries wolfed down nearly 380 metric tonnes of fruit, vegetables and dog kibble. That's nearly twice the weight of an average American house and every kilo had to be transported, chopped and hidden around the enclosure for the bears to forage.

Our China vet team offered a hands-on course for vet graduates from the China Agricultural University.

We're training five veterinary interns at our sanctuaries – four in Vietnam and one in China. Our Vietnamese interns will head up the care of the bears at our soon-to-be-built second sanctuary in Vietnam.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Cat and Dog Welfare

After many years of lobbying by Animals Asia, dogs were taken off China's official livestock list making the sale of dog and cat meat illegal across the country. This will see millions of animals saved from slaughter.

We helped give 205 stray cats better lives by working with local animal welfare groups to provide trap, neuter, return (TNR) projects.

Animals Asia now funds or advises 63 local animal welfare groups across China that rescue dogs and cats, operate shelters, run TNR projects for cats and lobby officials for better welfare for companion animals. We also bring these groups and the authorities together at our symposiums and conferences to promote more humane ways of managing cats and dogs at community level.

Animals Asia continued to support animal shelters in Wuhan, China that were impacted by the Covid-19 outbreak. To date, we've given 6.3 tonnes of food, helping to feed 296 cats in five shelters. We've also provided 416 vaccines and 154 neuter surgeries for local cats and dogs.

In four mainland Chinese cities – Guangzhou, Shenzhen, Chengdu and Nanning – and Hong Kong, our Dr Dog and Professor Paws animal-assisted therapy teams brought companionship and a new way of looking at dogs to over 4,600 people in 133 visits. Fifty of these visits were online due to social distancing restrictions in Hong Kong.

We helped dogs and cats in three shelters in China and Vietnam when floods made their homes uninhabitable. We donated cat and dog beds and food and medical supplies. We installed fences, quarantine areas and sewage works, and we helped build fences, floors and enrichment areas with toys and play furniture at Lv Ye Mao Zong Stray Cat Yard and the Niao Shu Stray Dog Shelter in Guangxi, China – home to 28 cats and 21 dogs respectively. We also gave emergency support to the Quang Ninh Shelter in Quang Binh Province, Vietnam, home to over 100 cats and 50 dogs. We provided 400kg of dried dog food, over 120kg of dried cat food, flea and skin treatments, and treats.

Captive Animal Welfare

Animals Asia brought a 46-year-old female elephant to sanctuary in Yok Don National Park, Vietnam. H'Plo had spent her life carrying tourists. Now she's part of our groundbreaking ethical elephant tours which were launched in partnership with Olsen Animal Trust. As a result, four elephants are no longer forced to spend their days chained up waiting to give rides to tourists. Instead they roam free in the forest while tourists observe them behaving naturally.

Animals Asia helped treat koalas ravaged by bushfires in Australia. One of our veterinary nurses, Kat Donald, was seconded to a triage station, assessing the koalas and starting initial treatments.

We trained over 1,600 animal managers and vets in animal welfare concepts. This means more humane care for animals in China and Vietnam.

Animals Asia continues to support the enrichment program for three rescued elephants at the Dak Lak Elephant Conservation Centre in Vietnam. For Jun, Gold and Thang Kham, this means a sandpit, pool and elephant-sized branches and foliage for them to play with.

We designed 59 hectares of enclosure space across more than three rescue sites and 13 enclosures at the Hanoi Wildlife Rescue Centre, giving countless animals a better life.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Our work with the Hanoi Wildlife Rescue Centre saw 277 animals released into the wild. These included 32 precious birds – 18 red breasted parakeets, three mynah birds, a red whiskered bulbul, eight crested serpent eagles and two goshawks.

We helped to free over 30,000 illegally caught and trafficked songbirds. The birds were rescued and released back into the wild by Flight, our partners in Indonesia.

A zoo in China ended all live animal performances following discussions with Animals Asia, choosing to focus on education instead. And two traditional buffalo fighting festivals in Vietnam were cancelled. Had they gone ahead, almost 60 buffalo would have been forced to fight and then face slaughter. We've been monitoring and lobbying against these festivals for years.

Raising awareness

Working with local schools, we're growing over 24,000 herbal alternatives to bear bile in 13 gardens around Vietnam. These gardens bring the news that nobody will suffer for a lack of bear bile to a wider audience.

Eighty children in a poverty-stricken village in China now have their own school library... and a new understanding of moon bears. We launched a social media campaign that saw 1,800 books donated to set up our first Moon Bear Library. Most of the students at the school are "left-behind" children, meaning their parents were forced to leave them in the village to seek work in the city.

Academy Award winning actor Joaquin Phoenix joined our campaign "The only cure is kindness", which we launched in response to Covid-19.

Our education events, seminars and online events directly reached more than 20,400 people in China – students, teachers and members of the public. We reached hundreds of thousands more through media coverage and social media channels.

We worked with global media to tell more than 150 million people about our work to end bear bile farming and promote animal welfare. Outlets included Agence France Presse, the BBC, the Washington Post, the New York Times, The Guardian, South China Post, People, Yahoo News!, The Daily Mail and The Express.

Future Plans:

After suffering some setbacks to our schedule due to the global COVID-19 pandemic, we are finally planning to break ground on our new sanctuary in Bạch Mã National Park in central Vietnam in the Autumn of 2021. Over 300 bears remain on farms around the country and Animals Asia, in our role as the Vietnam Government's official partner in ending bear bile farming, will work closely with authorities to see every last bear released.

We are already bringing them home and some of them have been rescued and taken to our existing sanctuary in Tam Dao. The rescue of the final Vietnamese bile bears will take time, at least 2 or 3 years, but the construction of the new sanctuary clearly marks the beginning of the end for all the bears who are waiting for salvation and an end to the industry that has blighted their lives and their species for so many cruel and painful years. It is also a historic landmark for Animals Asia as we see one of our founding goals realised.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

2020 was also a milestone year in our Cat and Dog program as, after years of work across the country, we saw China ban the sale of cat and dog meat, heralding the end of the dog and cat meat industry – another of our founding goals. But our work is not over. Our cat and dog team will continue to work closely with over 200 local organisations in China to ensure the new regulation is implemented and we will support the ongoing work to care for animals on the street and in shelters.

The elephant riding industry also saw transformation in 2020 which is expediting the transition of how elephants are used in tourism. As tourists from all areas of the world become enlightened to the cruelties of the industry, they are increasingly seeking more ethical options which put the animal's welfare first. We are promoting the innovative ethical elephant tours which were launched in partnership with Olsen Animal Trust and early indicators are that this will be hugely successful, so much so we hope to be able to roll the model out across other countries in Asia.

Financial review

Fundraising activities and income generation

Animals Asia UK income grew over 15% in 2020 from £2.6m to £3.04m with a modest growth in expenditure. This was particularly successful given the challenging fundraising climate and impacts of the pandemic, and a drop in income of around 50% from legacies. The growth came largely from a focus and investment in our individual giving program with particular success in our digital channels.

In response to the pandemic, the global fundraising team also restructured in order to mitigate risk and maximise resource. The results were so successful we have now adopted our revised model permanently. We already operated a model whereby over 80% of our team worked remotely so we were already well positioned to respond to the pandemic with agility and speed. Our recent decision to close the Munich office also proved timely as it meant our European operations were also established on the same management model and were able to run seamlessly over the course of the year.

Our decision to operate a remote home working structure is proving highly effective and efficient and is enabling us to invest our fundraising expenditure into income generating activities rather than office costs. Having established our fundraising model, we need to invest more funds into this area in the future in order to scale up our income and program activities so we can continue to build on the success of 2020.

Investment policy and performance

Under the Memorandum and Articles of Association Animals Asia has the power to make any investment which the Trustees see fit. As funds are only retained for short periods before being remitted to Hong Kong head office these funds are simply held on deposit with the company's bankers.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

We closed the year 2020 with a balance of £94,155 in general funds providing around 2.5 months reserves. Our aim at Animals Asia UK is to strike the fine balance between demonstrating a prudent level of security which will sustain the charity in the event of difficult circumstances, whilst also ensuring we do not hold on to funds unnecessarily. Our goal is to increase our reserves to between 3 and 6 months over the coming years to achieve this aim.

Principal funding

Animals Asia UK generates around one third of its income from individual regular and one off gifts supported by our global marketing team. We also receive income from our fundraising volunteers and major donors, and also legacy gifts which are vital to sustaining our program work but are impossible to plan around meaning we can't rely on, or plan against, this income.

Structure, governance and management

a. Constitution

Animals Asia Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

Trustees are recruited based on their skills, experience, empathy and understanding of the charity and how these satisfy the needs of the charity. The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Organisational structure and decision-making policies

The Board of Trustees govern our business and as at 1st January 2020 there were three Trustees. The Board determined its role at its conception in 2001 and continues to periodically review its position. We see our function as ensuring good governance of the company and to this end we focus on matters of policy and strategy, the approval of plans, monitoring of progress and financial controls. The day to day operational responsibility is delegated to the Director.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

d. Policies adopted for the induction and training of Trustees

All Trustees are fully inducted by the charity on its aims and objectives and the role they have in developing the charity. The Trustees have all received the Charities Commission guidance on the Roles and Responsibilities of charity Trustees.

e. Pay policy for key management personnel

Animals Asia employees are offered fair pay in accordance with their skills, experience and contribution to the development of the organisation. In keeping with the wider charity sector, our pay structure is lower than public or private sector market rates for similar roles. We offer fair pay to attract and retain fundraisers that offer the best return on investment and our salaries are in the middle quartiles for charitable pay.

f. Risk management

The Trustees actively and regularly review any major risks that the company faces. It is believed that maintaining the current levels combined with an annual review of the controls over key financial systems should provide sufficient resources- in the event of adverse conditions. The Trustees have also examined other potential operational and business risks faced by the company and confirm that they have established systems to mitigate any significant risks.

Future developments

We had planned for 2020 to be the year we started to make significant investments in our fundraising which would enable us to meet the demands of our growing programs, in particular the need to build a new sanctuary in Vietnam. However, it became clear in Q1 that our approach needed to be revised and we needed to mitigate against the risks of the pandemic. In fact, we were able to see opportunity within adversity and the foundations we laid in 2020 now stand us in good stead for significant growth in 2021 and beyond.

Our plans are now to capitalise on our knowledge and success and make significant investments in fundraising which will not only help us deliver our ambitious program goals in the next 3 years but will also provide solid and sustainable income for the years ahead.

In order to achieve this, we understand the two most important metrics are an increase in net return and a growth in the most sustainable forms of fundraising – particularly individual giving and legacies – which offer lower ROIs in the short term but yield better lifetime value than many other sources of income. Our commitment to our people remains paramount and we remain immensely proud of our staff retention, bucking the trend in a highly transient market.

With a highly ambitious, skilled and motivated work force and a winning fundraising formula, Animals Asia continues to grow and go from strength to strength.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

COVID -19

Following the announcement of the COVID-19 crisis, we knew our greatest threat was uncertainty and we responded swiftly with a revised forecast predicting we could see a drop in income to as low as \$10m. We implemented an emergency strategy based on this scenario, cutting any costs not pertaining to short term survival including a delay to capex around our Vietnam appeal, a moratorium on the hiring of new or replacement employees and any operational savings we could make without impacting the welfare of the animals in our care.

Animals Asia's agile and remote structure proved to be ahead of its time and we were extremely well positioned to not only weather the storm through Covid but really thrive within a challenging and risky climate.

We implemented a non-contact fundraising strategy with a focus on high value gifts, regular gifts and digital channels. This proved to be highly effective and we have made permanent changes to the team based on our results.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 25 September 2021 and signed on its behalf by:

Dr J Robinson
Trustee

(CONTINUED)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the company 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION

Opinion

We have audited the financial statements of Animals Asia Foundation (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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 other information comprises the information included in the Trustees' Report and Financial Statements other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees' Report and Financial Statements. 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 course of 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION
(CONTINUED)**

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION
(CONTINUED)**

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- the nature of the sector, control environment and the Charity's performance;
- results of our enquiries of management and the Trustees, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, purchase ledger, and identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We identified and obtained an understanding of the laws and regulations that are of significance to the Charity by discussions with Trustees and by updating our understanding of the sector in which the Charity operated in. Laws and regulations that are of direct significance to the Charity and of which non compliance could result in material misstatement are the Charities Act, Companies Act, Charities SORP and tax legislation. 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 may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included occupational health and safety regulations, data protection regulations, and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue, in line with longer term contract accounting methodologies;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION
(CONTINUED)**

- reading minutes of the Annual General Meeting.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditors' 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Munro FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

29 September 2021

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	4	303,842	2,683,183	2,987,025	2,537,623
Other trading activities	5	-	24,534	24,534	53,500
Other income	6	-	31,572	31,572	1,664
		<u>303,842</u>	<u>2,739,289</u>	<u>3,043,131</u>	<u>2,592,787</u>
Total income					
Expenditure on:					
Raising funds	7	-	520,830	520,830	499,431
Charitable activities:	8				
Payments to Hong Kong		303,842	1,828,557	2,132,399	2,103,725
Public awareness and education		-	104,505	104,505	105,214
Other charitable activities		-	9,870	9,870	8,070
Other expenditure	9	-	5,227	5,227	7,853
		<u>303,842</u>	<u>2,468,989</u>	<u>2,772,831</u>	<u>2,724,293</u>
Total expenditure					
		<u>-</u>	<u>270,300</u>	<u>270,300</u>	<u>(131,506)</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		-	311,784	311,784	443,290
Net movement in funds		-	270,300	270,300	(131,506)
		<u>-</u>	<u>582,084</u>	<u>582,084</u>	<u>311,784</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 35 form part of these financial statements.

**ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:04185603**

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	4,239	8,371
		4,239	8,371
Current assets			
Stocks	15	1,248	526
Debtors	16	221,811	173,048
Cash at bank and in hand		446,147	184,785
		669,206	358,359
Creditors: amounts falling due within one year	17	(91,361)	(54,946)
Net current assets		577,845	303,413
Total net assets		582,084	311,784
Charity funds			
Restricted funds	19	-	-
Unrestricted funds	19	582,084	311,784
Total funds		582,084	311,784

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J Robinson

Date: 25 September 2021

The notes on pages 18 to 35 form part of these financial statements.

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash generated from operating activities	262,361	78,771
Cash flows from investing activities		
Purchase of tangible fixed assets	(999)	(1,129)
Net cash used in investing activities	(999)	(1,129)
Change in cash and cash equivalents in the year	261,362	77,642
Cash and cash equivalents at the beginning of the year	184,785	107,143
Cash and cash equivalents at the end of the year	446,147	184,785

The notes on pages 18 to 35 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Animals Asia Foundation is a company limited by guarantee and is a constituted under a memorandum and articles of association dated 5 April 2001. The company is also a registered charity. The principal office is 17 Mary Seacole Road, The Millfields, Plymouth, PL1 3JY.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Animals Asia Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at fair value unless otherwise stated in the relevant accounting policy.

2.2 GOING CONCERN

The financial statements have been prepared on a going concern basis. The Trustees have assessed this basis with reference to Covid-19 and have deemed the preparation of the financial statements on a going concern basis to be reasonable due to the charity's sufficient cash reserves which can be used to fund activities for the foreseeable future.

2.3 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.4 EXPENDITURE (CONTINUED)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% Straight line
Office equipment	-	25% Straight line

2.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 FINANCIAL INSTRUMENTS

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

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.10 CASH AT BANK AND IN HAND

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

2.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Legacies

Legacy income is recognised under the criteria of Entitlement, Probability and Measurement. It is accrued for once all of this criteria has been met.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Income from donations and legacies

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	303,842	2,188,956	2,492,798	1,918,473
Legacies	-	206,566	206,566	418,695
Gift aid	-	287,661	287,661	200,455
	<u>303,842</u>	<u>2,683,183</u>	<u>2,987,025</u>	<u>2,537,623</u>
TOTAL 2019	<u>623,330</u>	<u>1,914,293</u>	<u>2,537,623</u>	

5. Income from trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Trading income	24,534	24,534	53,500
	<u>53,500</u>	<u>53,500</u>	
TOTAL 2019	<u>53,500</u>	<u>53,500</u>	

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Unrealised foreign exchange loss	(1,009)	(1,009)	1,219
Compensation received	1,444	1,444	445
Covid-19 grants	31,137	31,137	-
	<u>31,572</u>	<u>31,572</u>	<u>1,664</u>
TOTAL 2020	<u>31,572</u>	<u>31,572</u>	<u>1,664</u>
TOTAL 2019	<u>1,664</u>	<u>1,664</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure on raising funds

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising and promotions	185,025	185,025	175,679
Establishment expenses	34,318	34,318	41,436
Legal and professional fees	14,323	14,323	15,020
Bank and handling charges	37,047	37,047	20,874
Sundry expenses	3,038	3,038	7,490
Travelling	1,536	1,536	12,639
Printing postage and stationery	48,055	48,055	25,561
Wages and salaries	162,840	162,840	164,637
National Insurance	25,111	25,111	24,825
Pension costs	6,130	6,130	5,935
Depreciation	4,015	4,015	4,239
TOTAL 2020	<u>521,438</u>	<u>521,438</u>	<u>498,335</u>
TOTAL 2019	<u>498,335</u>	<u>498,335</u>	

OTHER TRADING EXPENSES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Expenditure on fundraising	(608)	(608)	1,096
TOTAL 2019	<u>1,096</u>	<u>1,096</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	303,842	1,942,932	2,246,774	2,217,009
TOTAL 2019	623,330	1,593,679	2,217,009	

Summary by expenditure type

	Staff costs 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	104,505	2,142,269	2,246,774	2,217,009
TOTAL 2019	105,214	2,111,795	2,217,009	

9. Other expenditure

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Realised exchange losses	5,227	5,227	7,853
TOTAL 2019	7,853	7,853	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Analysis of charitable expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Direct costs	2,236,904	9,870	2,246,774	2,217,009
TOTAL 2019	2,208,939	8,070	2,217,009	

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Public awareness and education	104,505	104,505	105,214
Programme payments to Hong Kong	2,132,399	2,132,399	2,103,725
	2,236,904	2,236,904	2,208,939
TOTAL 2019	2,208,939	2,208,939	

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Governance costs	9,870	9,870	8,070
TOTAL 2019	8,070	8,070	

11. Auditors' remuneration

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual accounts	7,460	8,070

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Staff costs

	2020 £	2019 £
Wages and salaries	267,345	269,851
Social security costs	25,111	24,825
Operating costs of defined benefit pension schemes	6,130	5,935
	<u>298,586</u>	<u>300,611</u>

The average number of persons employed by the company during the year was as follows:

	2020 No.	2019 No.
	11	12
	<u>11</u>	<u>12</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1

In January 2019, the UK office merged with the European offices to improve efficiencies, splitting the UK resources across both markets. This included splitting the employment time of the Director, the Head of Supporter Care and the Supporter Care team in Plymouth. All costs sit within the UK market.

Remuneration and benefits received by key management personnel totalled £71,813 (2019: 72,939).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION			
At 1 January 2020	4,513	20,259	24,772
Additions	-	999	999
At 31 December 2020	4,513	21,258	25,771
DEPRECIATION			
At 1 January 2020	3,383	13,018	16,401
Charge for the year	1,116	4,015	5,131
At 31 December 2020	4,499	17,033	21,532
NET BOOK VALUE			
At 31 December 2020	14	4,225	4,239
At 31 December 2019	1,130	7,241	8,371

15. Stocks

	2020 £	2019 £
Finished goods and goods for resale	1,248	526

16. Debtors

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	86,950	16,507
Amounts owed by Hong Kong and other Animal Asias'	-	3,320
Other debtors	1,695	1,695
Prepayments and accrued income	133,166	151,526
	221,811	173,048

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Amounts owed to Animal Asia Germany and Italy	17,745	11,504
Other taxation and social security	-	22,540
Other creditors	26,744	8,226
Accruals and deferred income	46,872	12,676
	<u>91,361</u>	<u>54,946</u>

18. Financial instruments

	2020	2019
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	446,147	184,785
	<u>446,147</u>	<u>184,785</u>

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds	233,691	-	-	254,238	487,929
GENERAL FUNDS					
General Funds	78,093	2,739,289	(2,468,989)	(254,238)	94,155
TOTAL UNRESTRICTED FUNDS	311,784	2,739,289	(2,468,989)	-	582,084
RESTRICTED FUNDS					
End Bear Bile Farming	-	289,864	(289,864)	-	-
Cat and Dog Welfare	-	12,978	(12,978)	-	-
Captive Animal Welfare	-	1,000	(1,000)	-	-
	-	303,842	(303,842)	-	-
TOTAL OF FUNDS	311,784	3,043,131	(2,772,831)	-	582,084

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. Statement of funds (continued)

DESIGNATED FUNDS

These funds have been designated by the trustees towards future programme payments to Hong Kong.

RESTRICTED FUNDS

End Bear Bile Farming - Animals Asia works to end the barbaric bear bile trade, which sees over 10,000 bears, mainly moon bears but also sun bears and brown bears, kept on bile farms in China, and around 1,000 bears in Vietnam. In 2017, the Vietnamese Government signed an agreement with Animals Asia to bring bear bile farming to an end by 2022.

Peace by Piece: Nanning Bear Farm - Peace by Piece is Animals Asia's landmark campaign, as part of our overall End Bear Bile Farming programme, launched in April 2014 to help rescue and rehabilitate previously exploited moon bears in Nanning, China.

Cat and Dog Welfare - Animals Asia works to end the trade in dogs and cats for food in China. We support over 150 local organisations across China, financially and through skill sharing, to improve the welfare of companion animals and promote humane population management.

Captive Animal Welfare - Animals Asia campaigns for an end to abusive animal practices in zoos and safari parks in China, and works closely with governing authorities to improve animal management and increase awareness of the welfare needs of captive animals.

Vietnam Campaign - Animal Asia is in the process of building two new sanctuaries in Vietnam to re-home moon bears who have been rescued from bear bile farms. The charity has plans to build one sanctuary in the stunning Pu Mat National Park and a further sanctuary in the Yok Don National park.

A transfer had been made from designated general funds to general funds to help with the day to day running costs of the Charity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
DESIGNATED FUNDS					
Designated Funds	372,872	-	(372,872)	233,691	233,691
GENERAL FUNDS					
General Funds	70,418	1,969,457	(1,728,091)	(233,691)	78,093
TOTAL UNRESTRICTED FUNDS	443,290	-	(2,100,963)	-	311,784
End Bear Bile Farming	-	284,964	(284,964)	-	-
Nanning Bear Farn	-	165,967	(165,967)	-	-
Cat and Dog Welfare	-	69,911	(69,911)	-	-
Captive Animal Welfare	-	98,188	(98,188)	-	-
Vietnam Campaign	-	4,300	(4,300)	-	-
	-	623,330	(623,330)	-	-
TOTAL OF FUNDS	443,290	623,330	(2,724,293)	-	311,784

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Designated funds	233,691	-	-	254,238	487,929
General funds	78,093	2,739,289	(2,468,989)	(254,238)	94,155
Restricted funds	-	303,842	(303,842)	-	-
	<u>311,784</u>	<u>3,043,131</u>	<u>(2,772,831)</u>	<u>-</u>	<u>582,084</u>

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
Designated funds	372,872	-	(372,872)	233,691	233,691
General funds	70,418	1,969,457	(1,728,091)	(233,691)	78,093
Restricted funds	-	623,330	(623,330)	-	-
	<u>443,290</u>	<u>2,592,787</u>	<u>(2,724,293)</u>	<u>-</u>	<u>311,784</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	4,239	4,239
Current assets	669,206	669,206
Creditors due within one year	(91,361)	(91,361)
TOTAL	<u>582,084</u>	<u>582,084</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	8,371	8,371
Current assets	358,359	358,359
Creditors due within one year	(54,946)	(54,946)
TOTAL	311,784	311,784

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	270,300	(131,506)
ADJUSTMENTS FOR:		
Depreciation charges	5,131	5,354
(Increase)/decrease in stocks	(722)	443
(Increase)/decrease in debtors	(48,763)	233,089
Increase/(decrease) in creditors	36,415	(28,609)
NET CASH PROVIDED BY OPERATING ACTIVITIES	262,361	78,771

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	446,147	184,785
TOTAL CASH AND CASH EQUIVALENTS	446,147	184,785

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	184,785	261,362	446,147
	<u>184,785</u>	<u>261,362</u>	<u>446,147</u>

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £6,130 (2019: £5,935). Contributions totalling £nil (2019: £nil) were payable to the fund at the balance sheet date.

26. Operating lease commitments

At 31 December 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	4,584	3,283
Later than 1 year and not later than 5 years	6,504	1,951
	<u>11,088</u>	<u>5,234</u>

27. Related party transactions

During the year the charity made donations of £2,132,399 (2019: £2,045,704) to Animals Asia Hong Kong, an entity with which the charity works closely. At the year end, no balances were owed by Animals Asia Hong Kong to Animals Asia UK.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

28. Legacies Held in Trust

The Charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the balance sheet date, the amount receivable cannot be reliably measured, and therefore no income has been recognised in the Statement of Financial Activities for the year. There are contingent assets of £429,008.

The Charity is also a joint beneficiary with 12 other charities of the estate of the late P Woods. Currently there is a life tenant who receives the income from the estate. At the 3 May 2018 the estate was valued at £718,895, subject to a reconciliation of the income paid to the life tenant for the year ended 5 April 2018.

The Charity is also joint beneficiary to the estate of the late M McNeil. Currently there is a life tenant who receives the income from the estate. As of the 1 May 2019 the Charity's share of the residual interest was valued at £35,000.