

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

**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 2022**

Trustees	J Robinson N Field A Collier
Company registered number	04185603
Charity registered number	1086903
Registered office	Office 17 Mary Seacole Road The Millfields Plymouth PL1 3JY
Company secretary	L Simpson

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their annual report together with the audited financial statements of the company for the 1 January 2022 to 31 December 2022. 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.

1) Structure, governance and management

a. Constitution

The organisation is a Private Limited Company by guarantee without share capital (Company Registration Number 04185603) incorporated on 22nd March 2001 and registered as a charity on 5th June 2001. The company is established under a Memorandum and Articles of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

b. Directors and Trustees

The Directors of the company are also charity Trustees as defined by the Charities Act 2011. At 31 December 2022 the charitable company has three Trustees as listed above.

The Trustees are required to have a strong personal commitment to the charity's aims and objectives: to promote animal welfare and prevent cruelty to animals. They are responsible for governing the overall policies, strategic direction and financial health of Animals Asia Foundation ensuring that the organisation complies with all legal requirements and upholds its founding vision and principles.

c. Methods of appointment or election of Trustees

Trustees are selected to provide a pool of professional expertise and a range of skills including experience, empathy and understanding of the charity to enable them to govern through a collective decision-making process which is based on a sound understanding of Animals Asia's ongoing needs and challenges.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Trustees consist of at least three and not more than eight individuals, all of whom must be members. One third (or the number nearest one third) of the Trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.

All Trustees are fully inducted by the charity on its aims and objectives and the role they have in developing the charity. The Trustees are provided with copies of key documents, including the Articles of Association, board meeting schedule, organisational charts, Guides on Directors'/Trustees' Duties including The Charities Commission guidance 'The Essential Trustee' on the Roles and Responsibilities of charity Trustees; and meetings are arranged with key personnel. Training is given on Data Protection regulation and key issues affecting the charity.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Director's meetings are held quarterly, to which specialists from within the wider team can be invited to help keep the trustees updated on the charity's programmes, fundraising and operations.

d. Organisational structure and decision-making policies

The Board of Trustees govern our business. The Board determined its role at its conception in 2001 and continues to periodically review its position. It sees its function as ensuring good governance of the charity and to this end focuses 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 organisation's staff overseen by The Senior Management Team and Global Directors.

e. Key management personnel

In addition to the trustees and Senior Management personnel listed above these are:

Animal Welfare Director
Global Director of Strategic Communications
Director of Global Partnerships
Head of Data Services
Director of Supporter Experience & Data Services

Animals Asia Foundation is part of a wider International network with offices in Europe, Asia and Australia. Each Animals Asia office is registered as a legal entity in the local country as required. A global strategy governs the fundraising activities of each local office.

f. 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. Our salaries are benchmarked to industry standards and are in the middle quartiles for charitable pay.

2) Objectives and activities

a. Policies and objectives

The objects of the Charity are to promote the welfare of animals in need of care and protection for the benefit of the public by, but not restricted to:

- 1) providing and assisting in the provision of relief of suffering of such animals, and preventing cruelty to animals, in, but not exclusively in, Asia; and
- 2) educating the public in matters concerning the welfare of such animals.

b. Strategies for achieving objectives

Founded in 1998, the Animals Asia team has been rescuing bears since 1994. It operates award winning bear rescue sanctuaries in China and Vietnam, and is the only organisation with a bear sanctuary in China. Our founder and CEO, Jill Robinson MBE, Dr.med.vet. h.c., Hon LLD is widely

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

recognised as the world's leading authority on the cruel bear bile industry, having campaigned against it since 1993.

The charity promotes animal welfare for the benefit of the public by focussing on three major programs:

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.

In accordance with the requirements of the Charities Act 2011, 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)*'. The sections below illustrate this commitment to meeting our charitable purposes by documenting our achievements and performance within each area of priority.

Every grant is reviewed carefully to ensure the objective of Animals Asia is met, which is to promote the welfare of animals in need of care and protection for the benefit of the public.

The Trustees may make program-related investments as they see fit and review the objectives and results of programs the Charity funds.

d. Fundraising

Our vital work improving attitudes to animals and their welfare, saving animal populations and species throughout Asia is made possible by the generous support of our donors, in the UK and around the world. We offer a range of opportunities for our supporters and donors to engage and help us to fulfil our charitable objectives, not only by supporting us financially, but also by giving us their time and energy too.

The majority of our income is generated via direct marketing to individuals. Our activities include a strong digital acquisition programme delivered via paid advertising on social media, predominantly Facebook. For this we use a third party supplier based in Australia, Digital Difference. We also engage a third party telemarketing agency called Stratcomm to call donors who have given their consent to be contacted by us, to enquire about their interest and capacity to support us further. Stratcomm deliver our telemarketing programmes covering cash conversion, reactivation of lapsed donors, lead conversion and upgrades to existing gifts.

This year, AAF piloted our first DRTV, launching initially with one advert in the UK early in 2022. The response was so great that we immediately scaled up the programme, launching a second advert in the latter part of the year. We worked with several third party suppliers to bring our DRTV to market; John Ayling & Associates undertook our media buying, Angel Fulfilment Services our call handling, CYMBA for SMS line rental and response handling, and for our search marketing campaign to support our DRTV we used Mindwize, based in the Netherlands.

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FOR THE YEAR ENDED 31 DECEMBER 2022**

Our regular individual giving programme mails to UK donors four times a year. Our Direct Mail appeals continued to perform well and our regular giving program retention remained strong delivering an on-budget result. At the end of 2022, AAF had a total of 8,809 people in the UK who donate to us on a regular basis. Of these, 3,864 people commenced their regular gifts to us this year. Whilst 9,921 people made one-off cash gifts to us in 2022.

In addition to our Individual Giving programme, we also generate income via trust, foundation and Corporate giving; legacy gifts; and community and sponsorship events. We invested in these areas in 2022, with a view to developing our engagement and income in these areas over time. We currently enjoy the support of 60 regional community groups in the UK. Their support and passion for our cause raises vital funds and awareness for us.

We have a commitment to responsible fundraising and personal data protection. AAF follows the guidance and requirements of the Charity Commission fundraising guide (CC20), and voluntarily subscribes to the Fundraising Regulator and abides by its code.

All third parties contracted by AAF to engage in fundraising and related data management activities on our behalf are subject to our Due Diligence assessment as part of our supplier on-boarding governance. They are also required to adhere to all relevant GDPR and fundraising regulations as well as abiding by the above codes. AAF staff maintain close oversight of their respective third party suppliers to ensure their compliance with our service level agreement, including our commitment to regulation and safeguarding. We also provide regular training to third party companies representing the organization to supporters, including for fundraising purposes.

From our overall database of hundreds of thousands of supporters, in 2022 only two complaints were officially registered relating to fundraising practices. Both complaints were addressed in line with our published Complaints Procedure and resolved to the satisfaction of each supporter.

AAF considers all complaints carefully and we will continue to adjust our fundraising approaches in order to provide a positive experience for donors and supporters both on and offline, including looking at where improvements could be made to enhance our website users' experiences.

Our complaints procedure is on our website with ample information on how to leave feedback and how complaints will be dealt with.

We monitor feedback of all kinds on a weekly, monthly and quarterly basis, reporting back to the wider team on any feedback or suggestions we receive from supporters.

We had one official complaint last year regarding the way we communicate with our donors. This email reached the highest level of seniority within the organisation who liaised with the donor personally to advise their concerns had been listened to. This appeased the donor and no further action was taken.

When it comes to ensuring that we are operating to 'best practice' standards and, equally importantly, communicating this to our supporters, we have collated all relevant information into AAF's Supporter promise, which together with and our Privacy Statement, are available on our website <https://www.animalsasia.org/uk/about-us/animals-asia-supporter-promise.htm>

We want it to be easy for everyone to be able to read about our raft of commitments to making sure their personal data is secure with us and handled and managed in accordance with all relevant UK data protection laws. Our Supporter Promise also sets out our commitment to be clear and transparent about the data we keep.

To ensure that we place the safety and wellbeing of our supporters at the heart of our fundraising, AAF has a vulnerable persons policy and procedure. This includes guidance to staff and companies

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FOR THE YEAR ENDED 31 DECEMBER 2022**

carrying out fundraising and donation processing on our behalf on how to identify a potentially vulnerable person, a flagging procedure to ensure that such risks are appropriately recorded, and a policy to provide clear guidance for when donations should be questioned and/or potentially politely declined.

We adhere strictly to all fundraising and data protection legislation and guidelines, and proudly follow the Fundraising Regulator's fundraising promise, to be respectful, open, honest and accountable to the public. Animals Asia is committed to proceeding ethically, honestly, transparently, and legally in all areas of our work, including fundraising. Our standards for fundraising are set out in the Code of Fundraising Practice which we are both obliged and pleased to abide by. We display the Fundraising Regulator's logo on all of our communications so that supporters know they can trust it.

e. Volunteers

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers. Our volunteer support network continued to grow through 2022 and we now have over 175 people regularly volunteering across the country. Our supporters and support groups held 113 fundraisers in 2022. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

We have a dedicated inbox to support our fundraisers with any queries they have and also hold virtual workshops and webinars to provide fundraisers with key campaign information, new ideas and good fundraising/administration practice. When a new Volunteer Support Group is set up we send the Coordinator a Handbook with guidance and best practice rules to follow, as well as a Code of Conduct.

We ask our Groups yearly to update their members list, and also that any new members sign a 'Volunteer Registration Form'.

In 2019 AAF increased our fundraising investment in digital acquisition on Facebook to benefit from the platform's unparalleled reach and ability to target, in a GDPR compliant manner, individuals most likely to be interested in and support our cause. In doing so, we achieved our best ever cost per acquisition and our highest rate of new donor acquisition in our fundraising history. In subsequent years, we have closely monitored our performance in this area. As Facebook algorithms continue to evolve, our rigorous monitoring indicated the earliest signs that our activity on this platform may be starting to plateau. We were able to act in a timely fashion to adjust our activity. Using insights from our Facebook engagement, we made the decision to trial DRTV in the UK. Our initial performance in DRTV has delivered a cost per donor acquisition of approximately half that of the UK charity sector average. Based on this exceptional performance, we scaled up our DRTV activity.

From acquisition, we plan and deliver thoughtful supporter journeys with the aim of retaining and developing our supporters, to deepen their loyalty and increase their overall lifetime value to us. We work to achieve a rewarding and reciprocal relationship with our donors, for instance ensuring that we thank them and by delivering good value, for instance with our popular supporter newsletter. Overall, we are committed to delivering a high-quality supporter experience, overseen by our dedicated Supporter Care Team.

As well as immediate return on investment, we also invested for our financially sustainable future for the foundation, by developing our legacy marketing programme.

Animals Asia is registered with the Fundraising Regulator and ensures compliance with the Code of Fundraising Practice through regular reviews and application across all the various fundraising

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

channels; and monitoring of the Fundraising Preference Service. There were no instances of non-compliance identified in 2022.

We are ambitious, proactive and passionate about fundraising and believe in creating personal and rewarding experiences for our supporters so they can make a difference to the lives of animals. We strive to maintain best practices wherever possible and work hard to ensure our supporters are looked after to the best of our abilities. We are proud that, with a global team able to respond round the clock, all supporter enquiries we received in 2022 were replied to on average within 36 hours.

We deliver exceptional supporter care by using data and insights intelligence to proactively plan for our growth and development. We focus on people. Our staff are passionate, skilled and professional animal protectors who service the admirable and generous supporters of Animals Asia - our lifeblood. Each and every interaction with our supporters is underpinned by communications, delivering our necessary message in an engaging and informative way.

Our “Kindness in action” motto extends to the communities we operate in. We will do all we can to ensure that any third parties, volunteers and fundraising contractors who work with us to raise funds share our high standards and mindset.

f. 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 charitable activities.

3) Strategic Report - 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.

Animals Asia has saved millions of animals from slaughter, abuse and imprisonment.

Here's what we achieved in 2022:

Ending bear bile farming

- Animals Asia started construction of our second sanctuary in Vietnam. This will be home to the country's 300 remaining bile bears
- We rescued 14 beautiful bears and brought them home to our Vietnam sanctuary
- We provided world-class care for the 320 bears living peacefully in our sanctuaries, 120 in China and 200 in Vietnam.
- Our vets performed 230 full-body health checks under anaesthesia and 31 surgeries on our rescued bears
- 31 rescued bears took their first steps on grass at our sanctuaries, some for the first time in over 20 years
- In Vietnam, we provided bear care training to 3 groups – zoos, wildlife rescue centres and government veterinarians
- We continued our partnership with the authorities to reduce human-bear conflict in 2 Chinese provinces

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

- We provided online veterinary welfare training to tens of thousands of vets and vet assistants in China

Cat and Dog Welfare

- Our Dr Dog and Professor Paws therapy dogs shared their unconditional love with 9,535 people in hospitals, elderly homes and schools in Hong Kong and 4 mainland Chinese cities
- Millions of dogs and cats in China were saved from the meat trade as a result of our work to remove dogs from the country's official livestock list
- 44 dog meat videos and items for sale were removed from 3 popular Chinese platforms after our complaints
- We helped two Chinese cat shelters build adoption centres, which will benefit over 3,000 cats over the next five years. Both centres train volunteers and potential adopters
- We helped 17 NGOs and volunteer groups in China implement Trap, Neuter, Return projects, directly benefiting 227 cats
- We worked with the Vietnamese authorities to identify 12 locations where dogs are sourced and the route used to transport them to the capital, Hanoi
- 250 cats benefited from our help to rebuild a fire damaged shelter in China

Captive Animal Welfare

- We opened our "One Life – Animal Emotions" poster exhibition at Fuzhou Zoo in China, expecting to reach 500,000 people
- We developed 6 online webinars, delivering animal management advice to over 12,800 animal managers in Chinese zoos
- We helped 3 Indonesian NGOs release 91 macaques and 25,000 songbirds back into the wild
- We oversaw the management of 12 of the 72 elephants believed to be in captivity in Vietnam
- We provided an electric vehicle to bring tourists to our Ethical Elephant Tours in Yok Don National Park, Vietnam, where the elephants roam free in the forest and visitors watch from a respectful distance. A popular Vietnamese newspaper listed our tours among its Top 20 best places to visit in the country

Raising Awareness

- We achieved a reach of 103 million people on all global social media platforms
- We developed 85 fact sheets and presentations on the social, emotional and cognitive capacities of animals for our education programs in China and Vietnam
- We raised awareness of the moon bear's natural habitat by running 12 free sessions (one a month) at our China bear sanctuary to educate parents and children about the local flora and fauna
- Our Trap, Neuter, Return educational video was watched over 11 million times in China, potentially preventing billions of cats from being born into misery
- Over 200,000 people saw our free LED screen ads for our Trap, Neuter, Return project for cats and our China-wide children's painting competition in Chengdu's underground train stations
- Over 100,000 people joined our 26 cat and dog public awareness events in China
- We gave 3,000 booklets to Vietnamese children, highlighting the welfare issues associated with the illegal trade in wild-caught birds in Vietnam
- Our work featured in global traditional media publications with a reach of just under 6 billion people!
- Videos of our rescued bears were watched over 40 million times
- We reached over 26,000 Vietnamese people through our animal welfare events

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

- 66,000 people began following our social media channels, bringing our total followers to 595,000
- Our website's news, education and blog pages were viewed over 250,000 times
- Celebrity supporters sharing our stories engaged over 155 million people globally
- A short video of rescued bear Cocoon taking a bubble bath was enjoyed around the world, reaching 10.6 million people.
- 109 educators in China benefited from our online training session on the delivery of our animal welfare education resources

Future plans

We are future-proofing Animals Asia by every means available to build our organisation and grow our supporter base – everything from asking celebrities to post to their millions of fans, to providing our volunteers with leaflets to hand out at local events.

Building our supporter numbers and donor base ensures we can plan ahead and budget for the future. Our programs are long term and so is our vision.

Caring for our rescued bears is a lifelong commitment and this could mean 30 years of love and care. And our many geriatric bears will need more care as the years go on.

And 300 bears from Vietnam's very last bile farms will soon be moving to our brand new sanctuary.

These are just some of our important commitments that will depend on the growth of our income and careful management of funds.

Staff

Animals Asia strives to promote the well-being of every employee. Our policies and practices are designed to maintain a productive, respectful and compassionate workplace – in line with our organisational values.

We strive to model Kindness in Action on our four pillar values of Tenacity, Respect, Empathy and Courage. These are the drivers of everything we do and the qualities we value in our people. We cherish our work culture, which has developed by living these principles since our founding. They guide the way we treat both animals and people.

Performance appraisals are conducted twice a year to review performance and to support staff success in their role. Staff are also encouraged to seek opportunities for professional development.

Animals Asia is an equal opportunity employer. We are committed to the principle of equal employment opportunity and will take action to avoid discrimination.

Women make up 65% Animals Asia's staff globally, they fill 62% of leadership positions and 40% of senior management roles.

In 2022, our Vietnam bear sanctuary held an onsite training course for women in leadership roles. Sixteen local women took part, attending seven sessions with topics including communication, giving and receiving feedback and dealing with conflict. After completing the program, all the woman said they felt more confident in their leadership skills and in giving feedback to team members.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

4) Strategic Report - Financial review

Financial review

Fundraising activities and income generation

Animals Asia UK income grew over 22% in 2022 from £4.00m to £4.90m, due to increased Supporter Experience and Direct Marketing income. Income from legacies increased by 300%.

Reserves policy

We closed the year 2022 with a balance of £419,649 in general funds providing around 2.5 months' reserves. Our aim 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 cover 3 to 6 months of expenditure over the coming years to achieve this aim.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity 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.

Principal funding

Animals Asia generates around one third of its income from individual regular and one-off gifts supported by our global Direct Marketing team. We also receive income from our fundraising volunteers and major donors, as well as legacy gifts.

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 Animals Asia Hong Kong, these funds are simply held on deposit with the Charity's bankers. In line with its Corporate Ethical Policy and in pursuit of its mission, Animals Asia seeks donations and partnerships with companies and organisations in order to raise funds and promote the profile of the charity. Animals Asia will seek to associate with companies and organisations whose goals overlap and comply with Animals Asia's Animal Welfare Policies.

The Trustees actively and regularly review any major risks that the charity 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 charity and confirm that they have established systems to mitigate any significant risks.

**TRUSTEES REPORT (CONTINUED)
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Our key risks and uncertainties

- Data Protection/Security: We have a Data Protection officer in post who follows a framework for Data Protection regulation compliance.
- Significant changes in regulatory frameworks
- Staff stability - loss of key personnel: We carry out salary benchmarking and provide workplace incentives, development programme, HR to support on any staff issues
- Working with third parties: eg, the Gift acceptance process which we ensure adheres to a Gift Acceptance Policy, and Reputational Risk which we mitigate against by carrying out thorough due diligence on third parties
- Secure, ongoing Funding
- Financial Reserves

Plans for future periods

The Charity plans to continue to raise awareness of animal welfare and increase donation income to support its goals.

For fundraising, in 2023, we are planning two important workstreams. Firstly, in order to grow our donor base and income in a sustainable manner, we will invest to create a new Strategic Communication function, headed by a newly created Global Director of Strategic Communication. Our new Strategic Communication function will commence internal and external benchmarking, research and analysis to better understand our key donor audiences, their preferred engagement channels, ways of giving and their "lifetime value" to the charity. We will use this insight to review our existing product portfolio and refine both our donor acquisition and retention strategies to deliver better value for our income generation activities and greater satisfaction for our supporters.

The second key work strand will focus on greater scrutiny, measurement and accountability across all our supporter engagement and income generation activities. We will develop a new set of strategic and operational KPIs for our Global Supporter Engagement directorate, which will be presented in a dashboard format. We anticipate this work will be complete in Q3 of 2023. The senior leadership team of our Supporter Engagement Directorate will review KPIs monthly and provide our Board of Trustees with performance reports at every Board meeting.

As we approach the delivery of one key aspect of our founding goals; specifically to end bear bile farming in Vietnam by 2026, the Board and Trustees will commence actively reviewing future market positions for Animals Asia Foundation and assessing the feasibility of growing different areas of our existing programmatic work, for example ending the dog meat trade in Vietnam.

Based on experience in the past few years, the Charity will continue to diversify its fundraising channels to reach and recruit new like-minded supporters, taking a conservative and iterative testing approach.

Between 2020-present, we invested heavily in very broadly targeted donor acquisition on digital channels. As a consequence we have several thousands new UK donors about whom we know very little. In 2023, we will commence internal and external benchmarking, research and analysis to better understand our key donor audiences, their preferred engagement channels, ways of giving and their "lifetime value" to the charity. We will use this insight to review our existing product portfolio and refine our donor acquisition and retention strategies to deliver better value for our income generation activities.

In 2023 we will commence a review of our fundraising and communications key performance indicators to better track the outputs and outcomes of our activities against related expenditure. To

**TRUSTEES REPORT (CONTINUED)
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further improve our financial management and accountability, we will introduce new monthly management accounts and variance reporting.

We aim to bring greater long-term sustainability to our income generation, for example through the development of our legacy giving programme, reporting on net as well as gross income, and also by moving to a three-year strategic cycle that enables a longer ROI period, rather than a focus on short-term income.

6) 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 year. 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.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 04/09/2023, and signed on its behalf by:



**Jill Robinson MBE, Dr med vet hc, Hon LLD
Founder, CEO & Trustee (Chair)**

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 2022 which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), 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 2022 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 Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual 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. 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.

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;
- Reading minutes of the Annual General Meeting.

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

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

Bishop Fleming LLP

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

Date: 04/09/2023

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	344,376	4,597,507	4,941,883	3,959,075
Other trading activities	5	-	4,237	4,237	4,566
Other income	6	-	6,514	6,514	7,589
Total income		344,376	4,608,258	4,952,634	3,971,230
Expenditure on:					
Raising funds	7	-	1,484,467	1,484,467	1,118,749
Charitable activities:	8				
Payments to Hong Kong		344,376	1,818,809	2,163,185	2,392,166
Public awareness and education		-	316,772	316,772	302,123
Other charitable activities		-	-	-	8,292
Other charitable activities		-	10,860	10,860	-
Other expenditure	9	-	956	956	2,783
Total expenditure		344,376	3,631,864	3,976,240	3,824,113
Net movement in funds		-	976,394	976,394	147,117
Reconciliation of funds:					
Total funds brought forward		-	729,201	729,201	582,084
Net movement in funds		-	976,394	976,394	147,117
Total funds carried forward		-	1,705,595	1,705,595	729,201

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

The notes on pages 20 to 36 form part of these financial statements.

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

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	12,599	12,943
		12,599	12,943
Current assets			
Stocks	15	911	2,017
Debtors	16	1,395,730	583,055
Cash at bank and in hand		419,955	273,797
		1,816,596	858,869
Creditors: amounts falling due within one year	17	(123,600)	(142,611)
Net current assets		1,692,996	716,258
Total net assets		1,705,595	729,201
Charity funds			
Restricted funds	19	-	-
Unrestricted funds	19	1,705,595	729,201
Total funds		1,705,595	729,201

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: 04/09/2023

The notes on pages 20 to 36 form part of these financial statements.

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash (used in) / generated from operating activities	150,276	(172,350)
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,118)	-
Net cash (used in)/provided by investing activities	(4,118)	-
Change in cash and cash equivalents in the year	146,158	(172,350)
Cash and cash equivalents at the beginning of the year	273,797	446,147
Cash and cash equivalents at the end of the year	419,955	273,797

The notes on pages 20 to 36 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 the unstable economic environment in the UK 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 2022**

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, using the straight-line method.

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 2022**

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 2022

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 these criteria have been met.

4. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	344,376	2,865,845	3,210,221	3,189,582
Legacies	-	1,408,276	1,408,276	407,159
Gift aid	-	323,386	323,386	362,334
	<u>411,748</u>	<u>3,547,327</u>	<u>3,959,075</u>	
TOTAL 2021				

5. Income from trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trading income	4,237	4,237	4,566
	<u>4,566</u>	<u>4,566</u>	
TOTAL 2021			

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Unrealised foreign exchange gain/ (loss)	-	-	1,014
Sundry income	6,514	6,514	6,575
TOTAL 2022	<u>6,514</u>	<u>6,514</u>	<u>7,589</u>
TOTAL 2021	<u>7,589</u>	<u>7,589</u>	

7. Expenditure on raising funds

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising and promotions	692,808	692,808	370,905
Establishment expenses	60,442	60,442	75,852
Legal and professional fees	7,407	7,407	10,701
Bank and handling charges	49,426	49,426	42,063
Sundry expenses	27,835	27,835	6,739
Travelling	10,617	10,617	347
Printing, postage and stationery	41,970	41,970	46,352
Wages and salaries	456,385	456,385	462,173
National Insurance	86,588	86,588	80,323
Pension costs	45,318	45,318	18,590
Depreciation	4,462	4,462	4,657
TOTAL 2022	<u>1,483,258</u>	<u>1,483,258</u>	<u>1,118,702</u>
TOTAL 2021	<u>1,118,702</u>	<u>1,118,702</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Expenditure on raising funds (continued)

OTHER TRADING EXPENSES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Merchandise costs	1,209	1,209	47
TOTAL 2021	47	47	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Charitable activities	344,376	2,146,441	2,490,817	2,702,581
TOTAL 2021	411,748	2,290,833	2,702,581	

Summary by expenditure type

	Staff costs 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Charitable activities	316,772	2,174,045	2,490,817	2,702,581
TOTAL 2021	302,123	2,400,458	2,702,581	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Other expenditure

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Foreign exchange losses	956	956	2,783
TOTAL 2021	2,783	2,783	

10. Analysis of charitable expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Direct costs	2,479,957	10,860	2,490,817	2,702,581
TOTAL 2021	2,694,289	8,292	2,702,581	

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Public awareness and education	316,772	316,772	302,123
Programme payments to Hong Kong	2,163,185	2,163,185	2,392,166
	2,479,957	2,479,957	2,694,289
TOTAL 2021	2,694,289	2,694,289	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Analysis of charitable expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Governance costs	10,860	10,860	8,292
TOTAL 2021	8,292	8,292	

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the company's annual accounts	10,860	8,292

12. Staff costs

	2022 £	2021 £
Wages and salaries	773,157	764,296
Social security costs	86,588	80,323
Operating costs of defined benefit pension schemes	45,318	18,590
	905,063	863,209

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

2022 No.	2021 No.
30	27

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Staff costs (continued)

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £90,001 - £100,000	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 £111,714 (2021: £74,070).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2021 - £NIL).

14. Tangible fixed assets

	Fixtures and fittings	Office equipment	Total
	£	£	£
COST OR VALUATION			
At 1 January 2022	4,513	34,633	39,146
Additions	-	4,118	4,118
At 31 December 2022	4,513	38,751	43,264
DEPRECIATION			
At 1 January 2022	4,513	21,690	26,203
Charge for the year	-	4,462	4,462
At 31 December 2022	4,513	26,152	30,665
NET BOOK VALUE			
At 31 December 2022	-	12,599	12,599
At 31 December 2021	-	12,943	12,943

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Stocks

	2022	2021
	£	£
Finished goods and goods for resale	911	2,017

16. Debtors

	2022	2021
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	136,774	39,163
Amounts owed by Hong Kong and other Animal Asias'	721	721
Other debtors	1,695	1,695
Prepayments and accrued income	1,256,540	541,476
	1,395,730	583,055

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Amounts owed to Animal Asia Germany and Italy	43,479	15,066
Other creditors	24,950	77,314
Accruals and deferred income	55,171	50,231
	<u>123,600</u>	<u>142,611</u>

18. Financial instruments

	2022	2021
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	419,955	273,797

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 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Designated Funds	509,253	-	-	(509,253)	-
General funds					
General Funds - all funds	219,948	4,608,258	(3,631,864)	509,253	1,705,595
Total Unrestricted funds	729,201	4,608,258	(3,631,864)	-	1,705,595
Restricted funds					
End Bear Bile Farming	-	208,473	(208,473)	-	-
Cat and Dog Welfare	-	11,230	(11,230)	-	-
Captive Animal Welfare	-	124,673	(124,673)	-	-
	-	344,376	(344,376)	-	-
Total of funds	729,201	4,952,634	(3,976,240)	-	1,705,595

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds					
Designated Funds	487,929	-	-	21,324	509,253
General funds					
General Funds	94,155	3,559,482	(3,412,365)	(21,324)	219,948
Total Unrestricted funds	582,084	3,559,482	(3,412,365)	-	729,201
Restricted funds					
End Bear Bile Farming	-	316,104	(316,104)	-	-
Cat and Dog Welfare	-	72,768	(72,768)	-	-
Captive Animal Welfare	-	22,876	(22,876)	-	-
	-	411,748	(411,748)	-	-
Total of funds	582,084	3,971,230	(3,824,113)	-	729,201

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	509,253	-	-	(509,253)	-
General funds	219,948	4,608,258	(3,631,864)	509,253	1,705,595
Restricted funds	-	344,376	(344,376)	-	-
	<u>729,201</u>	<u>4,952,634</u>	<u>(3,976,240)</u>	<u>-</u>	<u>1,705,595</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Designated funds	487,929	-	-	21,324	509,253
General funds	94,155	3,559,482	(3,412,365)	(21,324)	219,948
Restricted funds	-	411,748	(411,748)	-	-
	<u>582,084</u>	<u>3,971,230</u>	<u>(3,824,113)</u>	<u>-</u>	<u>729,201</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	12,599	12,599
Current assets	1,816,596	1,816,596
Creditors due within one year	(123,600)	(123,600)
TOTAL	<u>1,705,595</u>	<u>1,705,595</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	12,943	12,943
Current assets	858,869	858,869
Creditors due within one year	(142,611)	(142,611)
TOTAL	729,201	729,201

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	976,394	147,117
ADJUSTMENTS FOR:		
Depreciation charges	4,462	4,672
Decrease/(increase) in stocks	1,106	(769)
(Increase) in debtors	(812,675)	(361,245)
(Decrease)/increase in creditors	(19,011)	51,251
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	150,276	(158,974)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	419,955	273,797
TOTAL CASH AND CASH EQUIVALENTS	419,955	273,797

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24. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	273,797	146,158	419,955
	<u>273,797</u>	<u>146,158</u>	<u>419,955</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 £45,318 (2021: £18,590). Contributions totalling £nil (2021: £nil) were payable to the fund at the balance sheet date.

26. Operating lease commitments

At 31 December 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2021 £
Not later than 1 year	-	4,584
Later than 1 year and not later than 5 years	-	4,553
	<u>-</u>	<u>9,137</u>

27. Related party transactions

During the year the charity made donations of £2,163,185 (2021: £2,392,166) 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.

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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 £ (2021: £117,896).

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 at 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 tennant who receives the income from the estate. As at 1 May 2019, the Charity's share of the residual interest was valued at £35,000.