

FOUR PAWS

England & Wales · Charity number 1118102

Details

Status	Registered
Legal form	Charitable company
Company number	05848230
Registered	2007-02-26
Register	View on the Charity Commission register

Contact

Address	Canopi Unit A Arc House 82 Tanner Street London SE1 3GN
Phone	02079227954
Email	office@four-paws.org.uk
Website	www.four-paws.org.uk

Activities

Objects: A. TO RELIEVE THE SUFFERING OF ANIMALS IN NEED OF CARE AND ATTENTION FOR THE BENEFIT OF THE PUBLIC AND IN PARTICULAR BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING IN THE AREAS OF ANIMAL HUSBANDRY, THE PROTECTION OF SPECIES AND THEIR ENVIRONMENT AND WHERE SUITABLE AND ALTERNATIVE METHODS ARE AVAILABLE TO PROMOTE AND ENCOURAGE THE ABOLITION OF ANIMAL TESTING AND EXPERIMENTATION BY ALL LAWFUL MEANS;B. TO PROMOTE HUMANE BEHAVIOUR TOWARDS ANIMALS BY (1) PROVIDING APPROPRIATE CARE, PROTECTION, TREATMENT AND SECURITY FOR ANIMALS WHICH ARE IN NEED OF CARE AND ATTENTION BY REASON OF SICKNESS, MALTREATMENT, POOR CIRCUMSTANCES OR ILL-TREATMENT AND (2) TO EDUCATE THE PUBLIC IN ALL MATTERS PERTAINING TO ANIMAL WELFARE IN GENERAL AND THE PREVENTION OF CRUELTY AND SUFFERING AMONG ANIMALS, AND TO PROMOTE SCIENTIFIC RESEARCH IN THE AREA OF ANIMAL PROTECTION AND WELFARE AND TO PUBLISH THE USEFUL RESULTS OF THAT RESEARCH.

Activities: The charity carries out action to relieve the suffering of animals in need of care, particularly in the areas of animal husbandry, protection of species and their environments, and abolishment of animal testing using peaceful and legal channels. We also work to promote humane behaviour towards animals through

education and by providing appropriate care and protection for vulnerable animals.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Animals, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE. WORLDWIDE
- Australia
- Austria
- Belgium
- Bulgaria
- Cambodia
- Germany
- Hungary
- Netherlands
- Romania
- South Africa
- Switzerland
- Thailand
- United States
- Vietnam

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£4,483,651	£3,983,867	£2,431,581	31
2023-12-31	£4,417,423	£4,357,513	£1,931,797	33
2022-12-31	£4,379,813	£3,894,569	£1,871,887	25
2021-12-31	£4,670,788	£4,074,397	£1,386,018	22
2020-12-31	£3,768,272	£3,415,508	£789,627	18

Trustees

Name	Role	Appointed
Alexandra Mandoki		2024-04-01
JOSEF PFABIGAN		
Luciana Carla D'Abramo		2021-03-30

FOUR PAWS

England & Wales - Charity number 1118102

Accounts

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2024

Company Registration Number
05848230 (England and Wales)

Charity Registration Number
1118102

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Gerald Dick (resigned 31 March 2024) Luciana D'Abramo Alexandra Mandoki (appointed 1 April 2024)
Principal Staff	Sonul Badiani-Hammett Director UK
Company Secretary	Sonul Badiani-Hammett
Address	CANOPI, 82 Tanner Street London SE1 3GN
Company registration number	05848230
Charity registration number	1118102
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2024, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 39 to 47 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006 and registered as a charity on 26 February 2007. The company was established under a Memorandum 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.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. The charitable company has three Trustees listed below.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed / resigned
Josef Pfabigan	Appointed on 5 May 2008
Luciana D'Abramo	Appointed on 30 March 2021
Alexandra Mandoki	Appointed on 1 April 2024
Gerald Dick	Appointed 25 March 2020 / resigned 31 March 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance (continued)

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

Structure and management

The Trustees met as a group four times during the year to 31 December 2024. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the Director UK. For the year ended 31 December 2024 this consisted of an average of 31 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their quarterly meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed based on their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Our key risks and uncertainties

The Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Our key risks and uncertainties (continued)

1. **Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

2. **Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years, in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

3. **Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values and protect our reputation.

4. **Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

5. **Cybersecurity** – as part of a global organisation technology has created opportunities for us to work innovatively saving time and resources and improve efficiencies. We are supported by an International IT team who are sighted on the potential risks of compromised IT systems (e.g. system failure, cybersecurity, phishing, ransomware, malware).

We will continue to review extant and emerging cyber security risks to protect our donors, staff and wider stakeholders.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Our key risks and uncertainties (continued)

- 6. Data Protection** – we pay close attention to data protection risks across all our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals,
- ◆ animal sanctuaries,
- ◆ the provision of veterinary care and treatment,
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated or lost; and
- ◆ feral animal control, e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2024 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to achieve significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

OBJECTIVES AND ACTIVITIES (continued)

Companion Animals have a good quality of life in accordance with their own species/breed specific needs and receive lifetime care and guardianship.

Farmed Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion, collaboration and information sharing is actively encouraged across the FOUR PAWS international network and through the use of MS Teams and our intranet, which enables us to proactively work together for the benefit of animals.

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK)
- ◆ Head of Finance and Operations
- ◆ Head of Programmes
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Director pay is set and approved by the Board of Trustees.

Volunteers

We did not attend face-to-face fundraising events during 2024 and as a result no volunteers were engaged during the year.

OBJECTIVES AND ACTIVITIES (continued)

Equality, Diversity and Inclusion

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally and virtual communication technology to minimise travel. We meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. We are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2024 no notifications of complaints to the Advertising Standards Authority (ASA) were received.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programmes and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal conservation organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

ACHIEVEMENTS AND PERFORMANCE IN 2024

Companion Animals

The FOUR PAWS companion animal programme seeks to reduce the suffering of companion animals. This programme is targeted towards three goals for welfare issues experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals;
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as the prerequisite for acquiring a pet;
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

Background

Social media and classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, underage and potentially mistreated animals to unwitting buyers. For several years, FOUR PAWS has investigated cases of the illegal puppy trade and called on classified ad sites to address anonymous trading, encouraging the introduction of mandatory seller identification (the Model Solution/VeriPet).

Puppy purchasing boomed during the COVID-19 pandemic, and with the cost-of-living crisis more animals than ever are finding their way into rescues and shelters through abandonment. FOUR PAWS has a vast range of advice on the website for companion animal care.

The trade in dogs and cats for their meat (DCMT) is responsible for inflicting horrific cruelty on an estimated 30 million animals in Southeast Asia each year, and the number is growing. FOUR PAWS believes that it can help end this barbaric trade by mobilising supporters through education and through political and corporate change. By educating the public about this major animal welfare concern, we hope to raise awareness and funds to support the campaign, as well as influence embassies and the tourism industry to support the call for an end to the trade.

Impact and outcomes 2024

At the end of 2023 Selaine Saxby MP introduced the Animal Welfare (Import of Dogs, Cats and Ferrets) Bill designed to increase restrictions on the import of puppies, kittens and ferrets into the UK and in so doing tackle the import of puppies & kittens, pregnant dams and animals with mutilations. Unfortunately, the Bill had not passed into law when the 2024 general election was called, meaning it failed to proceed. Following the general election, we were delighted when newly elected Danny Chambers MP used his allocated Private Members Bill to reintroduce the legislation. The Bill received overwhelming support from MPs at Second Reading in November including receiving official support from the Government.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Companion Animals (continued)

Impact and outcomes 2024 (continued)

We published a report outlining the extent of the illegal puppy trade happening on social media sites owned by Meta (Facebook and Instagram). This report helped to raise awareness of the dangers of buying a puppy online, and asked Meta to better enforce their own terms and policies that should prohibit this kind of activity on their channels. In December, we were able to meet with Meta to discuss the report and hope to continue future communication with them into 2025.

For the DCMT campaign, we successfully engaged with British embassies in target countries to help raise awareness of the issue and communicated with key Government stakeholders in Southeast Asia who ultimately attended FOUR PAWS policy events to help us influence legislative change.

Key Activities (including cooperations) 2024

In support of Selaine Saxby MP's Bill we mobilised 6,192 supporters to write to their MP and ask them to support the Bill during its Second Reading in Parliament. Ahead of the Second Reading FOUR PAWS, in coalition with other NGOs, hosted a drop-in session for MPs to hear more about the appalling situation that thousands of animals are facing being imported into the UK every year. We briefed MPs and spokespeople across political parties to speak up on these issues in Parliament and helped secure Government support for the Bill.

In anticipation of the general election, we took part in roundtables with senior figures from the Liberal Democrats, Labour Party and Scottish National Party, and made offer of a roundtable to the Conservative Party; to secure commitments for animals in election manifestos ahead of the general election as well as outline the issues we hoped to see action on in any new Parliament. In May, we held a hustings event in Parliament as part of our work in the Animals Matter coalition. The event was hosted by Lucrezia Millarini from ITV News and celebrity Pete Wicks contributed to the discussion. At the event, representatives from all major political parties set out their party's vision for animal protection. Once the general election was announced we supported the #CrackdownOnCruelty campaign, mobilising 6,977 supporters to write to their parliamentary candidates asking them to pledge to a ten keys commitments on animal protection issues. Following the election, we also mobilised 7,279 of our supporters to write to their MP asking them to be a champion for animals in Parliament.

In the autumn, we worked as part of the Animals Matter coalition to host panel discussions at Labour and Conservative Party Conferences. As FOUR PAWS we also contributed expert panellists to a series of panel discussions at Labour, Conservative and Liberal Democrat Party Conferences, alongside organising an exhibition stand at Labour Party Conference which provided an opportunity to showcase our work and meet with new MPs, Councillors and party members to discuss our campaigns.

ACHIEVEMENTS AND PERFORMANCE IN 2024(continued)

Companion Animals (continued)

Key Activities (including cooperations) 2024 (continued)

The event provided an opportunity to meet the newly appointed Secretary of State for the Department of Environment, Food and Rural Affairs (DEFRA), Animal Welfare Minister, Minister for Nature and other senior politicians. After the Conference recess we played a leading role in organising an Animals Matter Parliamentary Reception, which was attended by more than 80 Parliamentarians.

Ahead of the Private Members Bill ballot in the new Parliamentary session we mobilised our supporters to engage their MPs to put themselves forward for the ballot and table a Bill on one of our campaign issues. When Danny Chambers MP tabled the Animal Welfare (Import of Dogs, Cats and Ferrets) Bill in November we mobilised 2,350 supporters to encourage their MP to attend the debate and support the Bill. The Bill received support from across the House, as well as official support from the Government, and passed to Committee Stage.

In August, FOUR PAWS published a report calling for the immediate suspension of ads selling puppies on Meta channels, which was covered in The Independent newspaper. Between September 2023 to June 2024, more than a hundred Facebook groups, and more than fifty Instagram accounts, contained puppy ads from such profiles. FOUR PAWS reported 64 posts, groups and users offering dogs on Facebook and Instagram in February 2024. However, only two ads were removed, with no action taken against any other reported content. In conjunction with the report, a petition was launched that has since secured 12,283 signatures from British citizens. The shocking findings of this report helped to inspire 10,973 supporters to sign our petition calling on Meta to better enforce their own policies.

FOUR PAWS investigated the enforcement of Dog Licencing regulations across all 382 Local Authorities in the UK using Freedom of Information requests. This research will be published in 2025.

As part of Social Media Animal Cruelty Coalition (SMACC) and Wildlife and Countryside Link, FOUR PAWS has fed into two major consultations and calls for evidence from the Government on:

- ◆ Licencing of animal welfare establishments
- ◆ Online Safety Act and its guidelines

FOUR PAWS has continued to raise awareness of the issue of the DCMT with both supporters and the media securing 2,056 signatures for the petition. In June, we supported the release of the Highway to Hell report, which documented extensive trafficking of dogs and cats along main highways throughout Ha Tinh in Vietnam, sharing investigative findings with contacts in the UK embassy for Vietnam, and who were shocked by the findings, promising to share more widely with colleagues.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Companion Animals (continued)

Outlook 2025

FOUR PAWS will continue to educate the public on responsible pet ownership and the dangers of online adverts selling puppies. We will continue campaigning, specifically calling on Meta to better enforce their own community guidelines around puppy sales, where we have evidence of sellers abusing these guidelines on their platforms.

In 2025, we will continue to support the Animal Welfare (Import of Dogs, Cats and Ferrets) Bill and mobilise our supporters to support its progression through Parliament. Now that the Government has given its backing to the Bill, we expect swift progress through Parliament and will work to ensure the Bill is as robust as possible.

FOUR PAWS will launch a new campaign to engage with Local Authorities across the UK on the inadequate and inconsistent enforcement of the statutory regulations around dog breeding, as well as call for the reform of these regulations to combat illegal dog breeding practices nationwide, and ensure an overarching and regional co-ordination of enforcement as well as mandatory animal welfare training for licensing officers.

We will continue to support the DCMT campaign by engaging with relevant UK Ambassadors to raise awareness of the trade, and particularly its link to zoonotic diseases and pandemics, and with the public to raise awareness and funds to support the campaign.

Farmed Animals and Nutrition

Background

FOUR PAWS has continued working on addressing animal welfare in farmed animal welfare policy, public procurement, and national food policy, as well as in international trade policy. There are no legal protection for animals, farmers, and consumers against lower standard imports, nor are there mandatory regulations to prioritise animal welfare within food procurement.

In England, the Government Buying Standards for Food must be applied by the central Government procurers directly or through their catering contractors. However, local authorities and schools are only encouraged to apply these standards if within budget, so there is no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes and sourcing low welfare food for public institutions. It is also unclear how authorities are considering food in climate action plans, and how or whether they are promoting meat reduction as a solution to climate change.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Farmed Animals and Nutrition (continued)

Background (continued)

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare in farming systems. FOUR PAWS strives to provide the best evidence and expertise to decision makers in order to make stronger policies for animals, for example by exemplifying the benefits of improving animal welfare to reduce the environmental damage caused by industrial agriculture, advocating for an end to the caged keeping of farmed animals and a ban on live animal transport and pushing for labelling of animal food products. FOUR PAWS continues to raise awareness of the interconnectedness of animal welfare and climate change, as well as factory farming and public health through the risk of emergence of zoonotic diseases.

The newly elected Labour Government has committed to actively enhancing farm animal welfare through the Animal Health and Welfare Pathway, part of the Agricultural Transition Plan, which offers grants to farmers for adopting practices that improve animal health and welfare. However in order to have a greater impact for animals these systems must be better funded and more accessible to farmers looking to transition to higher welfare systems. The Government's plan to implement a land use change blueprint to reduce farmland by over 10% by 2050 is focused on balancing infrastructure expansion with environmental and carbon reduction targets – all of which could include encouraging reduced meat consumption or conversely could result in more intensive farming practices to maximise food production, so these are key issues we must address with decision makers.

FOUR PAWS was founded on the campaign to end the farming and sale of animals for fur. Since then, it has become experts on the issue of animal welfare in the textile industry and created change for millions of animals. FOUR PAWS has tried to bring the combined experience and different textile issues under the umbrella of Wear it Kind (WIK), with four key focus areas: live plucking for down feathers, live lamb cutting for merino wool, fur and reduction.

Impact and Outcomes 2024

FOUR PAWS continues to work on improving farmed animal welfare policy, including by continuing to support efforts to transition away from and ban the use of caged systems in farming, and by advocating for core animal welfare standards in trade. In 2024 we helped bring about the passing of the Animal Welfare (Livestock Exports) Act 2024 finally ending the export of livestock from Great Britain, following years of campaigning.

In Scotland, we worked as members of the Scottish Food Coalition to respond to two major consultations – the first being the Scottish Food Plan, which although ambitious, lacked key targets and deliverables for animal welfare, and secondly the Scottish Governments consultation on cages for laying hens, the results of which should both be published in early 2025.

ACHIEVEMENTS AND PERFORMANCE IN 2024(continued)

Farmed Animals and Nutrition (continued)

Impact and Outcomes 2024 (continued)

As a member of the Eating Better Alliance, which is calling for 50% meat reduction by 2030 in the UK, as well as “better” meat consumption and high welfare products being consumed, FOUR PAWS helped refresh the alliance’s ‘Better by Half roadmap’ to reflect the key pathways to achieving change in our food and farming systems. In August, in partnership with Eating Better, we published new data from a public attitudes survey showing that retailers, food service and government need to catch up with public attitudes towards meat, dairy and supporting farmers.

FOUR PAWS continued to engage with the public on a local authority planning application for a factory farm in Norfolk. This pressure encouraged the local council to treat the application with greater scrutiny and ultimately demand more detail from the applicants, forcing them to submit a new/ altered application, which we also object to as the Environmental Impact Assessment is missing. With Wildlife and Countryside Link and the Eating Better Alliance, we also helped to produce a comprehensive sector wide briefing on the reforms needed within the environmental permitting system, detailing the changes needed to better protect animals, human health and the environment by supporting a transition towards more sustainable farming practices. Following the election the Government announced it intends to produce a new food and farming strategy and would be inviting NGOs to input.

FOUR PAWS has been engaging with the UK Government on the UN pandemic treaty report, including by attending expert roundtables at various stages in the negotiations, and has been communicating with supporters to raise awareness of the issue of pandemics with supporters. The agreement was not published this year as planned, instead being extended to 2025, where we will continue to work at a global level to ensure that improving animal welfare is understood as integral to pandemic prevention efforts.

FOUR PAWS has engaged with 40 fashion brands, receiving several verbal and published commitments that they will review their animal welfare policies and seek to adopt our recommendations. This year, five major UK brands have sought advice from FOUR PAWS, and in most cases have followed the guidance and made considerable progress to address animal welfare in their supply chains, including major names like John Lewis, Wolf & Badger, TFG (Hobbs, Phase Eight, Whistles), New Look and Next. Two brands signed the brand letter of intent against live lamb cutting (Next and Wolf & Badger).

Key Activities (including cooperations) 2024

To support the progression of the Live Exports Bill, we mobilised our supporters to contact their MP asking them to back the Bill during the Report Stage and Third Reading debate. We continued to support the Bill as it passed through the House of Lords, eventually achieving Royal assent in May, and secured an Op-Ed in the Daily Express.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Farmed Animals and Nutrition (continued)

Key Activities (including cooperations) 2024 (continued)

As part of the Eating Better Alliance, the Scottish Food Coalition, the Trade and Animal Coalition (TAWC), and Wildlife and Countryside Link, FOUR PAWS has fed into several consultations and calls for evidence from the Government on:

- ◆ Fairer food labelling
- ◆ Laying Hens in Scotland
- ◆ Free range eggs and poultry meat marketing standards in England and Wales respectively
- ◆ Scottish food plan Trade strategy

As part of the #CrackdownOnCruelty election campaign we included a core ask around using farm subsidies to support farmers to transition away from factory farming, including cages and crates, and towards food production that is healthier, kinder, and more sustainable. We also included a pledge on core animal welfare standards in trade.

This year we continued to mobilise supporters to object to a new planning application to build 20 new poultry sheds and new buildings in connection with pig finishing, in West Norfolk, securing national media coverage in the Daily Mail and Daily Mirror. This brings the number of objections from FOUR PAWS supporters to over 7,000 since the application was submitted in 2023.

To support our global work to highlight the connection between animal welfare in climate change we inspired 2,773 supporters to take a pledge to reduce their meat and dairy consumption and took over 50% of these supporters on a new 12 month 'Foodies' email journey to encourage lasting dietary change. As a result of our stewardship programme, 81% of surveyed participants reported to have adopted major dietary changes for the better.

In January, FOUR PAWS published the latest Atlas Challenge report which scored international hotel chains on their commitments to addressing the climate crisis through food and reduction policies, along with a follow up report on food delivery service companies in July, showing what progress has been made since we first surveyed them in 2020. In November, FOUR PAWS' first factory farming documentary was launched, 'Eating the Future', which was awarded best Feature Documentary at the UK Film Festival in London.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Farmed Animals and Nutrition (continued)

Key Activities (including cooperations) 2024 (continued)

To support the global textiles campaign, we launched the new Wear it Kind brand directory – an online tool showing consumers how hundreds of fashion brands have scored on animal welfare, and whether they have taken steps to remove some of the cruellest materials from their supply chains e.g. fur. This tool, covered by Ecotextile news, is an innovative, data driven source of information that shows where the industry still needs to improve. In March, we worked with Wolf & Badger and TGF, who own several well-known British brands to develop comprehensive animal welfare policies, including signing a brand letter of intent against live lamb cutting. We also secured 3,683 pledges to Wear it Kind and a further 26,719 signatures for our petition to end live lamb cutting. In September, we launched a new campaign film with celebrity voiceovers to raise awareness of live lamb cutting and recruit more supporters to the cause. Following the launch email and gaining coverage on Yahoo News, we secured over 11,000 views to the film.

Outlook 2025

FOUR PAWS UK will continue to raise awareness with the public and engage with the Government and political stakeholders on farmed animal welfare policy in 2025. A priority will be to continue to push for a consultation on the caged keeping of farmed animals and mobilise supporter to sign a government e-petition on this topic to secure a Westminster Hall debate. We will also continue to call for core animal welfare standards in UK trade policy, an animal welfare labelling scheme and work at a national and local level to oppose the expansion and new development of industrial livestock units across the country. We will continue to advocate for improvements to the Environmental Land Management Scheme (ELMS) to see that it provides genuine support to farmers to transition to higher welfare systems.

In collaboration with industry and charity partners, will also continue to work with:

- ◆ the Scottish Food Coalition to support the successful implementation of the Good Food Nation (Scotland) Act 2002 and feed into consultations on the local Scottish food plans; the Trade and Animal Welfare Coalition (TAWC) to respond to new Free Trade Agreements, and the review of the UK Internal Market Act, to ensure they consider the impact on animal welfare standards in the UK;
- ◆ the Eating Better Alliance to address animal welfare in food procurement, the rise of 'mega farms' across the UK and help drive forward a strategy to address intensive livestock production;
- ◆ the Plant-Based Food Alliance to work with Government to support initiatives that encourage meat and dairy reduction;
- ◆ the Wildlife and Countryside Link coalition to collaborate on animal welfare legislation and formulate a strategy to end factory farming that will address animal welfare, climate mitigation, pollution, biodiversity and environmental protection goals.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Farmed Animals and Nutrition (continued)

Outlook 2025 (continued)

We believe that collaboration with partners is key to securing better animal welfare and meat reduction goals in national and devolved food, agriculture, and trade policy. This year we will continue to play a leading role in the Animals Matter coalition with activities at Party Conferences and in Parliament to improve animal welfare policy.

FOUR PAWS will continue to communicate about the Pandemic Treaty across our channels and work with the Government as negotiations on the pandemic instrument come to a head. We will continue to mobilise the public to respond to planning applications for new factory farms to help prevent a rise in intensive livestock farming nationwide. In collaboration with key environmental NGOs, we will explore applications for any new/expansions of factory farms, where applicants have omitted vital information and key data such as the above, in which legal action could be taken.

FOUR PAWS will continue engaging with brands to improve their animal welfare policies, conducting instore investigations to determine the true traceability of materials sold by fashion brands, and will launch a new report exposing the animal welfare risks within supermarket fashion supply chains that so far are not protected by robust animal welfare policies. We will mobilise our supporters to put pressure on these companies to improve their traceability and allow consumers to make informed decisions with their purchases.

Wild Animals

Background

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare of wild animals in captivity and those impacted by human activity. FOUR PAWS strives to provide the best evidence and expertise to decision makers in order to challenge and improve policies for animals including by advocating to ban the keeping of primates as pets, for improved zoo animal welfare, to ban the import of hunting trophies and the import and sale of fur, and to readdress our relationship with animals and end high risk practices in the wildlife trade as part of pandemic prevention.

We also work on ending bear farming for bile in Hanoi, ending the global big cat trade, and we promote animal-friendly travel via the #TravelKind campaign.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Wild Animals (continued)

Impact and Outcomes 2024

Having campaigned on the issue of private primate ownership for nearly a decade, we were delighted when the Government tabled the Animal Welfare (Primates License) Regulations in 2024. In March, the regulations were passed, meaning that in 2026, after a two-year transition period, primates will no longer be kept as pets or held in private institutions without a license, with keepers having to provide zoo-equivalent welfare standards. These new regulations will ensure license holders provide primates with a well-balanced, nutritious diet, adequate indoor and outdoor enclosures with sufficient enrichment, and expert veterinary care, with licences issued only after an inspection has taken place. Offenders can be met with a prison sentence, an unlimited fine and removal of the primate.

Following the Henry Smith MP's Bill to ban the import of hunting trophies failing to proceed, we were pleased that John Spellar MP used his allocated Private Members' Bill to reintroduce the Hunting Trophies (Import Prohibition) Bill in December 2023. The Bill had its Second Reading in March and received overwhelming support from MPs across the House of Commons and secured Government support. However, when the election was announced, all legislation fell. A commitment to ban the import of hunting trophies formed part of the #CrackdownOnCruelty campaign around the election and we were delighted that the Labour Party, Liberal Democrats and Green Party all included the commitment in their manifestos. At the end of the year the Minister for Nature reconfirmed the Government's commitment to bring forward legislation in government time.

FOUR PAWS worked closely with Ruth Jones MP, initially in her role as Shadow Animal Welfare Minister, and since the election as a backbencher MP with a keen interest in animal welfare. As a result of Ruth's continuing support for animal welfare we were delighted when she was awarded Animal Protection Parliamentarian of the Year at the Political Purpose Awards in September, an award sponsored by FOUR PAWS. Following the election, we mobilised our supporters to engage their MPs and ask them to table a Private Members' Bill on one of the issues we were working on. Ruth Jones MP was subsequently drawn in the Private Members' Bill Ballot and tabled a Bill to ban the import and sale of fur in England. Second Reading for the Bill is scheduled for June 2025.

In June, FOUR PAWS invited environmental media correspondent Nada Farhoud from the Daily Mirror to visit LIONSROCK sanctuary to expose the realities of lion farming and trophy hunting in South Africa, as well as to cover the important rescue and transfer of lions Nikola and Vasylyna into our care. This trip secured two major feature articles in the Daily Mirror and raised awareness of the plight of big cats.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Wild Animals (continued)

Key Activities (including cooperations) 2024

As part of our work to support the Fur Free Britain (FFB) campaign, we encouraged the public and our supporters to sign the FFB petition, securing a further 14,220 signatures. The campaign for a fur ban featured as one of our key asks during the year: at the Animals Matter Hustings; as part of the Crackdown on Cruelty Campaign; and in our post-election actions including at Party Conferences, where we held a reception with Ruth Jones MP as a speaker, eventually leading to the tabling of a fur import and sale ban bill.

In support of this legislation, in November we held an event in partnership with Humane Society International/ UK and FFB, where the British Fashion Council spoke at the event and voiced their support for a fur ban, as well as announcing their new policy to ban exotic skins on their runways. Liberal Democrat spokesperson for Defra, Tim Farron MP, also spoke at the event and reaffirmed the Liberal Democrat's support for the Bill. Ahead of the event, 3,637 of our supporters wrote to their MP asking them to attend the event, with over 50 MPs attending and demonstrating widespread support for Ruth's Bill.

In support of John Spellar MP's Bill we mobilised 5,566 supporters to engage their MP and organised a drop in event in Parliament to brief MPs ahead of the Second Reading. Our briefing was used by several MPs who spoke out in support of the Bill during the debate in Parliament. Following the election we have advocated for the Government to bring forward a government bill as soon as Parliamentary time allows. We continued to raise awareness of the need for a hunting trophies import ban throughout 2024 including at Party Conferences and in meetings with DEFRA, and welcomed the government's confirmed commitment to bringing forward legislation.

As part of the #CrackdownOnCruelty election campaign we included asks around wild animals including a ban on hunting trophy imports, alongside a complete UK ban on snares and glue traps, tighter regulations on zoos, extending maximum sentences for wildlife offences and strengthening the Hunting Act 2004 by banning trail hunting and removing exemptions which enable hunting. In December, we joined a Government lead roundtable on non-companion animal welfare to discuss how to take these issues forward in the new Parliament.

On social media, messaging around animal-friendly travel continues to be shared, with supporters taking the oath to #TravelKind. FOUR PAWS also secured a complimentary half page advert in Charitable Traveller magazine, which resulted in hundreds of views to the animal-friendly travel guide.

ACHIEVEMENTS AND PERFORMANCE IN 2024 (continued)

Wild Animals (continued)

Key Activities (including cooperations) 2024 (continued)

To support the FOUR PAWS global Break the Vicious Cycle campaign we continued to raise awareness of the plight of lions farmed in South Africa for human interactions, hunting and for the trade of their body parts for their use in traditional medicine, securing coverage in the Guardian. We secured 7,835 signatures for a petition to the South African Government to ban lion farming once and for all. In November, we hosted a virtual screening of a new big cat documentary 'Dethroned', exposing the plight of big cat species all the round the world. The documentary has won multiple awards including Gold and Silver at the Cannes Corporate Media & TV awards 2024.

Outlook 2025

Throughout 2025, we will raise awareness of trophy hunting with the new intake of MPs and advocate for the Government to introduce legislation at the earliest opportunity. This year also marks the 10-year anniversary of the death of Cecil the lion at the hands of a trophy hunter, so we will mark this anniversary with a series of activities including events in Parliament, and will continue to expose the worst aspects of the trophy hunting industry and advocate for a hunting trophy ban to be included in the next King's Speech.

To secure a fur free Britain, we will carry out a series of activities to support Ruth Jones' Private Members' Bill ahead of its Second Reading in June, with the aim of securing government support for the Bill. We will mark the five-year anniversary of the COVID-19 pandemic with a series of activities drawing a link between the spread of zoonotic disease and the fur trade and will continue to support the Fur Free Britain campaign with a petition hand in in late Spring, alongside activities to brief MPs ahead of the Second Reading.

We will continue to raise awareness of:

- ◆ the environmental damage, pandemic health risks and animal cruelty associated with the fur trade;
- ◆ the pandemic risk associated with the wildlife trade to influence the UN pandemic treaty;
- ◆ the big cat trade in South Africa and the need for CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) to better address the wildlife trade and its associated pandemic risk; and
- ◆ the farming of bears for their bile in Hanoi.

Additionally, we will mobilise supporters to take action to help secure stronger political and corporate policies for animal welfare. We will also attend party conferences and attempt to secure support from politicians to support our core asks on animal welfare.

FINANCIAL REVIEW

FOUR PAWS had another successful year and continued to be supported by our generous donors. With strained global supply chains contributing to cost of living challenges, and continued inflationary pressure, we have witnessed an impact on the disposable income of our donors and supporters. Our total income for the year was £4.48m, an increase of £0.066m against 2023, representing a 1.5% increase. The total expenditure for the year was £3.98m, a decrease of £0.374m against 2023.

Through our continued investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 11% to bring in £1.75m to support the diversification and future sustainability of our income streams. Legacy income during 2024 was £1.45m remaining consistent with the prior year income of £1.46m.

Our Gift Aid income for the year was £0.310m, an increase of £0.062m against 2023 following the continuation of the exercise performed to repair gift aid declarations that had not been included in previous submissions to HMRC (including gift aid for prior years).

Income from our Major Donors contribution during the year was £0.191m to our total income, down by £0.126m due to team changes (2023: £0.317m).

The impact of the cost-of-living crisis contributed to the 12% fall in income from our direct mail cash appeals. This brought in £0.33m (2023: £0.37m).

The year finished with a net surplus of £500k, compared to £59k in 2023.

We are showing unrestricted funds of £2.43m at 31st December 2024 (2023: £1.9m). There were no restricted funds at 31 December 2024 (2023: £27k).

Investment powers and policy

As required in its Memorandum, FOUR PAWS UK has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS UK may hold the following categories of financial reserves:

- ◆ unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- ◆ restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

FINANCIAL REVIEW (continued)

Reserves policy (continued)

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2024 and has been maintained at 6 months operating costs.

The unrestricted reserves at 31st December 2024 stood at £2.43m (2023: £1.9m) an increase of £0.527m against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £2.42m. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to strategically support campaign and project activities during 2025 to achieve more impact for animals.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

As set out in the accounting policies under "going concern", the Trustees have considered the wider financial uncertainties taken together with understanding further current global economic insecurities. Due to the escalating geo-political environment and inflationary consideration and how these may impact donors' propensity to give and any subsequent potential effect on the charity, the Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis. In future periods, the Trustees will continue to build the financial stability of Four Paws UK.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature **REVEAL-RESCUE-PROTECT**:

REVEALING means:

- ♦ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.

PLANS FOR FUTURE PERIODS (continued)

- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.
- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

PLANS FOR FUTURE PERIODS (continued)

Organisational Strategy 2025-2038

FOUR PAWS globally has been going through a journey to develop a strategy and collaboration structure that will prepare our organisation for the future as a leader in the animal welfare movement. This project is called FOUR PAWS 38 as it sets the strategic framework until 2038, the year of our organisation's 50th anniversary.

The goals of FOUR PAWS 38 are to develop a long term strategy to see us through to 2038 as well as to create an evolved organisational set-up for fulfilling this strategy. Therefore, the project consists of two workstreams. Workstream 1 is dedicated to the development of the strategy 2038, introducing a new framework with pillars, objectives, and actions, whose intention is to move away from a framework based on silos in terms of entities, departments, or units. Workstream 2 focuses on collaboration including the organisational set-up. This involves refining our ways of working, enhancing our culture, and adapting our structure to leverage our impact on animal welfare globally. The strategy workstream starts first as it determines the collaboration workstream.

FOUR PAWS 38 will work on our future strategy and structure on a global level. This includes looking at how we collaborate, refining our strategic focus areas (both long- and short-term) and evaluating our organisational structures to maximise our impact for animals when addressing global challenges.

Ambition 38: We create a worldwide animal welfare movement driven by scalable change of human behaviour and systems, so that animals can live their best possible lives. There are three strategic pillars, which are broad themes or areas of focus that represent the key priorities of an organisation for a defined period, and under them, 6 animal welfare issue and 16 strategic objectives:

1. We end cruel practices towards animals.

- 1) Animals farmed in inappropriate conditions
 - i. Fur Farming
 - ii. Textiles Industry
 - iii. Farmed animal reduction
- 2) Animals abused in entertainment and work
 - i. Wild animals in circuses
 - ii. Private wild animal keeping
- 3) Stray animals in need of care
 - i. Stray animals

PLANS FOR FUTURE PERIODS (continued)

Organisational Strategy 2025-2038 (continued)

- 4) Animals cruelly traded and transported
 - i. Breeding and trade of big cats and bears
 - ii. Long-distance transport
 - iii. Dog and cat meat trade
 - iv. Breeding and trade of dogs
- 5) Animals not recognised as sentient beings
 - i. Global agenda

2. We save animals in disasters and conflicts.

- 1) Animals suffering due to disasters and conflicts
 - i. Disasters
 - ii. Conflicts

3. We are S.M.A.R.T. and build our path for collaboration.

- 1) Financial sustainability
- 2) People and team development
- 3) Ecosystem transformation

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently
- ♦ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP)
- ♦ make judgements and estimates that are reasonable and prudent
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

Each of the Trustees confirms that:

- ♦ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

By order of the Trustees:

A handwritten signature in blue ink, appearing to read 'Josef Pfabigan', followed by a long horizontal line.

Josef Pfabigan

Chair of Trustees, 10th of April 2025

Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies, and the notes to the financial statements. 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 2024 and of 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 auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent 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, including the Trustees' report, other than the financial statements and our auditor's 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.

Other information (continued)

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, 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.

Responsibilities of Trustees (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

How the audit was considered capable of detecting irregularities including fraud

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice and data regulations (GPDR); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ Making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

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

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 11 April 2025

Statement of financial activities (including income and expenditure account) Year to 31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Unrestricted funds £	Restricted funds £	Total funds 2023 £
Income and expenditure							
Income from:							
Donations and legacies	1	4,338,069	122,500	4,460,569	4,240,339	162,643	4,402,982
Investments							
. Interest receivable		23,082	—	23,082	14,441	—	14,441
Total income		4,361,151	122,500	4,483,651	4,254,780	162,643	4,417,423
Expenditure on:							
Raising funds		1,381,305	—	1,381,305	1,278,590	—	1,278,590
Charitable activities							
. Advocacy for animal welfare and raising awareness		1,556,914	—	1,556,914	1,796,849	—	1,796,849
. Wild animal programs and campaigns		290,198	129,554	419,752	178,398	67,943	246,341
. Companion animals programs and campaigns		558,314	20,000	578,314	864,761	100,743	965,504
. Farm animals programs and campaigns		47,582	—	47,582	70,229	—	70,229
Total expenditure	2	3,834,313	149,554	3,983,867	4,188,827	168,686	4,357,513
Net income (expenditure) and net movement in funds	3	526,838	(27,054)	499,784	65,953	(6,043)	59,910
Reconciliation of funds:							
Total funds brought forward		1,904,743	27,054	1,931,797	1,838,790	33,097	1,871,887
Total funds carried forward	10,11	2,431,581	—	2,431,581	1,904,743	27,054	1,931,797

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	6		<u>12,288</u>		<u>15,031</u>
			12,288		15,031
Current assets					
Debtors	7	401,153		427,493	
Cash at bank and in hand		<u>2,145,014</u>		<u>1,664,031</u>	
		2,546,167		2,091,524	
Creditors: amounts falling due within one year	8	<u>(126,753)</u>		<u>(174,154)</u>	
Net current assets			<u>2,419,414</u>		<u>1,917,370</u>
Creditors: amounts falling due after more than one year	9		(121)		(604)
Net assets			<u>2,431,581</u>		<u>1,931,797</u>
The funds of the charity	10				
Unrestricted funds			2,431,581		1,904,743
Restricted funds			<u>—</u>		<u>27,054</u>
			<u>2,431,581</u>		<u>1,931,797</u>

The notes on pages 39 to 47 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Josef PFABIGAN

Chair of Trustees, 10th of April 2025

Company registration number 05848230 (England and Wales).

Statement of cash flows Year to 31 December 2024

	Notes	2024 £	2023 £
Cash inflow from operating activities	A	488,665	73,677
Cash outflow from investing activities	B	(7,682)	(4,572)
Increase in cash and cash equivalents	C	480,983	69,105

Notes to the statement of cash flows for the year to 31 December 2024

A. Reconciliation of net income to net cash inflow from operating activities

	2024 £	2023 £
Net income	499,784	59,910
Depreciation charge	9,918	10,611
Loss on disposal of fixed assets	507	—
Decease (increase) in debtors	26,340	(60,535)
(Decrease) increase in creditors	(47,884)	63,691
Net cash inflow from operating activities	488,665	73,677

B. Cash flows from investing activities

	2024 £	2023 £
Investing activities		
Payments to acquire tangible fixed assets	(7,682)	(4,572)
Cash outflow from investing activities	(7,682)	(4,572)

C. Analysis of changes in cash (net debt)

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	1,664,031	480,983	2,145,014

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

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made in respect to:

- ♦ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities; and

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Trustees acknowledge and recognise the potential impact of the current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. We saw significant income from legacy donations during the year and this was further enhanced with continued positive returns from our digital investment integrating fundraising and campaigns to enhance supporter engagement and minimise attrition.

During 2024 we have increased our unrestricted reserves in alignment with our Reserves Policy and the annual budgets have been prepared on a realistic basis in consideration of the potential impact of continued economic challenges. We have reviewed our forecasts for 2025 and 2026 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

Going concern (continued)

The Trustees have considered the wider financial uncertainties as the UK economy slows. The risk review also considered the current global economic insecurities due to the geopolitical and prior year energy crises, and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to the receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- ◆ Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- ◆ Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature is allocated to charitable activities if it fulfils the following educational criteria:
 - ◇ It is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
 - ◇ It is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and

Expenditure and the basis of apportioning costs (continued)

- ◇ Be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of direct allocated costs.

All expenditure is inclusive of irrecoverable VAT.

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

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds comprise monies raised, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset category:	Annual rate:
Office equipment	5-year straight line
Computer equipment	3-year straight line
Fixtures and fittings	5-year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	2023 Total funds £
Voluntary income						
Donations	2,574,151	122,500	2,696,651	2,504,722	162,643	2,667,365
Gift aid	309,729	—	309,729	247,712	—	247,712
Legacies	1,454,189	—	1,454,189	1,460,497	—	1,460,497
Grants	—	—	—	27,408	—	27,408
2024 Total funds	4,338,069	122,500	4,460,569	4,240,339	162,643	4,402,982

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2024 £
Charitable activities				
Advocacy for animal welfare and raising awareness	1,155,422	—	401,492	1,556,914
Wild animals programs and campaigns	254,008	129,554	36,190	419,752
Companion animals programs and campaigns	503,284	20,000	55,030	578,314
Farm animals programs and campaigns	35,311	—	12,271	47,582
	1,948,025	149,554	504,983	2,602,562
Raising funds				
Staff costs	489,034	—	—	489,034
Investment in donor acquisition	447,498	—	—	447,498
Other	330,952	—	113,821	444,773
	1,267,484	—	113,821	1,381,305
Total expenditure	3,215,509	149,554	618,804	3,983,867

	Direct costs £	Grants £	Support costs £	Total costs 2023 £
Charitable activities				
Advocacy for animal welfare and raising awareness	978,230	447,000	371,619	1,796,849
Wild animals programs and campaigns	156,521	67,943	21,877	246,341
Companion animals programs and campaigns	733,364	100,743	131,397	965,504
Farm animals programs and campaigns	50,894	—	19,335	70,229
	1,919,009	615,686	544,228	3,078,923
Raising funds				
Staff costs	433,229	—	—	433,229
Investment in donor acquisition	376,302	—	—	376,302
Other	333,453	—	135,606	469,059
	1,142,984	—	135,606	1,278,590
Total expenditure	3,061,993	615,686	679,834	4,357,513

2 Expenditure (continued)

Analysis of support costs

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2024 £
Staff costs	77,006	70,199	15,432	30,577	2,145	195,359
Premises costs	24,873	1,666	100	559	142	27,340
Governance	8,365	9,220	1,475	6,912	480	26,452
Other costs	3,577	320,407	19,183	16,982	9,504	369,653
	113,821	401,492	36,190	55,030	12,271	618,804

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2023 £
Staff costs	67,954	58,159	9,306	43,601	3,026	182,046
Premises costs	25,151	1,667	100	559	142	27,619
Governance	10,773	9,220	1,475	6,912	480	28,860
Other costs	31,728	302,573	10,996	80,325	15,687	441,309
	135,606	371,619	21,877	131,397	19,335	679,834

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2024 £	2023 £
Depreciation	9,918	10,611
Auditors' remuneration:		
.. Statutory audit services		
.. Current year	18,840	18,000
.. Prior year	2,382	3,380

4 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2024 £	2023 £
Salaries and wages	1,810,694	1,628,734
Social security costs	211,471	188,634
Other pension costs	67,848	58,694
Termination costs	—	55,886
	2,090,013	1,931,948

4 Employee and key management remuneration (continued)

The average number of employees who earned £60,000 per annum or more (including termination payments but excluding pension contributions) during the year was as follows:

	2024 No.	2023 No.
£60,001 - £70,000	1	5
£70,001 - £80,000	6	—
£90,001 - £100,000	—	—
£130,001 - £140,000	—	1

Staff numbers

The average number of employees during the year, calculated on an average headcount and full-time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2024	2023	2024	2023
Average number of employees				
Charitable activities, campaigns and publicity	14	17	14	18
Fundraising	10	9	10	9
Managing and administration	2	2	2	2
Leadership and governance	5	5	5	5
	31	33	31	34

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto enrolled when they are first employed.

	2024 £	2023 £
The costs of the scheme to the charity for the year	67,848	58,694
	67,848	58,694

None of the Trustees received any remuneration in respect of their services during the year (2023 - £nil). During the year, no out of pocket travelling expenses were reimbursed to Trustees (2023 – no amounts were reimbursed to Trustees).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £371,886 (2023 – £367,023).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

6 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2024	4,289	45,380	2,799	52,468
Additions	—	6,204	1,478	7,682
Disposals	(1,259)	(788)	(2,151)	(4,198)
At 31 December 2024	<u>3,030</u>	<u>50,796</u>	<u>2,126</u>	<u>55,952</u>
Depreciation				
At 1 January 2024	3,183	32,195	2,059	37,437
Charge for the year	606	8,907	405	9,918
Disposals	(1,259)	(788)	(1,644)	(3,691)
At 31 December 2024	<u>2,530</u>	<u>40,314</u>	<u>820</u>	<u>43,664</u>
Net book value				
At 31 December 2024	<u>500</u>	<u>10,482</u>	<u>1,306</u>	<u>12,288</u>
At 31 December 2023	<u>1,106</u>	<u>13,185</u>	<u>740</u>	<u>15,031</u>

7 Debtors and prepayments

	2024 £	2023 £
Other debtors	16,012	16,037
Prepayments and accrued income	385,141	411,456
	<u>401,153</u>	<u>427,493</u>

8 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	70,974	31,511
Accruals	55,779	41,900
Grants payable	—	100,743
	<u>126,753</u>	<u>174,154</u>

9 Creditors: amounts falling after more than one year

	2024 £	2023 £
Finance lease commitments	121	604
	<u>121</u>	<u>604</u>

10 Movements in funds

	At 1 January 2024 £	Incoming resources £	Outgoing resources £	At 31 December 2024 £
<i>Restricted funds</i>				
Sanctuaries – Patrons 2023	27,054	—	(27,054)	—
SAC Ukraine	—	15,000	(15,000)	—
Bear Sanctuary Arbesbach	—	52,500	(52,500)	—
Sanctuaries 2024	—	50,000	(50,000)	—
SAC Romania	—	5,000	(5,000)	—
	<u>27,054</u>	<u>122,500</u>	<u>(149,554)</u>	<u>—</u>
Unrestricted funds				
General funds	1,904,743	4,361,151	(3,834,313)	2,431,581
	<u>1,904,743</u>	<u>4,361,151</u>	<u>(3,834,313)</u>	<u>2,431,581</u>
Total funds	<u>1,931,797</u>	<u>4,483,651</u>	<u>(3,983,867)</u>	<u>2,431,581</u>

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	At 31 December 2023 £
<i>Restricted funds</i>				
FELIDA	5,508	—	(5,508)	—
Ukraine	23	—	(23)	—
Ukraine from CAT GALLERY	8,069	—	(8,069)	—
Ukraine from RSPCA branches	9,497	—	(9,497)	—
Stray Animal Care, Europe, USAVA partnership work	—	10,000	(10,000)	—
Lions Rock Sanctuary, SA	10,000	—	(10,000)	—
Stray Animal Care, Europe	—	4,846	(4,846)	—
Support for Bears	—	10,000	(10,000)	—
Vietnamese Dog House	—	10,000	(10,000)	—
Cats Protection Grant - Project Kishka, Ukraine	—	100,743	(100,743)	—
Sanctuaries - Patrons	—	27,054	—	27,054
	<u>33,097</u>	<u>162,643</u>	<u>(168,686)</u>	<u>27,054</u>
<i>Unrestricted funds</i>				
General funds	1,838,790	4,254,780	(4,188,827)	1,904,743
	<u>1,838,790</u>	<u>4,254,780</u>	<u>(4,188,827)</u>	<u>1,904,743</u>
Total funds	<u>1,871,887</u>	<u>4,417,423</u>	<u>(4,357,513)</u>	<u>1,931,797</u>

10 Movements in funds (continued)

Sanctuaries – Patrons support 2023 and 2024

FOUR PAWS sanctuaries offer a safe haven for rescued animals, providing around 140 bears and over 140 big cats a life-long home in a near-natural habitat. Our sanctuaries in total house around 340 animals globally. Patrons support enables FOUR PAWS to provide sanctuary and safety to animals and ensures that all our animals have the care and supplies they need, from urgent emergency care to everyday needs such as food, ponds and enrichment.

FOUR PAWS are constantly working to improve the quality of life for animals in our care. By enhancing current enclosures, expanding access to natural habitats and the sanctuaries' overall capacity. Through the generosity of our Patrons their gifts are being distributed amongst our sanctuaries where the need is greatest.

Stray Animal Care, Ukraine

FOUR PAWS has been helping 'homeless pets' in Ukraine for over a decade, with the first stray animal care activities being carried out by our local veterinary team in Ukraine and mobile clinic in 2012, in response to the mass brutal culling of stray dogs [which was legally allowed at the time] in preparation for the UEFA football championship in Kyiv. Following this, we continued our work to help stray animals across the country and support municipalities with humane stray animal care projects.

In 2022 Russia invaded Ukraine and whilst our work was briefly interrupted, we were subsequently able to refocus and adapt the way we worked to ensure we could continue helping thousands of stray animals in Ukraine. This has been achieved both through strategic partnerships locally and our dedicated teams in Ukraine who have continued to work through extremely difficult circumstances. Our work has meant that throughout the war we have provided life-saving work for strays, abandoned pet dogs and cats; support for refugees and their pets; as well as provide help to animal shelters in Ukraine which are struggling to take care of their animals due to high intake numbers, low adoption rates and lack of food and medical supplies.

While we aim to deliver sustainable and humane stray animal care programmes in Ukraine our focus during the war has had to be on delivering emergency relief. We have been providing emergency aid response to protect the animals within our established programmes but have also launched new projects to help the many companion animals in need.

10 Movements in funds (continued)

Bear Sanctuary Arbesbach – Enlargement plan

Bear Sanctuary Arbesbach has been a FOUR PAWS project for abused bears, based in Austria since 1998. The sanctuary provides rescued bears a life-long home in a near-natural habitat. Unfortunately, many bears are still being kept in terrible conditions. They are exploited as fighting, dancing bears or kept as tourist attractions. Bears that have grown up in human care, unfortunately, can no longer be released into the wild. They have become too used to humans and their support. In captivity, these animals lose the vital instincts they would need for a life alone in the wild. Left to themselves, they are unable to survive. Many of our bears display severe behavioural disorders due to their former caged existence and require the special attention of our animal care staff. FOUR PAWS aims to provide bears in human care with an environment that corresponds to their species. In extensive wooded enclosures, our bears are able to rediscover their instincts and act out their natural behaviour.

Currently there are three bears living at Arbesbach, but with more bears needing to be rescued, FOUR PAWS is expanding Arbesbach to extend the sanctuary with the aim to bring in more bears. It is estimated that around 300 brown bears still live in captivity in Central and Eastern Europe in very poor conditions. To save more bears that have been mistreated in Europe, it is necessary to have more and better places to shelter them. FOUR PAWS has clear rules for what constitutes a good shelter and the support of donors towards this expansion has a significant impact on the lives of the bears in our care. Crucially, we will be able to continue to provide essential life-long care, food, shelter, and medical attention to these animals.

Stray Animal Care, Romania

FOUR PAWS veterinary and care teams, deliver Stray Animal Care programs in Romania, Bulgaria, and Ukraine. In close collaboration with our Community Engagement unit, they humanely reduce the number of animals on the streets through spaying, neutering, and release programmes and improve their quality of life.

Romania has one of the largest stray animal populations in Europe, with a rough estimate between 200,000 and 500,000 dogs and likely many more stray cats living in this country. The killing of stray animals is still being legally and frequently practices to reduce the stray dog overpopulation in Romania. Stray dogs and cats live very hard and short lives suffering from a lack of food and shelter, untreated illness, injuries and sometimes deliberate abuse. Many more unwanted dogs end up in shelters living out their lives in often deplorable conditions with very little hope of ever being adopted.

Project Kishka – Cats Protection Grant

Since the war, we have implemented projects to sterilize, vaccinate and treat dogs and cats in various ways. One of these projects is the unique Project Kishka, [Kishka means 'female cat' in Ukrainian]. Launched in October 2022 this project is fully dedicated to helping the stray cats of Ukraine.

10 Movements in funds (continued)***Project Kishka – Cats Protection Grant (continued)***

Before the war, many Communal Enterprises [municipal entities responsible for stray dog management] throughout Ukraine carried out mass-sterilisation projects for stray dogs. Since the war began, NGO's have taken on these programmes and without a focus on stray cats, numbers have increased. With these increasing cat populations, it is important to not only manage and stabilise numbers but also to help cats impacted by war. With a clear gap in programmatic work with a cat focus; Project Kishka was created to address this.

FOUR PAWS works in cooperation with existing projects of the Communal Enterprises, using their premises and infrastructure. Local veterinarians are recruited, trained and supervised by FOUR PAWS experienced veterinarian, overseeing the quality and coordination of the project. Project Kishka is carried out in different locations in Ukraine simultaneously and costs for the project, such as training, salaries, medication and equipment, are covered by FOUR PAWS and a generous grant received from Cats Protection.

11 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2024 £
Tangible assets	—	12,288	12,288
Current assets	—	2,546,167	2,546,167
Current liabilities	—	(126,753)	(126,753)
Liabilities due in more than one year	—	(121)	(121)
	—	2,431,581	2,431,581

	Restricted £	Unrestricted £	Total 2023 £
<i>Tangible assets</i>	—	15,031	15,031
<i>Current assets</i>	27,054	2,064,470	2,091,524
<i>Current liabilities</i>	—	(174,154)	(174,154)
<i>Liabilities due in more than one year</i>	—	(604)	(604)
	27,054	1,904,743	1,931,797

12 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2024 (2023 – none) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Three of the UK Trustees are also in key management positions at VIER PFOTEN International: Josef Pfabigan (Chief Executive Officer), Luciana D'Abramo (Chief Development Officer) and Alexandra Mandoki (Chief Marketing Officer).

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year payments totalling £149,554 (2023: £619,405) were made to VIER PFOTEN International and grants of £nil were received (2023: £27,408). At the year end, no amounts were owed to VIER PFOTEN (2023: £31,743).

There were no other related party transactions in the year to 31 December 2024.

FOUR PAWS

England & Wales - Charity number 1118102

Accounts

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2023

Company Registration Number
5848230 (England and Wales)

Charity Registration Number
1118102

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Gerald Dick (resigned 31 March 2024) Luciana D'Abramo Alexandra Mandoki (appointed 1 April 2024)
Principal Staff	Sonul Badiani-Hammett Director UK
Company Secretary	Sonul Badiani-Hammett
Address	1st Floor, Can Mezzanine 7-14 Great Dover Street London SE1 4YR
Company registration number	5848230
Charity registration number	1118102
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2023, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 31 to 34 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006 and registered as a charity on 26 February 2007. The company was established under a Memorandum 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.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. The list of below details the names of Trustees who were in place during the year.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed / resigned
Josef Pfabigan	Appointed on 5 May 2008
Gerald Dick	Appointed on 25 March 2020 / resigned 31 March 2024
Alexandra Mandoki	Appointed 1 April 2024)
Luciana D'Abramo	Appointed on 30 March 2021

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Structure and management

The Trustees met as a group four times during the year to 31 December 2023. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the Director UK. For the year ended 31 December 2023 this consisted of an average of 33 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their quarterly meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed based on their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Principal risks and uncertainties

The Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

- 1. Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

2. **Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years, in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

3. **Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values and protect our reputation.

4. **Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

5. **Data Protection** – we pay close attention to data protection risks across all our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals,
- ◆ animal sanctuaries,
- ◆ the provision of veterinary care and treatment,
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated or lost; and

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit (continued)

- ♦ feral animal control, e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2023 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to achieve significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

Companion Animals have a good quality of life in accordance with their own species/ breed specific needs and receive lifetime care and guardianship.

Farm Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

The salary of the highest paid employee was no more than two times the median salary of the charity, excluding settlement payments.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion and information sharing are actively encouraged across the FOUR PAWS international network and through use of MS Teams, which enables us to proactively collaborate.

OBJECTIVES AND ACTIVITIES (continued)

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK)
- ◆ Head of Finance and Operations
- ◆ Head of Programmes
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Director pay is set and approved by the Board of Trustees.

Volunteers

We did not attend face-to-face fundraising events during 2023, as a result, no volunteers were engaged during the year.

Equality and Diversity

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally and virtual communication technology to minimise travel. We meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. We are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2023 there were no notification of complaint to the Advertising Standards Authority (ASA) received.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programs and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal conservation organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

ACHIEVEMENTS AND PERFORMANCE IN 2023

Companion animals

FOUR PAWS companion animal programme seeks to address the suffering of companion animals. This programme is targeted towards three goals for each welfare issue experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals,
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as the prerequisite for acquiring a pet; and
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

Background

Classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, underage and potentially mistreated animals to unwitting buyers. For several years, FOUR PAWS has investigated cases of the illegal puppy trade and called on classified ad sites to address anonymous trading, encouraging the introduction of mandatory seller identification (the Model Solution).

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Background (continued)

Puppy purchasing boomed during the COVID-19 pandemic, and with the cost-of-living crisis more animals than ever are finding their way into rescues and shelters through abandonment. FOUR PAWS has a vast range of advice on our website for companion animal care.

The trade in dogs and cats for their meat (DCMT) is responsible for inflicting horrific cruelty on an estimated 30 million animals in Southeast Asia each year, and the number is growing. FOUR PAWS UK believes that it can help end this barbaric trade by mobilising supporters through education and through political and corporate change. By educating the public about this major animal welfare concern, FOUR PAWS UK hopes to raise awareness and funds to support the campaign, as well as influence embassies and the tourism industry to support the call for an end to the trade.

Impact and outcomes

In the past year, FOUR PAWS UK has collected hundreds of reports of sick and dead puppies from the public, has had these reports assessed by legal experts and passed on relevant reports to the appropriate authorities for potential action.

This year, the Government unfortunately dropped the Animal Welfare (Kept Animals) Bill which would have tackled puppy smuggling, a key issue that we have worked on for five years. However, at the start of the new 2023-2024 Parliamentary session, Selaine Saxby MP introduced the Animal Welfare (Import of Dogs, Cats and Ferrets) Bill, which we are now advocating to contain similar legal provisions to the previously tabled Animal Welfare (Kept Animals) Bill.

We also published a report outlining the extent of the illegal puppy trade in the UK and exposed the activity of illegal breeders online, as well as cases of illegal puppy smuggling. This report also helped to raise awareness of the risks associated with buying a puppy online, providing much needed advice to those looking to add a dog to their home.

For the DCMT campaign, we successfully engaged with British embassies in target countries to help raise awareness of the issue and communicated with key Government stakeholders in Southeast Asia who ultimately attended FOUR PAWS policy events to help us influence legislative change.

Key Activities (Incl. cooperations) 2023

Compared to last year, FOUR PAWS UK has received fewer reports from the online puppy trade reporting tool, totalling 416 this year, alongside an additional 21 via email. Of these, 6 have been assessed by legal experts, and 32 have been escalated to relevant authorities for potential prosecution. We have confirmation that 16 are currently under investigation. As usual, most authorities do not disclose the outcomes of these investigations.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Key activities (incl. cooperations) 2023 (continued)

Over 1000 supporters were mobilised to write to the Prime Minister regarding their concerns about the Kept Animals Bill, which addressed puppy smuggling amongst other key animal welfare issues. We also co-hosted a successful parliamentary drop-in event, directly engaging with over 40 cross-party MPs on the issue of puppy smuggling.

FOUR PAWS UK responded to an Environment, Food and Rural Affairs Committee (EFRA) inquiry about pet welfare and abuse, with specific questions about puppy breeding and licencing. This evidence was published on the Committee's website. Consultation responses on licencing activities involving animals and dog welfare in Scotland were also submitted by the organisation.

Autumn saw the launch of a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto. Over 6000 emails were sent to MPs across all parties, reminding them that #AnimalsMatter.

We have continued to promote the Cute. Quick. Sick. campaign (CQS) on our channels, and we have secured over 795 sign ups to access our free puppy guide, taking 244 supporters on a comprehensive digital journey to learn more about the risks of the trade, and our other work in companion animals, culminating in a fundraising proposition.

In October we also published a report outlining the extent of the illegal puppy trade in the UK and exposed the activity of illegal breeders online, as well as exposing footage and incidents of illegal puppy smuggling. We presented the results of this report at the All-Party Parliamentary Dog Advisory Welfare Group (APDAWG) in Parliament, chaired by celebrity vet Dr Marc Abraham who also wrote the foreword for our report.

FOUR PAWS UK has continued to raise awareness of the issue of the DCMT with both supporters and the media. In July, we asked supporters to write to the UK Ambassador of Vietnam and urge him to appoint a permanent representative to the Companion Animals Working Group, a subsidiary of the Vietnam One Health Partnership for Zoonoses Control. Almost 9,000 supporters wrote to the Ambassador. This was followed by a demonstration outside Tower Bridge to celebrate reaching over two million global signatures for the campaign.

Outlook 2024

FOUR PAWS UK will continue to educate the public on responsible pet ownership and the dangers of online adverts selling puppies. We will launch a public mobilisation campaign, specifically calling on Meta to better enforce their own community guidelines around puppy sales, where we have evidence of sellers abusing these guidelines on their platforms.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Outlook 2024 (continued)

Since the Government's disappointing decision to drop the Kept Animals Bill, we were thrilled to see a new Private Members Bill introduced that will address puppy smuggling in the next Parliamentary session, so we will support the passage of this Bill at every stage as it progresses through the Parliamentary process. We will also continue to communicate about this issue with the public, and push MPs and the Government to prioritise legislative time for this Bill.

We will continue to support the DCMT campaign by engaging with relevant UK Ambassadors to raise awareness of the trade, and particularly its link to zoonotic diseases and pandemics, and with the public to raise awareness and funds to support the campaign.

Farmed animals and nutrition

Background

FOUR PAWS has continued working on addressing animal welfare in farmed animal welfare policy, public procurement, and national food policy, as well as in international trade policy. Our research has shown both a lack of legal requirements for animal welfare in public procurement processes and core animal welfare standards in trade policy.

In England, the Government Buying Standards must be applied by the central Government procurers directly or through their catering contractors. However, local authorities and schools are only encouraged to apply these standards if within budget, so there is no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes and sourcing low welfare food for public institutions. It is also unclear how authorities are considering food in climate action plans, and how or whether they are promoting meat reduction as a solution to climate change.

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare in farming systems. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to make stronger policies for animals, for example by exemplifying the benefits of improving animal welfare to reduce the environmental damage caused by industrial agriculture, advocating for an end to the caged keeping of farmed animals and a ban on live animal transport and pushing for labelling of animal food products.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Background (continued)

Brexit has increased the danger to existing animal welfare legislation, with a new farming subsidy scheme potentially being diluted in favour of deregulation and the Genetic Technology (Precision Breeding) Act having been rushed through Parliament - something previously banned when we were part of the EU. Furthermore, the Government passed the Retained EU Law (Revocation and Reform) Act which sets out a filtering process in a revocation schedule, to ascertain if retained EU regulation should be carried over, reformed, or dropped. This is extremely concerning given that approximately 80% of our animal welfare laws are derived from EU law, including hard won legislation such as the ban on battery hens and the use of growth promoters on farmed animals.

The Government have also made no progress, nor published the promised consultations, on the caged keeping of farmed animals as outlined in the Government's 2021 Action Plan for Animals.

FOUR PAWS was founded on the campaign to end the farming and sale of animals for fur. Since then, it has become expert on the issue of animal welfare in the textile industry and created change for millions of animals. With the introduction of the Wool with a Butt and Wear it Kind campaigns, FOUR PAWS UK has tried to bring the combined experience and different textile issues under the umbrella of Wear it Kind (WIK), with four key focus areas: down feathers, fine wools (including mulesed wool), exotic leather and fur.

Impact and outcomes

FOUR PAWS UK has continued to engage on national farming policy including pushing for a ban on cages for farmed animals and a ban on live exports, advocating for core animal welfare standards in UK trade policy, and feeding into consultations on both food policy and trade. FOUR PAWS UK worked with the Government, DEFRA (Department for Environment, Food & Rural Affairs) officials and with MPs across all parties to try and progress the Animal Welfare (Kept Animals) Bill, that included a ban on live exports, but this was dropped by the Government in June. Following campaigning for the legal provisions to be included in the new Parliamentary session, a Government Bill was announced in the King's Speech to end live exports of farmed animals – the Animal Welfare (Livestock Exports) Bill, and the Bill is now making its way through Parliament.

As a member of the Eating Better coalition, which is calling for 50% meat reduction by 2030 in the UK, as well as "better" meat consumption and high welfare products being consumed, FOUR PAWS UK has joined a public procurement task force and engaged with local authorities and the Government on the Make Food Kinder campaign, attempting to influence the national food strategy and Government Buying Standards for food and catering services. In addition, we have begun to engage with local authority planning applications for factory farms to ensure no new intensive farms are permitted nationwide and mobilised over 6,000 supporters to join these calls.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Impact and outcomes (continued)

FOUR PAWS UK has been engaging with the UK Government on the UN pandemic treaty report, including by attending expert roundtables at various stages in the negotiations, and has been communicating with supporters to raise awareness of the issue of pandemics with supporters.

FOUR PAWS UK has engaged with 20 fashion brands, receiving several verbal and published commitments that they will review their animal welfare policies and seek to adopt our recommendations. Our Animal Welfare in Fashion report shows twelve UK brands have followed our guidance and made considerable progress since the previous iteration of our report, including major names like Misguided, Primark, Monsoon, River Island, New Look and Next. One brand joined the Fur Free Retailer Program, and three brands signed our brand letter of intent against mulesing.

Key activities (incl. cooperations) 2023

Throughout 2023, we mobilised supporters to send over 4,000 emails to their MPs calling for an end to the caged keeping of farmed animals.

In the Autumn, over 1,000 supporters were mobilised to writing to the Prime Minister regarding their concerns about the Kept Animals Bill, which addressed live exports amongst other key animal welfare issues. We also co-hosted a successful parliamentary drop-in event, directly engaging with over 40 cross-party MPs on the issue of live exports. We then went on to see an additional 2,000 emails sent to MPs asking them to support the Second Reading of the Animal Welfare (Livestock Exports) Bill in December.

As part of the Eating Better food procurement task force, the Scottish Food Coalition, and the Trade and Animal Coalition (TAWC), FOUR PAWS UK has fed into several consultations and calls for evidence from the Government:

- ◆ 2 on trade deals
- ◆ 1 devolved assembly food policy
- ◆ 1 select committee review of DEFRA

In the Autumn, we launched a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto, which saw over 6,000 emails sent to MPs across all parties, reminding them that #AnimalsMatter. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs, and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

This year we responded to, and mobilised supporters against a new planning application to build 20 new poultry sheds and new buildings in connection with pig finishing, in West Norfolk with 6,000 supporters taking action. We have also opposed a new environmental permit application for the conversion of 200,000 turkey farm into an intensive duck farm that would house 1.3 million ducks instead.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Key activities (incl. cooperations) 2023 (continued)

To support the global textiles campaign, we launched a new report on the sustainability of animal-derived fashion. This report was an innovative, data driven exposé into the full cost of fashion to the planet and was shared widely by the Fashion and Sustainability All-Party Parliamentary Group (APPG). In June, we were thrilled to see Nike finally commit to going mulesing free, after mobilising over 10,000 people to write to them with their concerns. We also secured 5,000 pledges to Wear it Kind and a further 25,000 signatures for our petition to end mulesing.

Outlook 2024

FOUR PAWS UK will continue to raise awareness with the public and engage with the Government and political stakeholders on farmed animal welfare policy in 2023. Since the Government's disappointing decision to drop the Kept Animals Bill, we were thrilled to see a new single issue Government Bill introduced that will address livestock exports in the next Parliamentary session, so we will support the passage of this Bill at every stage as it progresses through the Parliamentary process.

FOUR PAWS UK will continue to push for a consultation on the caged keeping of farmed animals, call for core animal welfare standards in UK trade policy, ensure the safe passage of the Animal Welfare (Livestock Exports) Bill through Parliament, and support calls for animal welfare labelling schemes. We will also continue to work with partners on:

- ◆ the Scottish Food Coalition to support the successful implementation of the Good Food Nation (Scotland) Act 2002 and feed into consultations on the Scottish food plans;
- ◆ the TAWC to respond to new Free Trade Agreements to ensure they consider the impact on animal welfare standards in the UK;
- ◆ the Eating Better Alliance to address animal welfare in food procurement, the rise of 'mega farms' across the UK and help drive forward a strategy to address the rise in chicken farms;
- ◆ the Plant-Based Food Alliance to work with Government to support initiatives that encourage meat reduction;
- ◆ the Wildlife and Countryside Link coalition to collaborate on animal welfare legislation and formulate a strategy to end factory farming that will address animal welfare, climate mitigation, pollution, and environmental protection goals.

We believe that collaboration is key to securing better animal welfare and meat reduction goals in national and devolved food, agriculture, and trade policy. We will also attend party conferences and continue efforts to secure commitments for animal welfare policies in all political party manifestos ahead of the next general election. In May, we will co-host an event to engage with all parties on animal welfare, under the theme of #AnimalsMatter.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Outlook 2024 (continued)

FOUR PAWS UK will continue to communicate about the Pandemic Treaty across our channels and work with the Government as negotiations on the pandemic instrument come to a head and support the launch of a new global climate industry action campaign later in the year. We will continue to mobilise the public to respond to planning applications for new factory farms to help prevent a rise in intensive farming nationwide.

FOUR PAWS UK will continue to engage with brands to improve their animal welfare policies and we will also support the launch of a global investigation into the practice of mulesing, an exposé into the impact of supermarket fashion on animal welfare and potentially begin engaging with fashion schools across the UK.

Wild animals

Background

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare of wild animals in captivity and those impacted by human activity. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to challenge and improve policies for animals including by advocating to ban the keeping of primates as pets, for improved zoo animal welfare, to ban the import of hunting trophies and the import and sale of fur, and to readdress our relationship with animals and end high risk practices in the wildlife trade as part of pandemic prevention.

Historically the UK office has supported the work of the sanctuary department to end bear farming for bile in Hanoi and supported to work of FOUR PAWS International's big cat trade campaign, as well as promoting animal-friendly travel via our own #TravelKind campaign.

Impact and outcomes

This year, the Government dropped the Animal Welfare (Kept Animals) Bill, which would have brought about a ban on the keeping of primates as pets. We fed extensively into consultations on this topic, and it was later announced that this will now be addressed in secondary legislation.

Also, this year, we supported the passage of Henry Smith MP's Private Members Bill, the Hunting Trophies (Import Prohibition) Bill, which sought to ban the import of hunting trophies into the UK from species listed in existing Wildlife Trade Regulations, except if excluded by the Government, and from any other species to be set out in regulations. We held drop-in events in Parliament with coalition partners to brief MPs and Peers and supported the passage of this Bill at every stage. Despite the Bill attracting Government support, it fell in the House of Lords. In December, a new Private Members Bill was tabled by John Spellar MP to revive this issue and we are supporting this Bill through Parliament.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Impact and outcomes (continued)

In total, 15,000 emails were sent to MPs throughout the passage of the Hunting Trophies (Import Prohibition) Bill. To further highlight the importance of this Bill we also co-hosted various offline demonstrations on this topic, securing significant cross-party support. We also collaborated with comic book illustrators Rewriting Extinction to produce creative assets to further engage the public on the Bill once it had fallen in the House of Lords. This graphic received over 4,000 engagements across our social media channels, helping to raise additional public awareness and support for a ban on the import of hunting trophies.

In September, the Animals (Low-Welfare Activities Abroad) Act was passed, which will help to secure high animal welfare standards both here in this country and abroad, by prohibiting the sale and advertising of cruel experiences like elephant rides and animal shows.

Key activities (incl. cooperations) 2023

In January, we co-hosted a parliamentary reception to celebrate 20 years since the Fur Farming Act 2003 came into force which closed the last remaining fur farms in the UK for good. We used this anniversary to call on the Government to table legislation to ban the import and sale of fur to achieve a truly fur free Britain, and to take the first step of publishing the summary responses from the 2021 call for evidence on this issue. We launched a new report on the UK fur trade, a cross-party MP letter of support and a government e-petition, which secured almost 70,000 signatures and triggered a debate on the issue in June. This debate demonstrated cross-party support for an import and sales ban, and saw the Government promise to continue to build the evidence base on fur, and as part of this experts from the Government's Animal Welfare Committee (AWC) will 'consider the issue of responsible sourcing in the fur industry, including the animal welfare standards and safeguards that apply to fur imported into this country' as part of their 2023/2024 workplan.

Throughout the year we have also mobilised over 4,000 supporters to engage with their MPs on the need for a fur free Britain, and a further 2,000 to write to DEFRA asking them to publish the overdue responses to their 2021 Call for Evidence on the UK fur trade conducted over two years ago. Following a partnership with comic book illustrators Rewriting Extinction, we produced a creative asset to further engage the public on the issue which secured over 11,000 engagements on social media. We also partnered with a poet, Tom Foolery, to produce a beautiful campaign film, which secured almost 80,000 views. These creative assets helped us to continue to raise public awareness on the need to secure a fur free Britain.

FOUR PAWS UK responded to several calls for evidence and consultations on new legislative proposals around captive primate standards of care, as well as devolved biodiversity framework strategies.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Key activities (incl. cooperations) 2023 (continued)

In the Autumn, over 1,000 supporters were mobilised into writing to the Prime Minister regarding their concerns about the Kept Animals Bill. Despite the Government's decision to drop the Bill in June this year, it was assured that key legislation, such as banning the keeping of primates as pets, would be addressed in Secondary legislation under the Animal Welfare Act 2006.

Also in the Autumn, we launched a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto, which saw over 6,000 emails sent to MPs across all parties, reminding them that #AnimalsMatter. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs, and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

On social media, messaging around animal-friendly travel continues to be shared, with over 5,488 supporters taking the oath to #TravelKind to date.

We also celebrated the launch of our roadmap to closing private keeping establishments for tigers and other big cats at CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) Conference of Parties 19 and raised awareness of the #RuthlessTrade of tigers across Europe.

Outlook 2024

Following the disappointing decision to drop the Kept Animals Bill, we will closely monitor the Government's progress on securing a ban on the keeping of primates as pets in Secondary legislation by 2026.

We will continue to work with MPs and the Government to advocate for the safe passage to Royal Assent of John Spellar MP's Hunting Trophies (Import Prohibition) Bill.

To continue our work to secure a fur free Britain, we will publish and launch a new report on the detrimental impact of fur on the environment and expose the greenwashing attempt by the industry that claim high welfare fur is a sustainable fashion option. We will also look to research in more detail the fur trade within the UK, exploring where fur is going to once imported and, if possible, finding out who is directly profiting from this trade. Using this research, we will continue to call on MPs and the Government to ban the import and sale of fur to end our complicity in the cruel global trade.

We will continue to raise awareness of:

- ◆ the environmental, pandemic health risks and animal welfare issues associated with the fur trade,
- ◆ the pandemic risk associated with the wildlife trade to secure animal welfare wording in the UN pandemic treaty,

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Outlook 2024 (continued)

- ◆ the big cat trade in South Africa and the need for CITES to better address the wildlife trade and its associated pandemic risk; and
- ◆ the farming of bears for bile in Hanoi.

Additionally, we will mobilise our supporters to take action to help secure stronger political and corporate policies for animal welfare. We will also attend party conferences and attempt to gain commitments for animal welfare policies in political party manifestos ahead of the next general election. Post election, we will engage with all newly elected MPs on our key animal welfare priorities.

FINANCIAL REVIEW

FOUR PAWS UK had another successful year and continued to be supported by our generous donors. With strained global supply chains contributing to cost of living challenges, and continued inflationary pressure, we have witnessed an impact on the disposable income of our donors and supporters. Our total income for the year was £4.42m, an increase of £0.037m against 2022, representing a 0.8% increase. The total expenditure for the year was £4.36m, an increase of £0.463m against 2022.

Through our continued investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 9% to bring in £1.58m to support the diversification and future sustainability of our income streams. Legacy income increased by £0.407m to £1.46m due in-part to an exceptionally large individual donation.

Our Gift Aid income for the year was £0.248m, a decrease of £0.168m against 2022 following the prior-year exercise performed to repair gift aid declarations that had not been included in previous submission to HMRC (including gift aid for prior years).

Income from our Major Donors remain consistent during the year by contributing £0.352m to our total income (2022 £0.354m).

The impact of the cost-of-living crisis and the effect of delays experienced in some regional postal services earlier in the year contributed to the 31% fall in income from our direct mail cash appeals. This brought in £0.37m (2022 £0.53m).

Total net surplus decreased by £0.426m. This reflected in part by the increase in our grant payment to VIER PFOTEN International, to support the FOUR PAWS global mission to REVEAL, RESCUE, and PROTECT by funding sanctuaries, projects, and campaigns.

The year finished with a net surplus of £0.059m, compared to £0.486m in 2022.

We are showing unrestricted funds of £1.9m at 31 December 2023 (2022 £1.83m). Restricted funds balance was £27k (2022 £33k).

FINANCIAL REVIEW (continued)

Investment powers and policy

As required in its Memorandum, FOUR PAWS UK has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS UK may hold the following categories of financial reserves:

- ◆ unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- ◆ restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2023 and has been maintained at 6 month's operating costs.

The unrestricted reserves at 31st December 2023 stood at £1.9m (2022 £1.83m) an increase of £0.66m against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £1.9m. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to further support FOUR PAWS UK campaign and project activities during 2024.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

FINANCIAL REVIEW (continued)

Assessment of going concern (continued)

As set out in the accounting policies under "going concern" and in the plans for future periods section below, the Trustees have considered the wider financial uncertainties and taken together with understanding further current global economic insecurities. Due to the escalating geo-political and inflationary consideration and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature **REVEAL-RESCUE-PROTECT**:

REVEALING means:

- ◆ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.
- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.

PLANS FOR FUTURE PERIODS (continued)

- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

FOUR PAWS 38

In December 2023 we launched a new project called FOUR PAWS 38, which involves a comprehensive review of our global strategy and our organisational structure, to ensure that we are fit for purpose to deliver our ambitious plans to create systemic change and improve the lives of animals. FOUR PAWS 38 is a two-year project due to be completed by the end of 2024. From 2025 onwards, we will be implementing our new global strategy, which will progress the organisation to 2038.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

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

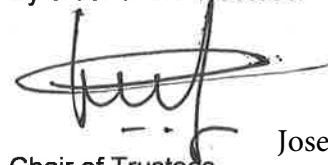
Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

By order of the Trustees:



Chair of Trustees

Josef Pfabigan

22/04/2024

Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies, and the notes to the financial statements. 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 2023 and of 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 auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, 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.

Responsibilities of Trustees (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

How the audit was considered capable of detecting irregularities including fraud

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice and data regulations (GPDR); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

- ◆ Making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

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

Use of our report

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

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 24 April 2024

Statement of financial activities (including income and expenditure account) Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Income and expenditure							
Income from:							
Donations and legacies	1	4,240,339	162,643	4,402,982	4,136,258	243,555	4,379,813
Investments							
Interest receivable		14,441	—	14,441	625	—	625
Total income		4,254,780	162,643	4,417,423	4,136,883	243,555	4,380,438
Expenditure on:							
Raising funds		1,278,590	—	1,278,590	1,291,022	—	1,291,022
Charitable activities							
Advocacy for animal welfare and raising awareness		1,796,849	—	1,796,849	1,386,915	—	1,386,915
Wild animal programs and campaigns		178,398	67,943	246,341	197,358	144,071	341,429
Companion animals programs and campaigns		864,761	100,743	965,504	706,124	71,895	778,019
Farm animals programs and campaigns		70,229	—	70,229	97,184	—	97,184
Total expenditure	2	4,188,827	168,686	4,357,513	3,678,603	215,966	3,894,569
Net income (expenditure) and net movement in funds	3	65,953	(6,043)	59,910	458,280	27,589	485,869
Reconciliation of funds:							
Total funds brought forward		1,838,790	33,097	1,871,887	1,380,510	5,508	1,386,018
Total funds carried forward	11,12	1,904,743	27,054	1,931,797	1,838,790	33,097	1,871,887

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	6		—		—
Tangible assets	7		15,031		21,070
			15,031		21,070
Current assets					
Debtors	8	427,493		366,958	
Cash at bank and in hand		1,664,031		1,594,926	
		2,091,524		1,961,884	
Creditors: amounts falling due within one year	9	(174,154)		(109,980)	
Net current assets			1,917,370		1,851,904
Creditors: amounts falling due after more than one year	10		(604)		(1,087)
Net assets			1,931,797		1,871,887
The funds of the charity	11				
Unrestricted funds			1,904,743		1,838,790
Restricted funds			27,054		33,097
			1,931,797		1,871,887

The notes on pages 35 to 45 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Josef Pfabigan

Chair of Trustees

Company registration number 5848230 (England and Wales).

22 April 2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash inflow from operating activities	A	73,677	563,816
Cash outflow from investing activities	B	(4,572)	(14,117)
Increase in cash and cash equivalents	C	69,105	549,699

Notes to the statement of cash flows for the year to 31 December 2023

A. Reconciliation of net income to net cash inflow from operating activities

	2023 £	2022 £
Net income	59,910	485,869
Depreciation charge	10,611	8,816
Loss on disposal of fixed assets	—	452
(Increase) decrease in debtors	(60,535)	37,124
Increase in creditors	63,691	31,555
Net cash inflow from operating activities	73,677	563,816

B. Cash flows from investing activities

	2023 £	2022 £
Investing activities		
Payments to acquire tangible fixed assets	(4,572)	(14,117)
Cash outflow from investing activities	(4,572)	(14,117)

C. Analysis of changes in cash (net debt)

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,594,926	69,105	1,664,031

Principal accounting policies 31 December 2023

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

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made in respect to:

- ◆ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities; and
- ◆ estimating the future income and expenditure flows to enable the Trustees to assess the charity's financial position.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Trustees acknowledge and recognise the potential impact of the current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. We saw significant income from legacy donations during the year and this was further enhanced with continued positive returns from our digital investment integrating fundraising and campaigns enhance supporter engagement and minimise attrition.

During 2023 we have increased our unrestricted reserves in alignment with our Reserves Policy and the annual budgets have been prepared on a realistic basis in consideration of the potential impact of continued economic challenges. We have reviewed our forecasts for 2024 and 2025 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

Going concern (continued)

The Trustees have considered the wider financial uncertainties as the UK economy slows. The risk review also considered the current global economic insecurities due to the geo-political and prior year energy crises, and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to the receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- ◆ Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- ◆ Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature is allocated to charitable activities if it fulfils the following educational criteria:
 - ◇ It is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
 - ◇ It is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and

Expenditure and the basis of apportioning costs (continued)

- ◇ Be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of direct allocated costs.

All expenditure is inclusive of irrecoverable VAT.

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

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds comprise monies raised, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset category:	Annual rate:
Office equipment	5-year straight line
Computer equipment	3-year straight line
Fixtures and fittings	5-year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Voluntary income						
Donations	2,504,722	162,643	2,667,365	2,667,305	243,555	2,910,860
Gift aid	247,712	—	247,712	415,797	—	415,797
Legacies	1,460,497	—	1,460,497	1,053,156	—	1,053,156
Grants	27,408	—	27,408	—	—	—
2023 Total funds	4,240,339	162,643	4,402,982	4,136,258	243,555	4,379,813

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2023 £
Charitable activities				
Advocacy for animal welfare and raising awareness	978,230	447,000	371,619	1,796,849
Wild animals programs and campaigns	156,521	67,943	21,877	246,341
Companion animals programs and campaigns	733,364	100,743	131,397	965,504
Farm animals programs and campaigns	50,894	—	19,335	70,229
	1,919,009	615,686	544,228	3,078,923
Raising funds				
Staff costs	433,229	—	—	433,229
Investment in donor acquisition	376,302	—	—	376,302
Other	333,453	—	135,606	469,059
	1,142,984	—	135,606	1,278,590
Total expenditure	3,061,993	615,686	679,834	4,357,513

	Direct costs £	Grants £	Support costs £	Total costs 2022 £
Charitable activities				
Advocacy for animal welfare and raising awareness	809,956	250,000	326,959	1,386,915
Wild animals programs and campaigns	167,729	144,071	29,629	341,429
Companion animals programs and campaigns	570,067	71,895	136,057	778,019
Farm animals programs and campaigns	69,236	—	27,949	97,185
	1,616,988	465,966	520,594	2,603,548
Raising funds				
Staff costs	351,986	—	—	351,986
Investment in donor acquisition	391,221	—	—	391,221
Other	431,876	—	115,938	547,814
	1,175,083	—	115,938	1,291,021
Total expenditure	2,792,071	465,966	636,532	3,894,569

2 Expenditure (continued)

Analysis of support costs

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2023 £
Staff costs	67,954	58,159	9,306	43,601	3,026	182,046
Premises costs	25,151	1,667	100	559	142	27,619
Governance	10,773	9,220	1,475	6,912	480	28,860
Other costs	31,728	302,573	10,996	80,325	15,687	441,309
	135,606	371,619	21,877	131,397	19,335	679,834

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2022 £
Staff costs	51,549	35,532	7,358	25,008	3,037	122,484
Premises costs	28,616	1,666	100	559	142	31,083
Governance	4,642	3,200	663	2,252	274	11,031
Other costs	31,132	286,561	21,508	108,238	24,495	471,934
	115,939	326,959	29,629	136,057	27,948	636,532

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	10,611	8,816
Auditors' remuneration:		
.. Statutory audit services		
.. Current year	18,000	11,000
.. Prior year	3,380	—

4 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2023 £	2022 £
Salaries and wages	1,628,734	1,217,466
Social security costs	188,634	135,973
Other pension costs	58,694	47,274
Termination costs	55,886	—
	1,931,948	1,400,713

4 Employee and key management remuneration (continued)

The average number of employees who earned £60,000 per annum or more (including termination payments but excluding pension contributions) during the year was as follows:

	2023 No.	2022 No.
£60,001 - £70,000	5	—
£70,001 - £80,000	—	2
£90,001 - £100,000	—	1
£130,001 - £140,000	1	—

Staff numbers

The average number of employees during the year, calculated on an average headcount and full-time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2023	2022	2023	2022
Average number of employees				
Charitable activities, campaigns and publicity	17	9	18	10
Fundraising	9	9	9	9
Managing and administration	2	2	2	2
Leadership and governance	5	5	5	5
	33	25	34	26

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto enrolled when they are first employed.

	2023 £	2022 £
The costs of the scheme to the charity for the year	58,694	47,274
	58,694	47,274

None of the Trustees received any remuneration in respect of their services during the year (2022 - £nil). During the year, no out of pocket travelling expenses were reimbursed to Trustees (2022 – no amounts were reimbursed to Trustees).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £367,023 (2022 – £341,552).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

6 Intangible fixed assets

	Donor database £	Total 2023 £
Valuation		
At 1 January 2023 and 31 December 2023	551,751	551,751
Amortisation		
At 1 January 2023 and 31 December 2023	551,751	551,751
Net book values		
At 1 January 2023 and 31 December 2023	—	—

The database was revalued internally on 31 December 2014, using the net present value of future cash flows. The historical cost of the database is £506,833.

7 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	3,674	51,824	2,799	58,297
Additions	615	3,957	—	4,572
Disposals	—	(10,401)	—	(10,401)
At 31 December 2023	4,289	45,380	2,799	52,468
Depreciation				
At 1 January 2023	2,587	32,964	1,676	37,227
Charge for the year	596	9,632	383	10,611
Disposals	—	(10,401)	—	(10,401)
At 31 December 2023	3,183	32,195	2,059	37,437
Net book value				
At 31 December 2023	1,106	13,185	740	15,031
At 31 December 2022	1,087	18,860	1,123	21,070

8 Debtors and prepayments

	2023 £	2022 £
Other debtors	16,037	16,156
Prepayments and accrued income	411,456	350,802
	427,493	366,958

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	31,511	63,553
Accruals	41,900	46,427
Grants payable	100,743	—
	174,154	109,980

10 Creditors: amounts falling after more than one year

	2023 £	2022 £
Finance lease commitments	604	1,087
	604	1,087

11 Movements in funds

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	At 31 December 2023 £
Restricted funds				
FELIDA	5,508	—	(5,508)	—
Ukraine	23	—	(23)	—
Ukraine from CAT GALLERY	8,069	—	(8,069)	—
Ukraine from RSPCA branches	9,497	—	(9,497)	—
Stray Animal Care, Europe, USAVA partnership work	—	10,000	(10,000)	—
Lions Rock Sanctuary, SA	10,000	—	(10,000)	—
Stray Animal Care, Europe	—	4,846	(4,846)	—
Support for Bears	—	10,000	(10,000)	—
Vietnamese Dog House	—	10,000	(10,000)	—
Cats Protection Grant - Project Kishka, Ukraine	—	100,743	(100,743)	—
Sanctuaries - Patrons	—	27,054	—	27,054
	33,097	162,643	(168,686)	27,054
Unrestricted funds				
General funds	1,838,790	4,254,780	(4,188,827)	1,904,743
	1,838,790	4,254,780	(4,188,827)	1,904,743
Total funds	1,871,887	4,417,423	(4,357,513)	1,931,797

11 Movements in funds (continued)

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	At 31 December 2022 £
<i>Restricted funds</i>				
<i>Argentina Tiger rescue</i>	—	5,000	(5,000)	—
<i>Vietnam Bile Bears rescue</i>	—	41,895	(41,895)	—
<i>Romania Adoption campaign</i>	—	10,000	(10,000)	—
<i>New pool for bear Mark at BS Arbesbach</i>	—	15,000	(15,000)	—
<i>FELIDA</i>	5,508	—	—	5,508
<i>Ukraine</i>	—	94,094	(94,071)	23
<i>Ukraine Stray cats</i>	—	10,000	(10,000)	—
<i>Ukraine from CAT GALLERY</i>	—	8,069	—	8,069
<i>Ukraine from RSPCA branches</i>	—	9,497	—	9,497
<i>UKR/ROM SAC projects £5k each</i>	—	10,000	(10,000)	—
<i>Ukraine Stray Animal Care work and UPAW</i>	—	25,000	(25,000)	—
<i>Lions Rock Sanctuary, SA</i>	—	10,000	—	10,000
<i>Stray Animal Care, Europe</i>	—	5,000	(5,000)	—
	<u>5,508</u>	<u>243,555</u>	<u>(215,966)</u>	<u>33,097</u>
<i>Unrestricted funds</i>				
<i>General funds</i>	<u>1,380,510</u>	<u>4,136,883</u>	<u>(3,678,603)</u>	<u>1,838,790</u>
	<u>1,380,510</u>	<u>4,136,883</u>	<u>(3,678,603)</u>	<u>1,838,790</u>
<i>Total funds</i>	<u>1,386,018</u>	<u>4,380,438</u>	<u>(3,894,569)</u>	<u>1,871,887</u>

FELIDA (2022)

FOUR PAWS International offers a species-appropriate and animal-friendly home, a safe-haven, to rescued wild animals that were abused, neglected, or discarded and were forced to live under poor conditions in private captivity, circuses, and zoos. FELIDA is FOUR PAWS specialist care and rehabilitation centre for rescued big cats. Donation were given to assist in the treatment of rescued lions from private keeping in Romania. Two of them, Simba and Elza will continue to stay at FELIDA because they need special care and intensive supervision and can enjoy their long-term home.

Ukraine, Ukraine SAC work and UPAW (2022)

In 2022 the Russian war on Ukraine started with millions of people forced to flee their homes, many taking with them only what they could carry. Pets were often left behind with a heavy heart. FOUR PAWS has been active in the country since 2012 with a stray animal care programme and support for shelters, working with other local partners. As the number of stray animals on the embattled streets of Ukraine rose, we were there to help. Initially helping with food and shelter for refugees and their pets at key border points, we soon followed by delivering much needed food and care to abandoned pets and injured strays. Additionally, vital food supplies were also delivered to Kiev Zoo and other animal sanctuaries, and bears were rescued by our Bear Sanctuary Domazhyr in Lviv.

11 Movements in funds (continued)

Ukraine, Ukraine SAC work and UPAW (2022) (continued)

Food for animals became increasingly scarce so, together with Animal ID and Dogs Trust Worldwide, we established UPAW (Ukrainian Pet Association Worldwide) providing a much-needed platform for all those caring for animals to request food and veterinary supplies. Since the beginning of the war UPAW has delivered over 300 tons of food to over 12,000 dogs and 9,000 cats in need all over Ukraine.

Ukraine, help for animals (2022)

In 2022 the Russian war on Ukraine started with millions of people fleeing their homes. Many taking with them, only what they could carry. Often pets were left behind with a heavy heart. FOUR PAWS has been active in the country since 2012 with a stray animal care programme and support for shelters, working with other local partners. As the number of stray animals in the embattled streets of Ukraine rose we were there to help. Initially helping with food and shelter for refugees and their pets at key border points, soon followed by delivering much needed food and care to abandoned pets and injured strays. Also vital food supplies to Kiev zoo and other animal sanctuaries. Even rescuing bears through our Bear Sanctuary Domazhyr in Lviv.

Lions Rock Sanctuary, SA (2022)

Our big cat sanctuary LIONSROCK was founded in 2008. Today, many of our rescued lions are more than 15 years old, and with age come joint issues, weakness, and fatigue so the animals' needs adapted conditions. Instead of huge enclosures, rocks to climb on, and steep slopes, the aging inhabitants need a flat, clearly structured environment. Platforms that many animals use to enjoy a sunbath now need flat ramps to be accessible. There are also many feeding costs associated with the 200 Big cats that we care for there. The generous gift received from one of our individual supporters goes towards these care costs.

USAVA collaboration Ukrainian Small Animal Veterinary Association (2023)

Although many Ukrainians fled the country since the Russian invasion, plenty of people also stayed behind. Either because they have no other choice, or because they do not want to leave their country, their home. Veterinarians stayed behind to continue their much-needed work for animals in need. They continue their work in wartime, under difficult conditions, when there may be no water, no electricity, and when there are more animals in need than ever before. This is a huge challenge – the Ukrainian Small Animal Veterinary Association (USAVA) is an umbrella organization, uniting many small animal veterinary practices in Ukraine. At the end of 2022 and 2023, with funding from FOUR PAWS and a grant from Animal Friends Insurance USAVA contracted 3 private veterinary clinics in 3 cities most affected by the current war.

11 Movements in funds (continued)

Stray Animal Care, Europe (2023)

FOUR PAWS veterinary and care teams, deliver Stray Animal Care programs in Romania, Bulgaria, and Ukraine. In close collaboration with our Community Engagement unit, they humanely reduce the number of animals on the streets through spaying, neutering, and release programmes and improve their quality of life. Our corporate donor Kong company dog toys, encourage play, satisfying dogs' instinctual needs and strengthening the bond between dog and pet parent.

Support for Bears (2023)

FOUR PAWS focuses on the welfare of brown bears in Europe and Asian black bears in Vietnam. We also rescue bears from crisis regions and disaster areas. We have a number of species-appropriate Bear sanctuaries based in Europe and Southeast Asia, and for the bears we rescue and place into those sanctuaries we will care for them for the remainder of their life.

We have also worked in collaboration with local authorities to treat bears in their care, neuter to prevent breeding and provide advice on how to improve wellbeing.

Construction of new doghouse at Paws for Compassion / Paws International Clinic, Vietnam (2023)

Paws for Compassion (PFC) is one of two organisations FOUR PAWS partners within Vietnam. PFC was founded in Đà Nẵng, Vietnam by two animal enthusiasts and educators, who saw the need for animal education in the region. The organization seeks to inform and educate individuals about animal cruelty taking place within their communities. The program is aimed at young people, with the intent of informing them about humane Paws for Compassion serves the community by providing a safe haven, medical treatment, and rehabilitation to help stray dogs and cats before finding them loving forever homes. The organization also works with the veterinary industry to improve companion animal care.

FOUR PAWS runs the Cats Matter Too program in partnership with Paws for Compassion, aimed at improving the situation for cats living in Central Vietnam. Under the programme, activities include education workshops, foster training, rescue activities, and spay/neuter, vaccination & medical treatment services. The programme does not cover the rescue and care of dogs and therefore additional funding was sought to help PFC with the construction of a new dog house, where dogs can be cared for until they are adopted.

An available plot of land for construction provided the opportunity for PFC to design the new dog house to exactly meet requirements, ensuring it is a safe, secure environment for the dogs. The plan allowed PFC to fence and smooth out the ground from the entrance of the house, so the doors would be opened and allowing the dogs to head straight out. Many of the resident dogs enjoy being outdoors but in the case of handicapped or other dogs with mobility issues, there was a need for someone to always be there to prevent them dragging themselves and potentially causing injury due to the uneven surface. This space provides for a larger disabled dog area, giving them more opportunity to be outside without having to be in their wheelchairs. With the generous donation, it means they can relax and get fresh air.

11 Movements in funds (continued)

Cats Protection Grant - Project Kishka, Ukraine (2023)

FOUR PAWS has been helping 'homeless pets' in Ukraine for over a decade, with the first stray animal care activities being carried out by our local veterinary team in Ukraine and mobile clinic in 2012, in response to the mass brutal culling of stray dogs (which was legally allowed at the time) in preparation for the UEFA football championship in Kyiv. Following this, we continued our work to help stray animals across the country and support municipalities with humane stray animal care projects.

In 2022 Russia invaded Ukraine and whilst our work was briefly interrupted, we were subsequently able to refocus and adapt the way we worked to ensure we could continue helping thousands of stray animals in Ukraine. This has been achieved both through strategic partnerships locally and our dedicated teams in Ukraine who have continued to work through extremely difficult circumstances. Our work has meant that throughout the war we have provided life-saving work for strays, abandoned pet dogs and cats; support for refugees and their pets; as well as provide help to animal shelters in Ukraine which are struggling to take care of their animals due to high intake numbers, low adoption rates and lack of food and medical supplies.

While we aim to deliver sustainable and humane stray animal care programmes in Ukraine our focus during the war has had to be on delivering emergency relief. We have been providing emergency aid response to protect the animals within our established programmes but have also launched new projects to help the many companion animals in need.

Since the war, we have implemented projects to sterilize, vaccinate and treat dogs and cats in various ways. One of these projects is the unique Project Kishka, (Kishka means 'female cat' in Ukrainian). Launched in October 2022 this project is fully dedicated to helping the stray cats of Ukraine.

Before the war, many Communal Enterprises (municipal entities responsible for stray dog management) throughout Ukraine carried out mass-sterilisation projects for stray dogs. Since the war began, NGO's have taken on these programmes and without a focus on stray cats, numbers have increased. With these increasing cat populations, it is important to not only manage and stabilise numbers but also to help cats impacted by war. With a clear gap in programmatic work with a cat focus, Project Kishka was created to address this.

FOUR PAWS works in cooperation with existing projects of the Communal Enterprises, using their premises and infrastructure. Local veterinarians are recruited, trained and supervised by FOUR PAWS experienced veterinarian, overseeing the quality and coordination of the project. Project Kishka is carried out in different locations in Ukraine simultaneously and costs for the project, such as training, salaries, medication and equipment, are covered by FOUR PAWS and a generous grant received from Cats Protection.

11 Movements in funds (continued)

Sanctuaries – Patrons (2023)

FOUR PAWS sanctuaries offer a safe haven for rescued animals, providing more than 150 bears and over 130 big cats a life-long home in a near-natural habitat. Patrons support enables FOUR PAWS to provide sanctuary and safety to animals and ensures that all our animals have the care and supplies they need, from urgent emergency care to everyday needs such as food, ponds and enrichment.

FOUR PAWS are constantly working to improve the quality of life for animals in our care. By enhancing current enclosures, expanding access to natural habitats and the sanctuaries' overall capacity. Through the generosity of our Patrons their gifts are being distributed amongst our sanctuaries where the need is greatest.

12 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2023 £
Tangible assets	—	15,031	15,031
Current assets	27,054	2,064,470	2,091,524
Current liabilities	—	(174,154)	(174,154)
Liabilities due in more than one year	—	(604)	(604)
	<u>27,054</u>	<u>1,904,743</u>	<u>1,931,797</u>

	Restricted £	Unrestricted £	Total 2022 £
Tangible assets	—	21,070	21,070
Current assets	33,097	1,928,787	1,961,884
Current liabilities	—	(109,980)	(109,980)
Liabilities due in more than one year	—	(1,087)	(1,087)
	<u>33,097</u>	<u>1,838,790</u>	<u>1,871,887</u>

13 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2023 (2022 – none) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Three of the UK Trustees are also in key management positions at VIER PFOTEN International: Josef Pfabigan (Chief Executive Officer), Luciana D'Abramo (Chief Development Officer) (appointed to FOUR PAWS on 30 March 2021) and Gerald Dick (Chief Marketing Officer).

13 Transactions with Trustees and related party transactions (continued)

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year payments totalling £619,405 (2022: £468,511) were made to VIER PFOTEN International and grants of £27,408 were received (2022: £nil). At the year end, £31,743 was owed to VIER PFOTEN (2022: £nil).

There were no other related party transactions in the year to 31 December 2023.

FOUR PAWS

England & Wales - Charity number 1118102

Accounts

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2022

Company Registration Number
5848230 (England and Wales)

Charity Registration Number
1118102

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Gerald Dick Luciana D'Abramo
Principal Staff	Sonul Badiani-Hammet Director UK
Company Secretary	Sonul Badiani-Hammet
Address	1st Floor, Can Mezzanine 7-14 Great Dover Street London SE1 4YR
Company registration number	5848230
Charity registration number	1118102
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2022, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 31 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006 and registered as a charity on 26 February 2007. The company was established under a Memorandum 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.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. The list of below details the names of Trustees who were in place during the year.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed / resigned
Josef Pfabigan	Appointed on 5 May 2008
Gerald Dick	Appointed on 25 March 2020
Luciana D'Abramo	Appointed on 30 March 2021
Nicole Schreyer	Resigned on 30 September 2022

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Structure and management

The Trustees met as a group four times during the year to 31 December 2022. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the Director UK. For the year ended 31 December 2022 this consisted of an average of 26 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their quarterly meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed based on their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Principal risks and uncertainties

The Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

- 1. Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

- 2. Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years, in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

- 3. Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values and protect our reputation.

- 4. Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

- 5. Data Protection** – we pay close attention to data protection risks across all our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals,
- ◆ animal sanctuaries,
- ◆ the provision of veterinary care and treatment,
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated or lost; and
- ◆ feral animal control, e.g. neutering.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit (continued)

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2022 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to achieve significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

Companion Animals have a good quality of life in accordance with their own species/breed specific needs and receive lifetime care and guardianship.

Farm Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

The salary of the highest paid employee was no more than two times the median salary of the charity.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion and information sharing are actively encouraged across the FOUR PAWS international network and through use of MS Teams, which enables us to proactively collaborate.

OBJECTIVES AND ACTIVITIES (continued)

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK)
- ◆ Head of Finance and Operations
- ◆ Head of Programmes
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Director pay is set and approved by the Board of Trustees.

Volunteers

We did not attend face-to-face fundraising events during 2022, as a result, no volunteers were engaged during the year.

Equality and Diversity

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally and virtual communication technology to minimise travel. We meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. We are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2022 we were notified of one complaint to the Advertising Standards Authority (ASA) in February 2022. This complaint was not upheld.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programs and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal conservation organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

Review of Business:

ACHIEVEMENTS AND PERFORMANCE IN 2022

Companion Animals

FOUR PAWS companion animal programme seeks to address the suffering of companion animals. This programme is targeted towards three goals for each welfare issue experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals,
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as prerequisite for acquiring a pet; and
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

Background

Classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, underage and potentially mistreated animals to unwitting buyers. For several years, FOUR PAWS has investigated cases of the illegal puppy trade and called on classified ad sites to address anonymous trading, encouraging the introduction of mandatory seller identification (the model solution).

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Companion Animals (continued)

Background (continued)

Puppy purchasing boomed during the pandemic and with the cost-of-living crisis more animals than ever are finding their way into rescues and shelters through abandonment. FOUR PAWS has a huge range of advice on our website for companion animal care.

The trade in dogs and cats for their meat (DCMT) is responsible for inflicting horrific cruelty on an estimated 30 million animals in Southeast Asia each year, and it is growing. FOUR PAWS UK believes that it can help end this barbaric trade by mobilising supporters, through education and through effecting political and corporate change. By educating the public about this major animal welfare concern, FOUR PAWS UK hopes to raise awareness and funds to support the campaign, as well as influence embassies and the tourism industry to support the call for an end to the trade.

Impact and outcomes

In the past year FOUR PAWS UK has collected hundreds of reports of sick and dead puppies from the public, has had these reports assessed by legal experts and passed on relevant reports to the appropriate authorities for potential action.

This year the Government carried over the Animal Welfare (Kept Animals) Bill that addresses a key issue that we have worked on for five years – ending puppy smuggling. We also launched the Cute. Quick. Sick. Campaign (CQS) to raise awareness of the risks associated with buying a puppy online, providing much needed advice to those looking to add a dog to their home.

For the DCMT campaign, we successfully engaged with British embassies in target countries, and they have helped to raise awareness of the issue and also directly communicated with key Government contacts in Southeast Asia, and attended FOUR PAWS policy events, to influence legislative change.

Key Activities (Incl. cooperations) 2022

FOUR PAWS UK has received 1,011 reports so far this year from the online puppy trade reporting tool, plus an additional 22 via email. So far, 95 of these have been assessed by legal experts, with 33 reports escalated to the relevant authorities for possible prosecution. We have had confirmation that 9 are being investigated, however most authorities will not share the outcome of these investigations.

We helped secure thousands of signatures for the Government e-petition calling for legislative time to be made for the Kept Animals Bill, which addresses puppy smuggling.

FOUR PAWS UK responded to a consultation on new legislative proposals around microchipping, and in the Autumn launched two successive actions targeting our then new Prime Ministers, reminding them that #AnimalsMatter and urging them to implement legislative changes outlined in their 2021 Action Plan for Animal Welfare.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Companion Animals (continued)

Key Activities (Incl. cooperations) 2022 (continued)

Since launching the CQS campaign on our channels, and running a nationwide billboard advertising campaign, we have secured over 585 sign ups to access our free puppy guide, taking 165 supporters on a new comprehensive digital journey to learn more about the risks of the trade, and our other work in companion animals, culminating in a fundraising proposition.

FOUR PAWS UK has continued to raise awareness of the issue of the DCMT with both supporters and the media. In November, we supported FOUR PAWS International's tourism campaign by asking supporters to write to the Vietnamese tourism board and say #ThisIsNotVietnam. This was followed by a demonstration outside Tower Bridge - both of which were used at a DCMT event in Vietnam in December to lobby decision makers to end the trade once and for all. We also secured over 4,000 more signatures for the petition.

Outlook 2023

FOUR PAWS UK will continue to collect reports from the public and work with legal consultants, Advocates for Animals, to escalate reports to relevant authorities and seek potential prosecution of unscrupulous breeders. We will also continue to spread awareness of responsible pet ownership and puppy buying via the CQS campaign.

We are extremely concerned that the Kept Animals Bill has still not been seen in Parliament since it stalled in November 2021. We will continue to communicate about this with the public, and push MPs and the Government to prioritise legislative time for this Bill.

We will continue to support the global DCMT campaign by engaging with the UK tourism industry to raise awareness of the trade, and particularly its link to zoonotic diseases and pandemics, and with the public to raise awareness and funds to support the campaign.

Farmed Animals and Nutrition

Background

FOUR PAWS has continued working on addressing animal welfare in farmed animal welfare policy, public procurement and national food policy, as well as in international trade policy. Our research has shown both a lack of legal requirements for animal welfare in public procurement processes and core animal welfare standards in trade policy.

In England, the Government Buying Standards must be applied by the central Government procurers directly or through their catering contractors. However, local authorities and schools are only encouraged to apply these standards, so there is no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes and ultimately sourcing low welfare food for public institutions. It is also unclear how authorities are considering food in climate action plans, and how or whether they are promoting meat reduction as a solution to climate change.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Farmed Animals and Nutrition (continued)

Background (continued)

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare in farming systems. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to make stronger policies for animals, for example by exemplifying the benefits of improving animal welfare to reduce the environmental damage caused by industrial agriculture, advocating for an end to the caged keeping of farmed animals and a ban on live animal transport and pushing for labelling of animal food products.

Brexit has increased the danger to existing animal welfare legislation, with a new subsidy scheme potentially being diluted in favour of deregulation and the Genetic Technology (Precision Breeding) Bill being rushed through Parliament - something previously banned when we were part of the EU. Furthermore, the Government have now tabled the Retained EU Law (Revocation and Reform) Bill which sets out a filtering process under a very tightly timed sunset clause, to ascertain if retained EU regulation should be carried over, reformed or dropped. This is extremely concerning given that approximately 80% of our animal welfare laws are derived from EU law, including hard won legislation such as the ban on battery hens and the use of growth promoters on farmed animals.

The Government have also made no progress, nor published the promised consultations, on the caged keeping of farmed animals as outlined in the Government's 2021 Action Plan for Animals.

FOUR PAWS was founded on the campaign to end the farming and sale of animals for fur. Since then, it has become experts on the issue of animal welfare in the textile industry and created change for millions of animals. With the introduction of the Wool with a Butt and Wear it Kind campaigns, FOUR PAWS UK has tried to bring the combined experience and different textile issues under the umbrella of Wear it Kind (WIK), with four key focus areas; down feathers, fine wools (including mulesed wool), exotic leather and fur.

Impact and Outcomes

FOUR PAWS UK has continued to engage on national farming policy including pushing for a ban on cages for farmed animals and a ban on live exports, advocating for core animal welfare standards in UK trade policy, and feeding into consultations on live transport, trade, gene editing, food and animal welfare labelling and various food and climate strategies across the devolved assemblies. FOUR PAWS UK worked intensively with the Government, MPs and Lords on securing the safe passage of the Animal Welfare (Sentience) Act and continue to push now for its successful implementation and the passage of the Animal Welfare (Kept Animals) Bill, that includes a ban on live exports.

As a member of the Eating Better coalition, which is calling for 50% meat reduction by 2030 in the UK, as well as "better" meat consumption and high welfare products being consumed, FOUR PAWS UK has joined a public procurement task force and engaged with local authorities and the Government on the Make Food Kinder campaign, attempting to influence the national food strategy and Government Buying Standards for food and catering services. In addition, we have begun to engage with local authority planning applications for factory farms to ensure no new intensive farms are permitted nationwide.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Farmed Animals and Nutrition (continued)

Impact and Outcomes (continued)

FOUR PAWS UK has been engaging with the UK Government on the UN pandemic treaty report and has been communicating with supporters to raise awareness of the issue of pandemics with supporters.

Under WIK, FOUR PAWS UK engaged with 20 fashion brands, receiving a number of verbal commitments that they will review their animal policies and seek to adopt our recommendations.

Key Activities (incl. cooperations) 2022

Early in 2022, we helped to secure over 100,000 signatures for a Government e-petition calling for an end to the cage age in the UK which then secured a Parliamentary debate. We have launched several actions on this issue with 3,656 emails sent to MPs asking them to support the legislation and attend a debate on the issue. We also sent open letters, co-signed by several NGOs, to the Government raising our concerns on the Gene Editing Bill and submitted proposed amendments to the Bill, via supportive MPs, that should better protect animal welfare.

One of the main focuses of the first half of 2022 was helping secure the safe passage of the Animal Welfare (Sentience) Act, which achieved Royal Assent in April, following over 6,654 emails sent to MPs by supporters on this important issue for animal welfare.

As part of the Eating Better food procurement task force and the Trade and Animal Coalition (TAWC), FOUR PAWS UK has fed into several consultations and calls for evidence from the Government:

- ◆ 5 on trade deals, including New Zealand and Australia specifically
- ◆ 2 devolved assembly agriculture bills
- ◆ 2 climate consultations on methane emissions and net zero respectively
- ◆ 1 on UK biosecurity strategy
- ◆ 1 on food and catering policy.

We also hosted a parliamentary reception with the RSPCA and TAWC to urge the Government to incorporate core animal welfare standards in UK trade policy ahead of the ratification of the UK-Australia Free Trade Agreement.

In the Autumn, we launched two successive actions targeting our then new Prime Ministers, reminding them that #AnimalsMatter and urging them not to allow animal welfare to fall off the agenda during these tumultuous times. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Farmed Animals and Nutrition (continued)

Key Activities (incl. cooperations) 2022 (continued)

This year we responded to a total of four intensive rabbit farming applications, all of which were successfully rejected by the authority and will no longer go ahead.

To support the global textiles campaign, we supported the launch of the new wool report and NIKE e-action, where 6,013 supporters demanded that NIKE go mulesing-free. In November, we launched the down report and investigation across our channels, which helped secure 22,278 new WIK pledges. In preparation for the 2023 fashion report, FOUR PAWS UK has engaged with several fashion brands including M&S, John Lewis, Next, ASOS, Monsoon, River Island, New Look, Primark, Thought and People Tree who have all committed to improving their animal welfare standards in some way.

Outlook 2023

FOUR PAWS UK will continue to raise awareness with the public and engage with the Government and political stakeholders on farmed animal welfare policy in 2023.

FOUR PAWS UK will continue to push for a consultation on the caged keeping of farmed animals, call for core animal welfare standards in UK trade policy, ensure the safe passage of the Kept Animals Bill through Parliament, and support amendments in the Gene Editing Bill that protects animals and try and stop, delay or mitigate against the Retained EU Law (Revocation and Reform) Bill. We will also continue to work with partners on the Scottish Food Coalition to support the successful implementation of the Good Food Nation (Scotland) Act 2002, TAWC and Eating Better, to secure better animal welfare and meat reduction goals in national and devolved food, agriculture and trade policy. We will also attend party conferences and attempt to gain commitments for animal welfare policies in political party manifestos ahead of the next general election.

FOUR PAWS UK will continue to communicate about the Pandemic Treaty across our channels and work with the Government as negotiations on the pandemic instrument begin and support the launch of a new global climate industry action campaign later in the year. We will also host an event at the World Health Organisation with the UK Government on the issue of antimicrobial resistance. We will also begin to mobilise the public to respond to planning applications for new factory farms to help prevent a rise in intensive farming nationwide.

FOUR PAWS UK will continue to engage with brands to improve their animal welfare policies and we will also support the launch of the sustainability “level up” report.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Wild Animals

Background

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare of wild animals in captivity and those impacted by human activity. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to challenge and improve policies for animals including by advocating to ban the keeping of primates as pets, for improved zoo animal welfare, to ban the import of hunting trophies and the import and sale of fur, and to readdress our relationship with animals and end high risk practices in the wildlife trade as part of pandemic prevention.

Historically the UK office has supported the work of the sanctuary department to end bear farming for bile in Hanoi and supported to work of FOUR PAWS International's big cat trade campaign, as well as promoting animal-friendly travel via our own #TravelKind campaign.

Impact and Outcomes

This year, the Government continued to commit to the Animal Welfare (Kept Animals) Bill by carrying over the legislation into the new Parliamentary session to keep it live. The Bill will address a key issue that we have worked on for over five years – the banning of keeping primates as pets.

Henry Smith MP also introduced the Hunting Trophies (Import Prohibition) Bill as a Private Members Bill which will ban the import of hunting trophies into the UK from species listed in existing Wildlife Trade Regulations, except if excluded by the Government, and from any other species to be set out in regulations. We have been raising awareness of the importance of this Bill and supporting it through Parliament.

The Government have also supported draft wording for the UN Pandemic Treaty that addresses animal health and wellbeing, within the One Health framework. However, the Government has failed to publish the results from the 2021 Call for Evidence on the UK fur trade conducted over 18 months ago.

Key Activities (incl. cooperations) 2022

FOUR PAWS UK responded to several calls for evidence and consultations on new legislative proposals around zoo animal welfare, the Animal Welfare (Licensing of Activities Involving Animals) Regulations 2018, as well as various devolved biodiversity, ecology and climate strategies.

In April, in advance of the May 2022 Queen's Speech, we held a demonstration outside Parliament with coalition partners telling the Government, #DontBetrayAnimals. Our supporters took action with us with 5,577 emails sent to MPs calling for legislation to ban the import of hunting trophies, fur and foie gras to be included in the Queen's Speech.

We helped to secure thousands of signatures for the Government e-petition calling for legislative time to be made for the Kept Animals Bill and as a result the petition was debated in Parliament. To raise further awareness of the need to prioritise the Bill, we created a Christmas video message directed at the Prime Minister, supported by over 30 NGOs.

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Wild Animals (continued)

Key Activities (incl. cooperations) 2022 (continued)

In the Autumn, we launched two successive actions, with 8,499 emails sent, targeting our then new Prime Ministers, reminding them that #AnimalsMatter, urging them not to allow animal welfare to fall off the agenda during these tumultuous times. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

Throughout the year we launched a number of trophy hunting and fur supporter e-actions, with over 8,647 emails sent to MPs. To raise further awareness of the need to ban hunting trophies, we spoke to members of the public and produced vox pops to demonstrate the strength of public interest in this topic to political stakeholders.

In addition, the fashion industry took steps to go fur free with Frasers Group, owners of many leading British brands who we have targeted for several years, reinstating their fur ban via the Fur Free Britain coalition, and New Look joining the Fur Free Retailer Program following engagement with us.

On social media, messaging around #TravelKind continues to be shared and an oath encouraging animal-friendly travel has garnered over 6,436 pledges to date.

We also supported several activities promoting our presence at CITES CoP 19 and the launch of our Year of the Tiger report raising awareness of the #RuthlessTrade. The big cat trade and bear bile petitions have been running throughout the year and engaged 8,613 and 5,633 supporters respectively, to take action.

Outlook 2023

We are extremely concerned that the Kept Animals Bill has still not been seen in Parliament since it stalled in November 2021, and we will continue to communicate about this with the public and push MPs and the Government to prioritise legislative time for this Bill.

We will continue to work with MPs and the Government to ensure the continued safe passage to Royal Assent of the Hunting Trophies (Import Prohibition) Bill.

2023 marks the 20th anniversary of the Fur Farming (Prohibition) Act 2000 coming into effect. In this important year we will publish and launch a report in Parliament and continue to call on MPs and the Government to ban the import and sale of fur to end our complicity in the cruel global trade.

We will continue to raise awareness of:

- ◆ the welfare issues associated with the fur trade,
- ◆ the pandemic risk associated with the wildlife trade in order to secure animal welfare wording in the UN pandemic treaty,

ACHIEVEMENTS AND PERFORMANCE IN 2022 (continued)

Wild Animals (continued)

Outlook 2023 (continued)

- ◆ the big cat trade in South Africa and the need for CITES to better address the wildlife trade and its associated pandemic risk; and
- ◆ the farming of bears for bile in Hanoi.

Additionally, we will mobilise our supporters to take action to help secure stronger political and corporate policies for animal welfare. We will also attend party conferences and attempt to gain commitments for animal welfare policies in political party manifestos ahead of the next general election.

FINANCIAL REVIEW

FOUR PAWS UK had another successful year and continued to be supported by our generous donors. With strained global supply chains contributing to rising energy prices, and inflation reaching its highest rate for 30 years, we have witnessed an impact on the disposable income of our donors and supporters. Our total income for the year was £4.38m, a decrease of £0.29m against 2021, representing a 6% fall. However, the total expenditure for the year was £3.89m, a decrease of £0.18m against 2021.

Through our continued investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 9% to bring in £1.45m to support the diversification and future sustainability of our income streams.

Legacy income decreased by £0.630m to £1.05m due to the COVID-19 impact during the prior year.

Our Gift Aid income for the year was £0.416m, an increase of £0.256m against 2021 following an exercise performed to repair gift aid declarations that had not been included in previous submission to HMRC (including gift aid for prior years).

Income from our Major Donors also grew during the year by 94%, contributing £0.354m to our total income.

The impact of the cost-of-living crisis and the effect of delays experienced in some regional postal services contributed to the 6% fall in income from our direct mail cash appeals. This brought in £0.53m (2021 £0.57m).

Total net surplus decreased by £0.110m. This reflected the decrease in our grant payment to VIER PFOTEN International, to support the FOUR PAWS global mission to REVEAL, RESCUE, and PROTECT by funding sanctuaries, projects, and campaigns.

The year finished with a net surplus of £0.486m, compared to £0.596m in 2021.

We are showing unrestricted funds of £1.83m at 31st December 2022 (2021 £1.38m). Restricted funds balance was £33k (2021 £5k).

FINANCIAL REVIEW (continued)

Investment powers and policy

As required in its Memorandum, FOUR PAWS UK has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS UK may hold the following categories of financial reserves:

- ◆ unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- ◆ restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2022 and has been maintained at 6 month's operating costs.

The unrestricted reserves at 31st December 2022 stood at £1.83m (2021 £1.38m) an increase of £0.45m against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £1.82m. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to further support FOUR PAWS UK campaign and project activities during 2022.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

FINANCIAL REVIEW (continued)

Assessment of going concern (continued)

As set out in the accounting policies under “going concern” and in the plans for future periods section below, the Trustees have considered the wider financial uncertainties and taken together with understanding further current global economic insecurities. Due to the escalating geo-political and energy crises and how these may impact donors’ propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature

REVEAL-RESCUE-PROTECT:

REVEALING means:

- ◆ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.
- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.

PLANS FOR FUTURE PERIODS (continued)

- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

By order of the Trustees:



Chair of Trustees, Josef Pfabigan

16 May 2023

Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies, and the notes to the financial statements. 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 income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent 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 trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, 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.

Responsibilities of trustees (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice and data regulations (GPDR).
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 14 June 2023

Statement of financial activities (including income and expenditure account) Year to 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income and expenditure							
Income from:							
Donations and legacies	1	4,136,258	243,555	4,379,813	4,564,780	106,008	4,670,788
Other trading activities		625	—	625	—	—	—
Total income		4,136,883	243,555	4,380,438	4,564,780	106,008	4,670,788
Expenditure on:							
Raising funds		1,291,022	—	1,291,022	1,082,777	—	1,082,777
Charitable activities							
. Advocacy for animal welfare and raising awareness		1,386,915	—	1,386,915	2,316,099	—	2,316,099
. Wild animal programs and campaigns		197,358	144,071	341,429	94,719	50,000	144,719
. Companion animals programs and campaigns		706,124	71,895	778,019	444,279	50,500	494,779
. Farm animals programs and campaigns		97,184	—	97,184	36,023	—	36,023
Total expenditure	2	3,678,603	215,966	3,894,569	3,973,897	100,500	4,074,397
Net income (expenditure) and net movement in funds	3	458,280	27,589	485,869	590,883	5,508	596,391
Reconciliation of funds:							
Total funds brought forward		1,380,510	5,508	1,386,018	789,627	—	789,627
Total funds carried forward	11,12	1,838,790	33,097	1,871,887	1,380,510	5,508	1,386,018

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	6		—		—
Tangible assets	7		21,070		16,221
			21,070		16,221
Current assets					
Debtors	8	366,958		404,082	
Cash at bank and in hand		1,594,926		1,045,227	
		1,961,884		1,449,309	
Creditors: amounts falling due within one year	9	(109,980)		(77,942)	
Net current assets			1,851,904		1,371,367
Creditors: amounts falling due after more than one year	10		(1,087)		(1,570)
Net assets			1,871,887		1,386,018
The funds of the charity					
Unrestricted funds	11	1,838,790		1,380,510	
			1,838,790		1,380,510
Restricted funds	11		33,097		5,508
			1,871,887		1,386,018

The notes on pages 32 to 41 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Josef Plabigan
16/05/23

Chair of Trustees

Company registration number 5848230 (England and Wales).

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
Cash inflow from operating activities	A	563,816	421,443
Cash outflow from investing activities	B	(14,117)	(12,105)
Increase in cash and cash equivalents	C	549,699	409,338

Notes to the statement of cash flows for the year to 31 December 2022

A. Reconciliation of net income to net cash inflow from operating activities

	2022 £	2021 £
Net income	485,869	596,391
Depreciation charge	8,816	9,099
Loss on disposal of fixed assets	452	570
Decrease (increase) in debtors	37,124	(161,252)
Increase (decrease) in creditors	31,555	(23,365)
Net cash inflow from operating activities	563,816	421,443

B. Cash flows from investing activities

	2022 £	2021 £
Investing activities		
Payments to acquire tangible fixed assets	(14,117)	(12,105)
Cash outflow from investing activities	(14,117)	(12,105)

C. Analysis of changes in cash (net debt)

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,045,227	549,699	1,594,926

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

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made in respect to:

- ◆ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities; and
- ◆ estimating the future income and expenditure flows to enable the Trustees to assess the charity's financial position.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Trustees acknowledge and recognise the potential impact of the current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. During 2022, we continued to strengthen our financial position and implement our strategy to diversify our income products. We saw positive returns from our digital investment, including an email marketing platform to grow our email distribution and integrate fundraising and campaigns to enhance supporter engagement, minimise attrition and maximise return. We saw significant income from legacy donations during the year and have increased our unrestricted reserves in alignment with our Reserves Policy.

Going concern (continued)

In 2023, we will further look to develop our fundraising products to resonate with audiences, including mid-level donor and regular giving recruitment and explore audience diversification based on thematic testing to enhance audience reach and engagement. We have reviewed our forecasts for 2023 and 2024 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

The Trustees have considered the wider financial uncertainties as the UK economy slows and also taken together with understanding further current global economic insecurities due to the geo-political and energy crises, and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to the receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- ◆ Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- ◆ Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature is allocated to charitable activities if it fulfils the following educational criteria:

Expenditure and the basis of apportioning costs (continued)

- ◇ It is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
- ◇ It is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and
- ◇ Be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of direct allocated costs.

All expenditure is inclusive of irrecoverable VAT.

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

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds comprise monies raised, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset category:	Annual rate:
Office equipment	5-year straight line
Computer equipment	3-year straight line
Fixtures and fittings	5-year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Voluntary income						
Donations	2,667,305	243,555	2,910,860	2,628,685	106,008	2,734,693
Gift aid	415,797	—	415,797	159,568	—	159,568
Legacies	1,053,156	—	1,053,156	1,682,662	—	1,682,662
Grants	—	—	—	93,865	—	93,865
2022 Total funds	4,136,258	243,555	4,379,813	4,564,780	106,008	4,670,788

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2022 £
Charitable activities				
Advocacy for animal welfare and raising awareness	809,956	250,000	326,959	1,386,915
Wild animals programs and campaigns	167,729	144,071	29,629	341,429
Companion animals programs and campaigns	570,067	71,895	136,057	778,019
Farm animals programs and campaigns	69,236	—	27,949	97,185
	1,616,988	465,966	520,594	2,603,548
Raising funds				
Staff costs	351,986	—	—	351,986
Investment in donor acquisition	391,221	—	—	391,221
Other	431,876	—	115,938	547,814
	1,175,083	—	115,938	1,291,021
Total expenditure	2,792,071	465,966	636,532	3,894,569

	Direct costs £	Grants £	Support costs £	Total costs 2021 £
Charitable activities				
Advocacy for animal welfare and raising awareness	1,044,073	1,118,000	154,026	2,316,099
Wild animals programs and campaigns	85,953	50,000	8,766	144,719
Companion animals programs and campaigns	403,094	50,500	41,185	494,779
Farm animals programs and campaigns	31,989	—	4,034	36,023
	1,565,109	1,218,500	208,011	2,991,620
Raising funds				
Staff costs	237,685	—	—	237,685
Investment in donor acquisition	281,913	—	—	281,913
Other	451,797	—	111,382	563,179
	971,395	—	111,382	1,082,777
Total expenditure	2,536,504	1,218,500	319,393	4,074,397

2 Expenditure (continued)**Analysis of support costs**

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2022 £
Staff costs	51,549	35,532	7,358	25,008	3,037	122,484
Premises costs	28,616	1,666	100	559	142	31,083
Governance	4,642	3,200	663	2,252	274	11,031
Other costs	31,132	286,561	21,508	108,238	24,495	471,934
	115,939	326,959	29,629	136,057	27,948	636,532

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2021 £
Staff costs	—	—	—	20,928	—	20,928
Premises costs	21,209	1,252	14	173	38	22,686
Governance	11	12	1	5	—	29
Other costs	90,162	152,762	8,751	20,079	3,996	275,750
	111,382	154,026	8,766	41,185	4,034	319,393

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2022 £	2021 £
Depreciation	8,816	9,009
Auditors' remuneration – audit fee	11,030	11,124

4 Employee and key management remuneration**Summary**

Staff costs during the year were as follows:

	2022 £	2021 £
Salaries and wages	1,217,466	910,252
Social security costs	135,973	94,240
Other pension costs	47,274	36,711
	1,400,713	1,041,203

4 Employee and key management remuneration (continued)

The average number of employees who earned £60,000 per annum or more (including benefits but excluding pension contributions) during the year was as follows:

	2022 No.	2021 No.
--	-------------	-------------

£60,001 - £70,000	—	1
£70,001 - £80,000	2	—
£90,001 - £100,000	1	—

Staff numbers

The average number of employees during the year, calculated on an average headcount and full-time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2022	2021	2022	2021
Average number of employees				
Charitable activities, campaigns and publicity	9	9	10	9
Fundraising	9	6	9	7
Managing and administration	2	1	2	1
Leadership and governance	5	5	5	5
	25	21	26	22

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto enrolled when they are first employed.

	2022 £	2021 £
The costs of the scheme to the charity for the year	47,274	36,711
	47,274	36,711

None of the Trustees received any remuneration in respect of their services during the year (2021 - £nil). During the year, no out of pocket travelling expenses were reimbursed to Trustees (2021 – no amounts were reimbursed to trustees).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £341,552 (2021 – £279,179).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

6 Intangible fixed assets

	Donor database £	Total 2022 £
Valuation		
At 1 January 2022 and 31 December 2022	551,751	551,751
Amortisation		
At 1 January 2022 and 31 December 2022	551,751	551,751
Net book values		
At 1 January 2022 and 31 December 2022	—	—

The database was revalued internally on 31 December 2014, using the net present value of future cash flows. The historical cost of the database is £506,833.

7 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022	3,674	38,953	2,799	45,426
Additions	—	14,117	—	14,117
Disposals	—	(1,246)	—	(1,246)
At 31 December 2022	3,674	51,824	2,799	58,297
Depreciation				
At 1 January 2022	2,104	25,809	1,293	29,206
Charge for the year	483	7,950	383	8,816
Disposals	—	(795)	—	(795)
At 31 December 2022	2,587	32,964	1,676	37,227
Net book value				
At 31 December 2022	1,087	18,860	1,123	21,070
At 31 December 2021	1,570	13,145	1,506	16,221

8 Debtors and prepayments

	2022 £	2021 £
Other debtors	16,156	16,012
Prepayments and accrued income	350,802	388,070
	366,958	404,082

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	63,553	55,849
Accruals	46,427	22,093
	109,980	77,942

10 Creditors: amounts falling after more than one year

	2022 £	2021 £
Finance lease commitments	1,087	1,570
	1,087	1,570

11 Movements in funds

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	At 31 December 2022 £
Restricted funds				
FELIDA	5,508	—	—	5,508
Argentina Tiger rescue	—	5,000	(5,000)	—
Vietnam Bile Bears rescue	—	41,895	(41,895)	—
Ukraine	—	94,093	(94,071)	23
Ukraine SAC work and UPAW	—	25,000	(25,000)	—
Romania Adoption campaign	—	10,000	(10,000)	—
UKR/ROM SAC projects £5k each	—	10,000	(10,000)	—
SAC Europe	—	5,000	(5,000)	—
New pool for bear Mark at BS Arbesbach	—	15,000	(15,000)	—
Ukraine Stray cats	—	10,000	(10,000)	—
Ukraine from CAT GALLERY	—	8,069	—	8,069
Ukraine from RSPCA branches	—	9,497	—	9,497
Lions Rock Sanctuary, SA	—	10,000	—	10,000
	5,508	243,555	(215,966)	33,097
Unrestricted funds				
General funds	1,380,510	4,136,883	(3,678,603)	1,838,790
	1,380,510	4,136,883	(3,678,603)	1,838,790
Total funds	1,386,018	4,380,438	(3,894,569)	1,871,887
	At 1 January 2021 £	Incoming resources £	Outgoing resources £	At 31 December 2021 £
Restricted funds				
Ukraine bears	—	50,000	(50,000)	—
Bali shelter	—	5,000	(5,000)	—
SPERANTA	—	35,500	(35,500)	—
Dog and Cat Meat Trade	—	10,000	(10,000)	—
FELIDA	—	5,508	—	5,508
	—	106,008	(100,500)	5,508
Unrestricted funds				
General funds	789,627	4,564,780	(3,973,897)	1,380,510
	789,627	4,564,780	(3,973,897)	1,380,510
Total funds	789,627	4,670,788	(4,074,397)	1,386,018

11 Movements in funds (continued)

Ukraine bears

In May 2016, the foundation stone was laid for one of our youngest bear sanctuaries close to the Ukrainian city of Lviv (Lemberg): BEAR SANCTUARY Domazhyr. The first construction phase, covering 7.7 hectares, was completed in autumn 2017. Since then, BEAR SANCTUARY Domazhyr has been expanded to 15 ha and currently provides a species appropriated accommodation for over 20 bears. A further extension is planned and after all construction work is complete, the sanctuary will have space for up to 30 bears.

In 2021, legislation was passed in Ukraine to forbid the keeping of bears next to restaurants. We have campaigned tirelessly to pressure the authorities to comply with the law and to order the confiscation of Bear Vova, who has spent nearly two decades, imprisoned in a tiny concrete cage outside a restaurant to attract visitors. Our aim is to rescue Bear Vova and move him to species appropriate accommodation at BEAR SANCTUARY Domazhyr. During the year, we received a restricted donation to provide financial support to care for Bear Vova after his rescue.

The donation is also to fund the update of both the outdoor and indoor infirmary at the sanctuary, and provide enrichment and medicine for the bears.

Bali shelter

The suffering of stray animals in Bali, Indonesia is severe. In partnership with Bali Animal Welfare Association, our Program Dharma, helps to provide vital care to animals who need it most. Program Dharma operates within Karangasem Regency, the eastern side of Bali, which is home to the poorest communities on the island.

The program provides food and medical treatment for stray animals and those whose owners are unable to care for them properly, either because they are struggling with financial hardship or lack understanding of responsible pet ownership.

FOUR PAWS also funds community outreach work such as door-to-door education, vaccination drives and mobile sterilisation clinics, to prevent the births of countless unwanted animals. The aims of the programme are to create sustainable change, not only delivering direct animal care, but also targeting the underlying causes of animal suffering including abandonment, lack of resources and education for pet owners, while helping to tackle critical issues such as rabies, and the dog meat trade.

During the Covid-19 crisis, this work has become harder than ever. As a result of the devastating effects of Covid-19 in Indonesia, countless people on the island of Bali are experiencing unprecedented financial hardship. Tourism, so crucial to the local economy, is practically non-existent. People are being asked to stay home or have lost their jobs and what little income they had. They find themselves unable to provide for their families, let alone a basic meal for their dog or the street dogs in their community.

The knock-on effect for both stray and owned animals has been devastating. During the year, operations such as mobile sterilisation clinics and vaccination were suspended. Fortunately, our team was issued a special permit to continue the feeding program for animals that were completely reliant on this programme.

11 Movements in funds (continued)

SPERANTA

FOUR PAWS supports SPERANTA Shelter as part of our Companion Animal programme in Eastern Europe to deliver vital care and rehabilitation to dogs. SPERANTA currently provides care and accommodation to over 500 homeless dogs, that had been left to survive on the streets in Romania. New animals, including puppies and elderly dogs are dumped outside SPERANTA's doors on almost a daily basis. However, this care is expensive, especially the special needs dogs, and young puppies that need around the clock attention from specialists.

The programme also supports local efforts to implement humane stray animal management and in addition, an outreach project with local vets and communities, to provide education on responsible pet ownership and to encourage the adoption of these dogs.

Dog and Meat Trade

In February, FOUR PAWS supported the Siem Reap Provincial Department of Agriculture in Cambodia, with the first ever interception of dogs being taken to be slaughtered for the dog meat trade.

61 dogs were confiscated from a minivan and the driver was immediately arrested on the scene. The dogs, crammed tightly into six metal cages, were on their way to be slaughtered in Kampong Cham for their meat, when the vehicle was intercepted leaving Siem Reap town by the Provincial Department of Agriculture in collaboration with the Provincial Commissioner of Police. The first government-led interception in Cambodia follows the recent dog meat ban in Siem Reap passed in July 2020.

Following the interception, all dogs were immediately removed from the overcrowded cages and released into a small holding area. FOUR PAWS teamed up with local organisations 'Paw Patrol Cambodia' and 'Animal Rescue Cambodia' to provide emergency feeding and medication for the 61 rescued dogs.

FOUR PAWS also arranged for a veterinary team to vaccinate all dogs on site and subsequently moved them to a temporary shelter. FOUR PAWS has since managed the ongoing care and feeding of the dogs, ensuring their safety whilst preparing the dogs for local and international adoption as needed.

FELIDA

In November 2020, a music video on the internet featured a young lion that was clearly injured. It led to a public outcry and soon, FOUR PAWS found out that the animal belonged to a private owner in Picior de Munte, in the southern part of Romania. The young lion, called Simba, was not the only big cat living on this property: a total of nine lions were found to be living in small, unsuitable cages full of faeces and skeletons. Due to uncontrolled breeding, as well as lack of professional and veterinary care in inappropriate and unsafe keeping conditions, there was an urgent need for action.

11 Movements in funds (continued)

FELIDA (continued)

After long negotiations that started after Simba was located, as well as intensive preparations, our team managed to come to an agreement with the owner – who had a license to keep the lions in his backyard on a legal basis. The seven youngest lions, which are all siblings from different litters and the result of uncontrolled breeding, would be handed over to us. We could not yet convince the owner to also give up the two parents and a recently born cub, but an agreement was made to apply anti-conception for the older couple and end the breeding for good.

In September 2021, the loading of the lions for their rescue began. A team of six veterinarians had to put several lions under anaesthesia simultaneously in order to get them out of the saddening conditions in which they had spent their entire lives.

After a long trip through the continent from East to West, two days later the seven lions arrived at FELIDA Big Cat Sanctuary in The Netherlands, where they will live in species appropriate accommodation and receive the care that they need.

The Argentinian Train Tigers

Last year we rescued five tigers from Argentina that were being kept in an abandoned train carriage. The tigers lived in an unhygienic environment with little space to move and the health and general condition of the animals was very poor. After many weeks of tireless efforts and close cooperation with the Argentinian and South African authorities, FOUR PAWS rescued the tigers from their long confinement and transferred them to Lions Rock, our Big Cat sanctuary in South Africa, in March 2022.

Vietnam Bile Bears rescue

In February 2022 we rescued nine bears who had suffered immensely, being previously kept on bile farms in Binh Duong Province, Vietnam. Since their rescue, all bears have been under constant care from the onsite team at BEAR SANCTUARY Ninh Binh. They were health checked by the end of February and, with the support of Animal Friends Insurance, all bears have been receiving the necessary care and attention in the sanctuary since their arrival. This donation also covers the care of all nine bears in our sanctuary for one year.

Ukraine, Help for Animals

In 2022 the Russian war on Ukraine started with millions of people forced to flee their homes, many taking with them only what they could carry. Pets were often left behind with a heavy heart. FOUR PAWS has been active in the country since 2012 with a stray animal care programme and support for shelters, working with other local partners. As the number of stray animals on the embattled streets of Ukraine rose, we were there to help. Initially helping with food and shelter for refugees and their pets at key border points, we soon followed by delivering much needed food and care to abandoned pets and injured strays. Additionally, vital food supplies were also delivered to Kiev Zoo and other animal sanctuaries, and bears were rescued by our Bear Sanctuary Domazhyr in Lviv.

11 Movements in funds (continued)

Ukraine, Help for Animals (continued)

Food for animals became increasingly scarce so, together with Animal ID and Dogs Trust Worldwide, we established UPAW (Ukrainian Pet Association Worldwide) providing a much-needed platform for all those caring for animals to request food and veterinary supplies. Since the beginning of the war UPAW has delivered over 300 tons of food to over 12,000 dogs and 9,000 cats in need all over Ukraine.

Romanian Stray Animal Care

Romania has one of the largest stray animal populations in Europe, estimated to be between 200,000 and 500,000 dogs, with likely many more stray cats living in the country too. Stray dogs and cats live very hard and short lives suffering from a lack of food and shelter, untreated illness, injuries and sometimes deliberate abuse. Many more unwanted dogs end up in shelters, living out their lives in often deplorable conditions with very little hope of ever being adopted.

Working through our in-country partner Animal Society, we continue to treat and neuter stray dogs and cats. In 2022 Animal Society mobilised an awareness campaign including outdoor advertising and sports celebrity endorsement of the plight of strays in order to change attitudes to adopting shelter dogs rather than buying puppies from breeders.

Support for Bear Sanctuary Arbesbach

Our Bear Sanctuary Arbesbach in Austria was earmarked as the forever home for bear Mark. For more than 20 years Mark never felt anything but cold, hard concrete under his paws. Being kept as a tourist attraction, he spent his days locked up in a tiny cage next to a restaurant in Tirana, Albania. Exposed to the looks of visitors, not able to display any natural behaviour, he must have suffered terribly. After the owner agreed to hand bear Mark voluntarily to us, the preparations for the complex rescue started.

The rescue of the last so-called 'restaurant bear' Mark highlights a significant milestone in FOUR PAWS' work in Albania. With the rescue of Mark, the sad chapter of Albania's restaurant bears is over and the cruel practice of keeping bears next to restaurants for entertainment has ended. At the sanctuary, to prepare for his future life, a new pool was needed in his enclosure. A major donor supported this work and is now a Patron of the sanctuary.

Lions Rock, Big Cat Sanctuary

Our Big Cat Sanctuary LIONSROCK was founded in 2008. Today, many of our rescued lions are more than 15 years old, and with age comes joint issues, weakness and fatigue, so the animals' need adapted conditions. Instead of huge enclosures, rocks to climb on and steep slopes, the aging inhabitants need a flat and clearly structured environment. Platforms that many animals use to enjoy sunbathing on, now need flat ramps to be accessible. There are also many feeding costs associated with the 200 big cats that we care for there.

12 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2022 £
Tangible assets	—	21,070	21,070
Current assets	33,097	1,928,787	1,961,884
Current liabilities	—	(109,980)	(109,980)
Liabilities due in more than one year	—	(1,087)	(1,087)
	33,097	1,838,790	1,871,887

	Restricted £	Unrestricted £	Total 2021 £
Tangible assets	—	16,221	16,221
Current assets	5,508	1,443,801	1,449,309
Current liabilities	—	(77,942)	(77,942)
Liabilities due in more than one year	—	(1,570)	(1,570)
	5,508	1,380,510	1,386,018

13 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2022 (2021 – none) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Three of the UK Trustees are also in key management positions at VIER PFOTEN International: Josef Pfabigan (Chief Executive Officer), Luciana D'Abramo (Chief Development Officer) (appointed to FOUR PAWS on 30 March 2021) and Gerald Dick (Chief Marketing Officer).

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year payments totalling £468,511 (2021: £1,221,227) were made to VIER PFOTEN International and grants of £nil were received (2021: £93,865).

There were no other related party transactions in the year to 31 December 2022.

FOUR PAWS

England & Wales - Charity number 1118102

Accounts

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2021

Company Registration Number
5848230 (England and Wales)

Charity Registration Number
1118102

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Peter Davies (resigned 31 December 2021) Gerald Dick Nicole Schreyer Luciana D'Abramo (Appointed 30 March 2021)
Principal Staff	Brian da Cal (UK Director) (resigned 22 October 2021) Sonul Badiani-Hammet (UK Director) (appointed 10 November 2021)
Company Secretary	Brian da Cal (resigned 10 November 2021) Sonul Badiani-Hammet (appointed 10 November 2021)
Address	1st Floor, Can Mezzanine 7-14 Great Dover Street London SE1 4YR
Company registration number	5848230
Charity registration number	1118102
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2021, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 29 to 32 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006, and registered as a charity on 26 February 2007. The company was established under a Memorandum 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.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. At 31 December 2021, the charitable company has four Trustees as listed below.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life in an effort to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed / resigned
Josef Pfabigan	
Peter Davies	Resigned 31 December 2021
Gerald Dick	
Nicole Schreyer	
Luciana D'Abramo	Appointed 30 March 2021

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Structure and management

The Trustees met as a group three times during the year to 31 December 2021. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the Director UK. For the year ended 31 December 2021 this consisted of an average of 22 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Our key risks and uncertainties

With the exception of the challenges faced because of the continuing Covid-19 pandemic, the Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

- 1. Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Our key risks and uncertainties (continued)

2. **Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

3. **Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values, and protect our reputation.

4. **Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

5. **Data Protection** – we pay close attention to data protection risks across all of our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals;
- ◆ animal sanctuaries;
- ◆ the provision of veterinary care and treatment;
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated, or lost; and

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit (continued)

- ♦ feral animal control, e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2021 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to reach significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

Companion Animals have a good quality of life in accordance with their own species / breed specific needs and receive lifetime care and guardianship.

Farm Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

The salary of the highest paid employee was no more than two times the median salary of the charity.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion and information sharing are actively encouraged across the FOUR PAWS International network and through use of MS Teams, which enables us to proactively collaborate.

OBJECTIVES AND ACTIVITIES (continued)

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK);
- ◆ Head of Finance;
- ◆ Head of Programmes;
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Directors' pay is set and approved by the Board of Trustees.

Volunteers

Due to ongoing COVID-19 health & safety concerns, we decided to cancel our attendance at face-to-face fundraising events this year. As a result, no volunteers were engaged during 2021.

Equality and Diversity

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief, or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally, virtual communication technology to minimise travel and meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. We are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2021 we did not receive any formal complaints.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programs and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal welfare organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE IN 2021

Companion Animals

FOUR PAWS companion animal programme seeks to address the suffering of companion animals. This programme is targeted towards three goals for each welfare issue experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals,
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as prerequisite for acquiring a pet; and
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Companion Animals (continued)

Illegal Puppy Trade campaign

Background

Classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, suffering, underage and mistreated animals to unwitting buyers. For several years, FOUR PAWS has been calling on eBay Inc. and its national entities to end anonymous trading in pets on all its classified ad sites by introducing mandatory seller identification. In August 2018, Gumtree in the UK implemented a mandatory paywall for personal ads. So far eBay Inc. has failed to adopt a form of seller identity verification on its pet section anywhere else.

Impact and outcomes 2021

We increased our involvement in the Illegal Puppy Trade campaign during the year. We launched our online puppy trade reporting tool in April which enabled us to collect hundreds of public reports of sick and dead puppies. By hiring an investigative consultant and partnering with a prosecution and investigations charity, Animal Protection Services, it has been possible to use these case reports, in an attempt to seek justice for the pet owners.

We have also run numerous "puppy trade focus" weeks on our social media channels to raise awareness of the tricks of the trade and how people must think before they click when buying a puppy online.

We also contributed to the FOUR PAWS New Model Solution report which we shared with 150 MPs. This led to some positive direct discussions with interested MPs.

Lucy's Law, which bans third party sales of puppies and kittens was also successfully enacted in Wales and Scotland in 2021. This followed enactment in England's last year.

Responsible Pet Ownership

Background

Puppy purchases and adoptions increased significantly in the UK during the last two years due to the COVID-19 pandemic lockdowns, with people spending more time at home. In the subsequent period where COVID-19 restrictions have been lifted, pet owners working patterns and routines have changed, leading to pets needing to quickly adjust to being left alone or becoming unwanted.

Impact and outcomes 2021

During the year we provided a variety of advice across our social media channels to promote better pet treatment during lockdowns and to prevent issues arising as pets adjust to changing routines and working patterns of their owners. We also provided guidance on responsible pet ownership, addressing topics such as hot weather and fireworks night.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Companion Animals (continued)

Ending the Dog and Cat Meat Trade campaign

Background

The trade in dogs and cats for their meat presents horrific cruelty to an estimated 30 million animals per year globally, and it is growing. FOUR PAWS is campaigning to help end this barbaric trade in Southeast Asia (Cambodia, Indonesia, Vietnam). The UK is a nation of animal lovers, and we believe that we can mobilise thousands of supporters to help achieve our objectives and end this barbaric trade through education, political and corporate lobbying as well as fundraising. By educating the public about this major animal welfare concern, we hope to raise funds to support the campaign. We also aim to influence government and the tourism industry to support the call for an end to the dog and cat meat trade and help us lobby target countries to enforce legislation to ban the consumption of dog and cat meat in these countries. This will reduce the number of dogs and cats entering the trade, experiencing suffering and a cruel death.

Impact and outcomes 2021

We have successfully engaged with British embassies in Cambodia, Vietnam and Indonesia and they have helped to raise awareness of the dog and cat meat trade in addition to directly communicating with key government contacts in Southeast Asia to influence legislative change. In the UK, we were involved in a video interview with an MP to discuss the dog and cat meat trade with their constituents.

We have also continued to raise awareness of the issue of the dog and cat meat trade with supporters and the media. This year we used a new tactic, mailing "Empty collars" – a campaign pack consisting of a missing poster and pet collar to MPs. This action highlighted the number of stolen pets who are victims of the trade in Southeast Asia. We continued to share our Travel Kind messaging via social media and launched an oath encouraging animal-friendly travel which has achieved over 1,000 pledges to date.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Farm Animals and Nutrition

Food Procurement

Background

FOUR PAWS has continued working on addressing animal welfare in public procurement and national food policy. Our research has shown the lack of legal requirements for animal welfare in public procurement processes. In England, the Government Buying Standards are applied by central government procurers directly or through their catering contractors. However, Local Authorities and schools are only encouraged to apply these standards, so there is no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes and ultimately sourcing low welfare food for public institutions. It is also unclear how authorities are considering food in climate action plans, and how they are promoting meat reduction as a solution to climate change.

Our aim is to work with public institutions to encourage them to improve their animal welfare standards when dealing with food procurement and implement a food policy that integrates higher animal welfare standards and meat reduction aspects in order to combat the global climate emergency.

Impact and outcomes 2021

We continued our work as a member of the Eating Better coalition, which is calling for 50% meat reduction by 2030 in the UK, as well as "better" meat consumption and high welfare products being consumed. We also joined a public procurement task force and engaged with local authorities on the Make Food Kinder campaign.

We have also prepared an e-action enabling supporters to contact their MPs and call for animal welfare and meat reduction to be addressed in national food procurement. In addition, we produced various visual assets to assist local authorities make better decisions in food procurement policy by addressing climate change and budget questions that are often raised.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Farm Animals and Nutrition (continued)

Wear it Kind campaign/Fur Free Britain/Wool with a Butt

Background

FOUR PAWS was founded on the campaign to end the sale/farming of animals for fur. Since then, it has become experts on the issue of animal welfare in the textile industry and created change for millions of animals. In 2018, we successfully convinced numerous retailers to sign up to the Responsible Down Standard. We are also part of the Fur Free Britain coalition to end the sale/import of fur into the UK (where fur farming has been banned since 2000). With the introduction of the Wool with a Butt and Wear it Kind campaigns, we have tried to bring the combined experience and different textile issues under the umbrella of Wear it Kind, with four key focus areas; down feathers, fine wools (including mulesed wool), exotic leather and fur.

Impact and outcomes 2021

Under Wear It Kind, we have directly engaged with several fashion brands including M&S, John Lewis, Next, Primark, Misguided and People Tree who have either signed our letter of intent to phase out mulesed wool from their supply chain or committed to improving their animal welfare standards overall.

This year we produced four editions of FAUX PAWS – a mock magazine that addresses our four key textile focus areas, with advertising promoted in major women's magazines Cosmopolitan, Red and Elle.

We successfully implemented a new Wear It Kind campaign section on our website, introducing specifically tailored content.

As members of the Fur Free Britain coalition, we were one of the NGOs handing in over one million signatures to Number 10 Downing Street showing huge support for a fur sales and import ban, to which we have contributed 52,042 signatures to date. We have also continued to mobilise the public against House of Fraser, one of a few British high street department stores still selling fur.

FOUR PAWS has supported several Wear it Kind and wool activities including the launch of the wool brand check, the annual fashion report, ranking and the publication of the new animal welfare policy guidelines for the industry. Public mobilisation was also key as thousands of supporters signed the Wear it Kind pledge and our mulesing petition, as well as sharing our content online.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Farm Animals and Nutrition (continued)

Policy Work

Background

As a nation of animal lovers, the UK Government has committed to improving the standard of animal welfare in farming systems. FOUR PAWS strives to provide the best evidence and expertise to decision makers to produce effective policies for animal welfare. These policies include addressing factory farming, cage keeping, live transport and labelling of animal food products.

Impact and outcomes 2021

We have continued to engage on national farming policy. Our work includes urging a ban on cages for farmed animals and feeding into consultations on live transport, food & animal welfare labelling and various food and climate strategies across the devolved assemblies. We have welcomed the arrival of both the Animal Welfare (Sentience) Bill and the Kept Animals Bill in 2021, that address key issues including animal sentience and a ban on live exports, now enshrined in law.

Early in 2021, the factory farming government e-petition was closed. Prior to its closure it gained over 30,000 signatures from supporters wanting to help raise awareness of the need for the Government to make firm meat reduction commitments. With over 15,000 people signing the meat reduction pledge, and a further 80,000 signing the petition with ProVeg calling for Diet Change, not Climate Change at COP26, FOUR PAWS is optimistic to see an increase in pro-plant-based messaging and commitments. We have also joined the Scottish Food Coalition and are working with partners on the Good Food Nation Bill

Wild Animals

Bear Bile

Background and impact

In 2005, the Vietnamese government took measures against the cruel keeping of bears by banning the sale and possession of bear bile. However, despite this legislation, approximately 330 "bile bears" remain on about 100 farms. As shown by research conducted by FOUR PAWS in recent years, most of these bears spend a sad existence in tiny metal cages, half-starved and dehydrated. Many also suffer from chronic liver and gallbladder disease and frequently develop secondary complications like e.g. liver cancer. The bile farming and extraction practice puts great stress on the physical and mental health of the bears, which eventually leads to their death. Inappropriate keeping conditions, diet and exercise deprivation contributes to mobility problems, wasted muscles and obesity. Moreover, the unstimulating environment, the confined space and mistreatment lead to behavioural disorders, often seen in animals in bad captive settings. Due to boredom and escape attempts the bears also often chew on their cage bars which result in broken and damaged teeth. Bear bile is still extracted from many of them and traded behind closed doors.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Wild Animals (continued)

Bear Bile (continued)

Background and impact (continued)

FOUR PAWS has campaigned for many years to end bear farming for bile in Vietnam. Bear farming for bile in Vietnam has reduced significantly since FOUR PAWS engaged on this work, and now efforts are focused on the last remaining hot spot – Hanoi.

Hanoi remains the country's primary bear farming hotspot, with 159 bears on 30 farms - accounting for 49% of the total bile bears in Vietnam (June 2021).

In 2021, we have launched our e-petition to urge the Hanoi authorities to:

- put a stop to the practice of bear farming in the country's capital.
- Set a precedent of zero tolerance for the rest of the country in dealing with the bear farming situation.
- Close all bear farms by 2025 and ensure the transfer of all remaining bears to rescue centres and sanctuaries.

Policy Work

Background

The UK Government has committed to improving the standard of animal welfare of wild animals in captivity and those impacted by human activity. FOUR PAWS strives to provide the best evidence and expertise to decision makers to produce effective policies for animal welfare including addressing primates as pets and trophy hunting imports/exports.

Impact and outcomes 2021

This year the UK Government published the Animal Welfare (Kept Animals) Bill that addressed key issues we have worked on for five years – the ban on primates as pets and banning trophy hunting imports. The introduction of this bill after a number of consultations is huge progress for animal welfare, and there is still some way to go to close remaining loopholes.

We responded to several calls for evidence and consultations on new legislative proposals around banning primates as pets and banning trophy hunting exports. We have also worked closely with the coalition of charities against trophy hunting to align messaging on this issue, raise concerns around loopholes in proposed legislation and educate our supporters on how they can help.

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE IN 2021 (continued)

Pandemics & Animal Welfare/Live Kinder

Background

In 2021, FOUR PAWS launched the Pandemics and Animal Welfare campaign which addresses the need to end the commercial wildlife trade, the dog and cat meat trade, factory farming and fur farming worldwide. This complemented our existing Live Kinder campaign, highlighting the need for increased urgency and finding political solutions.

Impact and outcomes 2021

Through supporting the lobbying strategy of FOUR PAWS globally, we have successfully engaged world health and the national health minister representatives, to support the formation of a pandemic treaty or agreement.

We produced a leaflet telling the "story of a pandemic" to help supporters better understand the connection to animals. A new How to Live Kinder leaflet was also produced and distributed to over 50,000 students nationwide, with the aim of promoting FOUR PAWS farming, wildlife, textiles, climate and travel kind campaigns and subsequent calls to action.

We also contributed to FOUR PAWS Future Study report published this year and created various visual and communications tools to raise awareness of the issue of pandemics with supporters.

FINANCIAL REVIEW

We achieved continued income growth in 2021, as the economy showed signs of recovery with employment and output levels almost returning to pre Covid-19 pandemic levels. However strained global supply chains contributed to rising energy prices and inflation reached its highest rate for 30 years, which has likely impacted the disposable income of donors and supporters. New variants of Covid-19 during the year have also led to the reintroduction of restrictions affecting consumer behaviour and confidence to spend.

Our total income for the year was £4.67m, an increase of £0.90m against 2020.

Through our continued investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 41% to bring in £1.34m to support our diversification and future sustainability of our income streams.

Legacy income increased by £1.1m to £1.68m due to the growth in charitable bequests. Grant income reduced by £0.34m as we directly funded FOUR PAWS international campaign activities in South East Asia from legacy income.

Income from our Major Donors also grew during the year by 8%, contributing £0.18m to our total income.

The impact of Covid-19 affected some regional postal services, contributing to the 22% fall in income from our direct mail cash appeals. This brought in £0.57m (2020 £0.73m).

STRATEGIC REPORT (continued)

FINANCIAL REVIEW (continued)

Total expenditure increased by £0.66m. This reflected the increase in our grant payment to VIER PFOTEN International, to support the FOUR PAWS global mission to REVEAL, RESCUE, and PROTECT by funding sanctuaries, projects, and campaigns.

The year finished with a net surplus of £0.60m, compared to £0.35m in 2020.

We are showing unrestricted funds of £1.39m at 31st December 2021 (2020 £0.79m). Restricted funds balance was £5,508 (2020 Nil).

Investment powers and policy

As required in its Memorandum, FOUR PAWS has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS may hold the following categories of financial reserves:

- unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2021 and has been maintained at 6 month's operating costs.

The unrestricted reserves at 31st December 2021 stood at £1.39m (2020 £0.79m) an increase of £0.60m against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £1.37m. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to further support FOUR PAWS campaign and project activities during 2022.

STRATEGIC REPORT (continued)

FINANCIAL REVIEW (continued)

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

As set out in the accounting policies under "going concern" and in the plans for future periods section below, the trustees have considered the wider financial uncertainties as the UK economy responds in its recovery post Covid-19 pandemic. This consideration is also taken together with understanding further current global economic insecurities due to the escalating geo-political and energy crises and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature **REVEAL-RESCUE-PROTECT**:

REVEALING means:

- ◆ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.
- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PLANS FOR FUTURE PERIODS (continued)

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.
- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

Looking ahead to 2022

Next year, we will support and implement the international programme priorities locally while continuing to actively participate in national coalitions.

Our key objectives include:

Illegal puppy trade

We will continue to collect reports from the public and work with prosecution and investigation consultants to prosecute unscrupulous breeders and report suspected puppy farms to Trading Standards within the appropriate Local Authorities. We will also continue to monitor political developments and respond to any future enquiries or government consultations.

Responsible Pet Ownership

We will continue to spread awareness of responsible pet ownership through the Live Kinder campaign.

Dog and Cat Meat Trade

We will engage with the UK tourism industry and the public to raise awareness of the dog and cat meat trade, and particularly its link to zoonotic diseases and pandemics. We will also continue to promote the FOUR PAWS Travel Kind campaign.

PLANS FOR FUTURE PERIODS (continued)

Looking ahead to 2022 (continued)

Food Procurement

We will continue to engage with MPs through e-actions, and eventually phase into a new e-action targeting councillors on a more local level. We will also promote key messaging regarding climate change as part of this work, including a toolkit and documentary. Additionally, we plan to produce a recipe book to promote plant-based recipes. We will continue to promote our Make Food Kinder campaign across our social media channels and will also target regional press on this issue.

Wear it Kind/Fur free Britain/ Wool with a Butt

We will focus primarily on engaging with fashion brands in the UK to improve their supply chain transparency and encourage them to adopt high animal welfare standards in their textile policies. We will continue to promote the four key textile issues to educate consumers on their buying behaviours and promote a more ethical fashion ethos our supporters.

Pandemics/Live Kinder

We will continue to promote the Pandemics and Animal Welfare petition across our social media channels, utilising more visual aids.

Policy work

We will increase our work on policy and legislation in 2022 whilst also continuing to feed into national consultations relating to farm animal welfare. Following our push at the end of the year on the End the Cage Age Government e-petition, we will try to secure a Parliamentary debate on the issue and lobby the UK Government and MPs to legislate for a ban on cages for farmed animals. We are also now a lead partner in the Better Deal For Animals coalition, which comprises 55 NGOs working on animal sentience. We will also work with Government and MPs to secure a safe passage for the Animal Welfare (Sentience) Bill through the Houses of Parliament.

We will continue to work with partners on the Good Food Nation Bill in Scotland. Additionally, we will continue to monitor the political arena for key farming legislation, particularly in regard to new trade deals following BREXIT.

Bear bile

We will continue to support the petition for an end to the farming of bears of their bile in Hanoi and communicate subsequent updates via our social media channels and supporter emails.

Pandemic and Live Kinder work

We will continue to push for animal welfare to be included in pandemic prevention plans in 2022 and raise awareness of the risks of the commercial wildlife trade and fur farming in creating and spreading deadly zoonotic diseases.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

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

By order of the Trustees:

Chair of Trustees



Joseph Pfabigan

March 18th 2022

Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies, and the notes to the financial statements. 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 2021 and of 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 auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent 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 trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, 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

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.

Auditor's responsibilities for the audit of the financial statements

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

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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice, data regulations (GPDR) and safeguarding regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 March 2022

Statement of financial activities (including income and expenditure account) Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Income and expenditure							
Income from:							
Donations and legacies	1	4,564,780	106,008	4,670,788	3,688,272	80,000	3,768,272
Total income		4,564,780	106,008	4,670,788	3,688,272	80,000	3,768,272
Expenditure on:							
Raising funds		1,082,777	—	1,082,777	1,044,386	—	1,044,386
Charitable activities							
. Advocacy for animal welfare and raising awareness		2,316,099	—	2,316,099	1,682,777	—	1,682,777
. Wild animal programs and campaigns		94,719	50,000	144,719	109,112	62,845	171,957
. Companion animals programs and campaigns		444,279	50,500	494,779	445,946	30,000	475,946
. Farm animals programs and campaigns		36,023	—	36,023	40,442	—	40,442
Total expenditure	2	3,973,897	100,500	4,074,397	3,322,663	92,845	3,415,508
Net income (expenditure) and net movement in funds	3	590,883	5,508	596,391	365,609	(12,845)	352,764
Reconciliation of funds:							
Total funds brought forward		789,627	—	789,627	424,018	12,845	436,863
Total funds carried forward	11,12	1,380,510	5,508	1,386,018	789,627	—	789,627

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	6		—		—
Tangible assets	7		<u>16,221</u>		<u>13,785</u>
					13,785
Current assets					
Debtors	8	404,082		242,830	
Cash at bank and in hand		<u>1,045,227</u>		<u>635,889</u>	
		1,449,309		878,719	
Creditors: amounts falling due within one year	9	<u>(77,942)</u>		<u>(100,824)</u>	
Net current assets			<u>1,371,367</u>		<u>777,895</u>
Creditors: amounts falling due after more than one year	10		(1,570)		(2,053)
Net assets			<u>1,386,018</u>		<u>789,627</u>
The funds of the charity					
Unrestricted funds	11	<u>1,380,510</u>		<u>789,627</u>	
			<u>1,380,510</u>		<u>789,627</u>
Restricted funds	11		<u>5,508</u>		<u>—</u>
			<u>1,386,018</u>		<u>789,627</u>

The notes on pages 33 to 42 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Joseph Pfabigan

Chair of Trustees

Company registration number 5848230 (England and Wales).

March 18th 2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash inflow from operating activities	A	421,443	223,386
Cash outflow from investing activities	B	(12,105)	(6,373)
Increase in cash and cash equivalents	C	409,338	217,013

Notes to the statement of cash flows for the year to 31 December 2021

A. Reconciliation of net income to net cash inflow from operating activities

	2021 £	2020 £
Net income	596,391	352,764
Depreciation charge	9,099	8,370
Loss on disposal of fixed assets	570	—
(Increase) decrease in debtors	(161,252)	18,264
Decrease in creditors	(23,365)	(156,012)
Net cash inflow from operating activities	421,443	223,386

B. Cash flows from investing activities

	2021 £	2020 £
Investing activities		
Payments to acquire tangible fixed assets	(12,105)	(6,373)
Cash outflow from investing activities	(12,105)	(6,373)

C. Analysis of changes in cash (net debt)

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	635,889	409,338	1,045,227

Principal accounting policies 31 December 2021

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

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made are in respect to:

- ◆ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities – the method used in the allocation is based on lines of copy in the mailing; and
- ◆ estimating the future income and expenditure flows to enable the trustees to assess the charity's financial position.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Principal accounting policies 31 December 2021

Going concern (continued)

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the fundraising income of FOUR PAWS due to current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. During 2021, we continued to strengthen our financial position and implement our strategy to diversify our income channels. We saw positive returns from our digital investment, including a new email marketing platform to grow our email distribution and integrate fundraising and campaigns to enhance supporter engagement, minimise attrition and maximise return. We saw significant growth from legacy income during the year and have increased our unrestricted reserves in alignment with our Reserves Policy.

In 2022, we will further look to develop our fundraising products to resonate with audiences, including Mid-level donor recruitment and explore audience diversification based on thematic testing. We have reviewed our forecasts for 2022 and 2023 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

The trustees have considered the wider financial uncertainties as the UK economy responds in its recovery post Covid-19 pandemic. This consideration is also taken together with understanding further current global economic insecurities due to the escalating geo-political and energy crises and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

Expenditure and the basis of apportioning costs (continued)

- a. Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- b. Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature costs is allocated to charitable activities, if it fulfils the following educational criteria:
 - ◆ it is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
 - ◆ it is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and
 - ◆ be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

All expenditure is inclusive of irrecoverable VAT.

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

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Principal accounting policies 31 December 2021

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset Category:	Annual rate:
Office equipment	5-year straight line
Computer equipment	3-year straight line
Fixtures & fittings	5-year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Voluntary income						
Donations	2,628,685	106,008	2,734,693	2,506,887	80,000	2,586,887
Gift aid	159,568	—	159,568	157,799	—	157,799
Legacies	1,682,662	—	1,682,662	587,109	—	587,109
Grants	93,865	—	93,865	436,477	—	436,477
2021 Total funds	4,564,780	106,008	4,670,788	3,688,272	80,000	3,768,272

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2021 £
Charitable activities				
Advocacy for animal welfare and raising awareness	1,044,073	1,118,000	154,026	2,316,099
Wild animals programs and campaigns	85,953	50,000	8,766	144,719
Companion animals programs and campaigns	403,094	50,500	41,185	494,779
Farm animals programs and campaigns	31,989	—	4,034	36,023
	1,565,109	1,218,500	208,011	2,991,620
Raising funds				
Staff costs	237,685	—	—	237,685
Investment in donor acquisition	281,913	—	—	281,913
Other	451,797	—	111,382	563,179
	971,395	—	111,382	1,082,777
Total expenditure	2,536,504	1,218,500	319,393	4,074,397

2 Expenditure (continued)

	Direct costs £	Grants £	Support costs £	Total costs 2020 £
Charitable activities				
Advocacy for animal welfare and raising awareness	945,512	619,400	117,865	1,682,777
Wild animals programs and campaigns	78,582	87,845	5,530	171,957
Companion animals programs and campaigns	407,532	26,017	42,397	475,946
Farm animals programs and campaigns	35,895	—	4,547	40,442
	<u>1,467,521</u>	<u>733,262</u>	<u>170,339</u>	<u>2,371,122</u>
Raising funds				
Staff costs	192,564	—	—	192,564
Investment in donor acquisition	390,970	—	—	390,970
Other	359,810	—	101,042	460,852
	<u>943,344</u>	<u>—</u>	<u>101,042</u>	<u>1,044,386</u>
Total expenditure	<u>2,410,865</u>	<u>733,262</u>	<u>271,381</u>	<u>3,415,508</u>

Analysis of support costs

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2021 £
Staff costs	—	—	—	20,928	—	20,928
Premises costs	21,209	1,252	14	173	38	22,686
Governance	11	12	1	5	—	29
Other costs	90,162	152,762	8,751	20,079	3,996	275,750
	<u>111,382</u>	<u>154,026</u>	<u>8,766</u>	<u>41,185</u>	<u>4,034</u>	<u>319,393</u>

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2020 £
Staff costs	35,938	36,020	2,993	36,454	1,367	112,772
Premises costs	23,837	—	—	—	—	23,837
Governance	4,860	4,871	405	2,099	185	12,420
Other costs	36,407	76,974	2,132	3,844	2,995	122,352
	<u>101,042</u>	<u>117,865</u>	<u>5,530</u>	<u>42,397</u>	<u>4,547</u>	<u>271,381</u>

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	9,009	8,370
Auditors' remuneration – audit fee	11,124	12,420

4 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2021 £	2020 £
Salaries and wages	910,252	751,081
Social security costs	94,240	76,669
Other pension costs	36,711	32,361
	1,041,203	860,111

The average number of employees who earned £60,000 per annum or more (including benefits but excluding pension contributions) during the year was as follows:

	2021 No.	2020 No.
£60,001 - £70,000	1	1

Staff numbers

The average number of employees during the year, calculated on an average headcount and full-time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2021	2020	2021	2020
Average number of employees				
Charitable activities, campaigns and publicity	9	8	9	8
Fundraising	6	4	7	4
Managing and administration	1	1	1	1
Leadership and governance	5	5	5	5
	21	18	22	18

4 Employee and key management remuneration (continued)

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto enrolled when they are first employed.

	2021 £	2020 £
The costs of the scheme to the charity for the year	36,711	32,361
	36,711	32,361

None of the Trustees received any remuneration in respect of their services during the year (2020 - £nil). During the year, no out of pocket travelling expenses were reimbursed to Trustees (2020 - no amounts were reimbursed to trustees).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £279,179 (2020 - £282,115).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

6 Intangible fixed assets

	Donor database £	Total 2021 £
Valuation		
At 1 January 2021 and 31 December 2021	551,751	551,751
Amortisation		
At 1 January 2021 and 31 December 2021	551,751	551,751
Net book values		
At 1 January 2021 and 31 December 2021	—	—

The database was revalued internally on 31 December 2014, using the net present value of future cash flows. The historical cost of the database is £506,833.

7 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021	3,674	28,116	2,851	34,641
Additions	—	10,838	1,267	12,105
Disposals	—	—	(1,319)	(1,319)
At 31 December 2021	<u>3,674</u>	<u>38,954</u>	<u>2,799</u>	<u>45,427</u>
Depreciation				
At 1 January 2021	1,621	17,629	1,606	20,856
Charge for the year	483	8,180	436	9,099
Disposals	—	—	(749)	(749)
At 31 December 2021	<u>2,104</u>	<u>25,809</u>	<u>1,293</u>	<u>29,206</u>
Net book value				
At 31 December 2021	<u>1,570</u>	<u>13,145</u>	<u>1,506</u>	<u>16,221</u>
At 31 December 2020	<u>2,053</u>	<u>10,487</u>	<u>1,245</u>	<u>13,785</u>

8 Debtors and prepayments

	2021 £	2020 £
Other debtors	16,012	12,122
Prepayments and accrued income	<u>388,070</u>	<u>230,708</u>
	<u>404,082</u>	<u>242,830</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	55,849	52,705
Other creditors	—	54
Accruals	<u>22,093</u>	<u>48,065</u>
	<u>77,942</u>	<u>100,824</u>

10 Creditors: amounts falling after more than one year

	2021 £	2020 £
Finance lease commitments	<u>1,570</u>	<u>2,053</u>
	<u>1,570</u>	<u>2,053</u>

11 Movements in funds

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	At 31 December 2021 £
Restricted funds				
Ukraine bears	—	50,000	(50,000)	—
Bali shelter	—	5,000	(5,000)	—
SPERANTA	—	35,500	(35,500)	—
Dog and Cat Meat Trade	—	10,000	(10,000)	—
FELIDA	—	5,508	—	5,508
	—	106,008	(100,500)	5,508
Unrestricted funds				
General funds	789,627	4,564,780	(3,973,897)	1,380,510
	789,627	4,564,780	(3,973,897)	1,380,510
Total funds	789,627	4,670,788	(4,074,397)	1,386,018
	At 1 January 2020 £	Incoming resources £	Outgoing resources £	At 31 December 2020 £
Restricted funds				
Bile Bears, Vietnam	11,600	25,000	(36,600)	—
Fier Zoo, Albania	245	—	(245)	—
Lions Rock Sanctuary, South Africa	1,000	—	(1,000)	—
Domazhyr Bear Sanctuary	—	25,000	(25,000)	—
Animal Rescue Organisation, Cambodia	—	10,000	(10,000)	—
Mobile veterinary service, Chennai	—	10,000	(10,000)	—
Dog and Cat Meat Trade slaughter house closure, Cambodia	—	10,000	(10,000)	—
	12,845	80,000	(92,845)	—
Unrestricted funds				
General funds	424,018	3,688,272	(3,322,663)	789,627
	424,018	3,688,272	(3,322,663)	789,627
Total funds	436,863	3,768,272	(3,415,508)	789,627

11 Movements in funds (continued)

Ukraine bears

In May 2016, the foundation stone was laid for one of our youngest bear sanctuaries close to the Ukrainian city of Lviv (Lemberg): BEAR SANCTUARY Domazhyr. The first construction phase, covering 7.7 hectares, was completed in autumn 2017. Since then, BEAR SANCTUARY Domazhyr has been expanded to 15 ha and currently provides a species appropriated accommodation for over 20 bears. A further extension is planned and after all construction work is complete, the sanctuary will have space for up to 30 bears.

In 2021, legislation was passed in Ukraine to forbid the keeping of bears next to restaurants. We have campaigned tirelessly to pressure the authorities to comply with the law and to order the confiscation of Bear Vova, who has spent nearly two decades, imprisoned in a tiny concrete cage outside a restaurant to attract visitors. Our aim is to rescue Bear Vova and move him to species appropriate accommodation at BEAR SANCTUARY Domazhyr. During the year, we received a restricted donation to provide financial support to care for Bear Vova after his rescue.

The donation is also to fund the update of both the outdoor and indoor infirmary at the sanctuary, and provide enrichment and medicine for the bears.

Bali shelter

The suffering of stray animals in Bali, Indonesia is severe. In partnership with Bali Animal Welfare Association, our Program Dharma, helps to provide vital care to animals who need it most. Program Dharma operates within Karangasem Regency, the eastern side of Bali, which is home to the poorest communities on the island.

The program provides food and medical treatment for stray animals and those whose owners are unable to care for them properly, either because they are struggling with financial hardship or lack understanding of responsible pet ownership.

FOUR PAWS also funds community outreach work such as door-to-door education, vaccination drives and mobile sterilisation clinics, to prevent the births of countless unwanted animals. The aims of the programme are to create sustainable change, not only delivering direct animal care, but also targeting the underlying causes of animal suffering including abandonment, lack of resources and education for pet owners, while helping to tackle critical issues such as rabies, and the dog meat trade.

During the Covid-19 crisis, this work has become harder than ever. As a result of the devastating effects of Covid-19 in Indonesia, countless people on the island of Bali are experiencing unprecedented financial hardship. Tourism, so crucial to the local economy, is practically non-existent. People are being asked to stay home or have lost their jobs and what little income they had. They find themselves unable to provide for their families, let alone a basic meal for their dog or the street dogs in their community.

The knock-on effect for both stray and owned animals has been devastating. During the year, operations such as mobile sterilisation clinics and vaccination were suspended. Fortunately, our team was issued a special permit to continue the feeding program for animals that were completely reliant on this programme.

11 Movements in funds (continued)

SPERANTA

FOUR PAWS supports SPERANTA Shelter as part of our Companion Animal programme in Eastern Europe to deliver vital care and rehabilitation to dogs. SPERANTA currently provides care and accommodation to over 500 homeless dogs, that had been left to survive on the streets in Romania. New animals, including puppies and elderly dogs are dumped outside SPERANTA's doors on almost a daily basis. However, this care is expensive, especially the special needs dogs, and young puppies that need around the clock attention from specialists.

The programme also supports local efforts to implement humane stray animal management and in addition, an outreach project with local vets and communities, to provide education on responsible pet ownership and to encourage the adoption of these dogs.

Dog and Meat Trade

In February, FOUR PAWS supported the Siem Reap Provincial Department of Agriculture in Cambodia, with the first ever interception of dogs being taken to be slaughtered for the dog meat trade.

61 dogs were confiscated from a minivan and the driver was immediately arrested on the scene. The dogs, crammed tightly into six metal cages, were on their way to be slaughtered in Kampong Cham for their meat, when the vehicle was intercepted leaving Siem Reap town by the Provincial Department of Agriculture in collaboration with the Provincial Commissioner of Police. The first government-led interception in Cambodia follows the recent dog meat ban in Siem Reap passed in July 2020.

Following the interception, all dogs were immediately removed from the overcrowded cages and released into a small holding area. FOUR PAWS teamed up with local organisations 'Paw Patrol Cambodia' and 'Animal Rescue Cambodia' to provide emergency feeding and medication for the 61 rescued dogs.

FOUR PAWS also arranged for a veterinary team to vaccinate all dogs on site and subsequently moved them to a temporary shelter. FOUR PAWS has since managed the ongoing care and feeding of the dogs, ensuring their safety whilst preparing the dogs for local and international adoption as needed.

FELIDA

In November 2020, a music video on the internet featured a young lion that was clearly injured. It led to a public outcry and soon, FOUR PAWS found out that the animal belonged to a private owner in Picior de Munte, in the southern part of Romania. The young lion, called Simba, was not the only big cat living on this property: a total of nine lions were found to be living in small, unsuitable cages full of faeces and skeletons. Due to uncontrolled breeding, as well as lack of professional and veterinary care in inappropriate and unsafe keeping conditions, there was an urgent need for action.

11 Movements in funds (continued)

FELIDA (continued)

After long negotiations that started after Simba was located, as well as intensive preparations, our team managed to come to an agreement with the owner – who had a license to keep the lions in his backyard on a legal basis. The seven youngest lions, which are all siblings from different litters and the result of uncontrolled breeding, would be handed over to us. We could not yet convince the owner to also give up the two parents and a recently born cub, but an agreement was made to apply anti-conception for the older couple and end the breeding for good.

In September 2021, the loading of the lions for their rescue began. A team of six veterinarians had to put several lions under anaesthesia simultaneously in order to get them out of the saddening conditions in which they had spent their entire lives.

After a long trip through the continent from East to West, two days later the seven lions arrived at FELIDA Big Cat Sanctuary in The Netherlands, where they will live in species appropriate accommodation and receive the care that they need.

12 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2021 £
Tangible assets	—	16,221	16,221
Current assets	5,508	1,443,801	1,449,309
Current liabilities	—	(77,942)	(77,942)
Liabilities due in more than one year	—	(1,570)	(1,570)
	5,508	1,380,510	1,386,018

	Restricted £	Unrestricted £	Total 2020 £
Tangible assets	—	13,785	13,785
Current assets	—	878,719	878,719
Current liabilities	—	(100,824)	(100,824)
Liabilities due in more than one year	—	(2,053)	(2,053)
	—	789,627	789,627

13 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2021 (2020 – none) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Three of the UK Trustees are also in key management positions at VIER PFOTEN International: Josef Pfabigan (Chief Executive Officer), Luciana D'Abramo (Chief Development Officer) (appointed to FOUR PAWS on 30 March 2021) and Gerald Dick (Chief Marketing Officer).

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year, payments totalling £1,218,500 (2020 – £694,861) were made to VIER PFOTEN International and grants of £93,865 were received (2020 – £436,478).

There were no other related party transactions in the year to 31 December 2021.

FOUR PAWS

England & Wales - Charity number 1118102

Accounts

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2020

Company Registration Number
5848230 (England and Wales)

Charity Registration Number
1118102

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Peter Davies Gerald Dick (Appointed 25 March 2020) Nicole Schreyer (Appointed 25 March 2020) Luciana D'Abramo (Appointed 30 March 2021)
Principal Staff	Brian da Cal (UK Director)
Company Secretary	Brian da Cal
Address	1st Floor, Can Mezzanine 7-14 Great Dover Street London SE1 4YR
Company registration number	5848230
Charity registration number	1118102
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2020, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 27 to 30 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006 and registered as a charity on 26 February 2007. The company was established under a Memorandum 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.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. The charitable company has five Trustees listed below.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life in an effort to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed / resigned
Josef Pfabigan	Re-appointed 25 March 2020
Peter Davies	Re-appointed 25 March 2020
Gerald Dick	Appointed 25 March 2020
Nicole Schreyer	Appointed 25 March 2020
Luciana D'Abramo	Appointed 30 March 2021

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Structure and management

The Trustees met as a group four times during the year to 31 December 2020. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the UK Director. For the year ended 31 December 2020 this consisted of an average of 18 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their quarterly meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Our key risks and uncertainties

With the exception of the challenges faced because of the Covid-19 pandemic, the Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

- 1. Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Our key risks and uncertainties (continued)

2. **Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

3. **Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values and protect our reputation.

4. **Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

5. **Data Protection** – we pay close attention to data protection risks across all of our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals;
- ◆ animal sanctuaries;
- ◆ the provision of veterinary care and treatment;
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated or lost; and

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit (continued)

- ♦ feral animal control, e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2020 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to reach significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

Companion Animals have a good quality of life in accordance with their own species/breed specific needs and receive lifetime care and guardianship.

Farm Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

The salary of the highest paid employee was no more than two times the median salary of the charity.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion and information sharing are actively encouraged across the FOUR PAWS International network and through use of MS Teams, which enables us to proactively collaborate.

OBJECTIVES AND ACTIVITIES (continued)

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK);
- ◆ Head of Finance;
- ◆ Head of Programmes;
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Directors' pay is set and approved by the Board of Trustees.

Volunteers

Over the year, three volunteers contributed approximately two and a half days of fundraising support. FOUR PAWS would like to take this opportunity to express our gratitude to our volunteers for their dedication, hard work and support throughout 2020.

Equality and Diversity

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally, virtual communication technology to minimise travel and meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. In particular, we are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2020 we did not receive any formal complaints.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programs and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal welfare organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

ACHIEVEMENTS AND PERFORMANCE IN 2020

Companion Animals

FOUR PAWS companion animal programme seeks to address the suffering of companion animals. This programme is targeted towards three goals for each welfare issue experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals,
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as prerequisite for acquiring a pet; and
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Companion Animals (continued)

Illegal Puppy Trade campaign/responsible pet ownership

Background

Classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, suffering, underage and mistreated animals to unwitting buyers. For several years, FOUR PAWS has been calling on eBay Inc. and its national entities to end anonymous trading in pets on all its classified ad sites by introducing mandatory seller identification. In August 2018, Gumtree in the UK implemented a mandatory paywall for personal ads. So far, eBay Inc. has failed to adopt a form of seller identity verification on its pet section anywhere else.

Key Activities 2020

In response to the global pandemic, we launched the *Live Kinder* campaign, encouraging the general public to take a look at their own consumer behaviours and make a change for good. As a result of various Covid-19 lockdowns, puppy purchases and adoptions increased significantly in the UK. In response, we produced numerous infographics and supporter messages across our channels focusing on responsible pet ownership advice to prevent issues associated with increased working from home. We also promoted pro-adoption and "think before you click" messaging and highlighted the risks associated with the illegal puppy trade and animal welfare/pandemics.

We were unable to conduct any investigations in the UK in 2020 and, as a result, ceased promotion of the *Stop Puppy Traders* website. However, there remained media interest in this topic and we secured the inclusion of FOUR PAWS when press discussed the trend for 'pandemic puppies'. We also continued to communicate this topic via our social media channels.

In terms of public affairs, we provided evidence and welcomed the introduction of Lucy's law in England, where third parties would be banned from selling kittens and puppies. We also contributed to a consultation to implement this legislation in Wales, which was successfully announced earlier this year. This means that anyone wanting to buy or adopt a kitten or puppy aged under six months will now need to deal directly with the breeder or animal rehoming centre, rather than a pet shop or commercial dealer.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Companion Animals (continued)

Ending the Dog and Cat Meat Trade campaign

Background

The trade in dogs and cats for their meat presents horrific cruelty to an estimated 30 million animals per year globally, and it is growing. FOUR PAWS is campaigning to help end this barbaric trade in Southeast Asia (Cambodia, Indonesia, Vietnam). The UK is a nation of animal lovers and we believe that we can mobilise thousands of supporters to help achieve our objectives and end this barbaric trade through education, political and corporate lobbying as well as fundraising. By educating the public about this major animal welfare concern, we hope to raise funds to support the campaign. We also aim to influence government and the tourism industry to support the call for an end to the dog and cat meat trade and help us lobby target countries to enforce legislation to ban the consumption of dog and cat meat in these countries. This will reduce the number of dogs and cats entering the trade, experiencing suffering and a cruel death.

Key Activities 2020

In 2020, we continued to raise awareness of the issue of the dog and cat meat trade and highlighted the "Victims of the Trade" aspect to the campaign. We also promoted the campaign petition, which our supporters in the UK contributed over 120,000 signatures towards the global, one million total achieved at the end of 2020.

We secured media coverage with global reach to raise awareness for this topic. Our reporting during the year included the evolution of the dog and cat meat trade adjusting to Covid-19 restrictions and the emergence of a delivery model. We also reported on the ban on dog meat consumption in Siem Reap province, as well as slaughterhouse closures and the association between Arsenal Football club and Ganzberg brewery that promotes its beer alongside the consumption of dog meat.

Our team were able to secure impressive high-profile support for the campaign, from singers Sia and Tom Grennan and household names such as Martin and Shirlie Kemp. These celebrities used their social media channels (Instagram and Twitter) to promote this campaign and urge their followers to sign the petition. We also brought on board several social media influencers and bloggers who shared our content across their own channels throughout the year.

By the end of 2020, eight UK tour operators had pledged their support for the campaign, with two working with us to develop more intensive animal-friendly travel policies as a result.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Companion Animals (continued)

Ending the Dog and Cat Meat Trade campaign (continued)

Key Activities 2020 (continued)

We have also had initial discussions to develop a member template for AITO (Association of Independent Tour Operators). In addition, the British embassies in Cambodia, Vietnam and Indonesia expressed support for and engaged with our campaign. On reaching one million signatures for the *Dog and Cat Meat Trade* petition in December, FOUR PAWS wrote to the political leaders of those countries calling again for an end to the trade. The British Embassy in Indonesia amplified our messaging by forwarding the letter from FOUR PAWS to the ministries of Health and Agriculture. In Vietnam, the British Embassy did the same by forwarding the letter to the Hanoi People's Committee and the HCMC Food Safety Management Authority and in Cambodia, the British Embassy forwarded the letter to the Minister of Agriculture and Director-General of the General Directorate of Animal Health and Production.

Farm Animals

Make Food Kinder (food procurement) campaign/Climate Change

Background

FOUR PAWS has been working on an international campaign on the public procurement of animal products. The campaign is being developed in Austria, Germany, Switzerland and the UK. In the UK, our research has shown the lack of legal requirements for animal welfare in public procurement processes. In England, the Government Buying Standards (GBS) have to be applied by the central government procurers directly or through their catering contractors. However, local authorities and schools are only encouraged to apply these standards, so there is currently no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes.

Our aim is to work with public institutions to encourage them to improve their animal welfare standards when dealing with food procurement and implement a food policy that integrates higher animal welfare standards and meat reduction aspects in order to combat the global climate emergency.

Key Activities 2020

In the early part of 2020, we paused the *Make Food Kinder* campaign as local authority lobbying became unviable during the Covid-19 pandemic. However, we were able to resume communications in September as the world adjusted to a different way of working. We had positive discussions with catering company Vertas, as well as Nottingham City council to secure pledges. By the end of the year, our petition had achieved 24,635 signatures.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Farm Animals (continued)

Make Food Kinder (food procurement) campaign/Climate Change (continued)

Key Activities 2020 (continued)

We also continued to work as part of the *Eating Better* coalition calling for 50% reduction in meat and dairy consumption in the UK by 2030, and for a transition to 'better' meat and dairy as standard.

Early in the year, we lobbied supermarkets in respect of their buffalo mozzarella standards. However, this achieved a minimum response with the emergence of the Covid-19 pandemic. We took the decision to pause our lobbying actions in consideration of the critical role supermarkets were performing at this time.

Wear it Kind campaign/Fur Free Britain/Wool with a Butt

Background

FOUR PAWS was founded on the campaign to end the sale and farming of animals for fur. Since then, we have become experts on the issue of animal welfare in the textile industry and have already created change for millions of animals. In 2018, we successfully convinced numerous retailers to sign up to the *Responsible Down Standard*. We are also part of the *Fur Free Britain* coalition to end the sale and import of fur into the UK (where fur farming has been banned since 2000). With the introduction of the *Wool with a Butt* and *Wear it Kind* campaigns, we decided to combine the different textile issues under the umbrella campaign of *Wear it Kind*, with four key focus areas: down feathers, fine wools (including mulesing), exotic leather and fur.

Key Activities 2020

In 2020, we launched the *Wear it Kind* campaign and began communicating a range of textile issues to our supporters. Through the creation of blogs, we addressed the introduction of *Wear it Kind* to explain the issue and outline the alternatives to mulesing, angora and exotics skins. We also raised awareness via Facebook and Twitter and brought attention to relevant news stories such as the Covid-19 cases in fur farms.

We also produced a pocket-sized buying guide to *Wear it Kind* and distributed this to the public for them to refer to when shopping. The aim is to help encourage greater consumer awareness of the textiles they purchase and to check labels and sourcing before buying.

We promoted our *Wool with a Butt* campaign under the umbrella of *Wear it Kind* and have so far secured 38,501 signatures for our mulesing petition.

We supported *Fur Free Britain* throughout the year and participated in numerous demonstrations, as well as mobilising our supporters via social media. Over 47,000 signatures have been secured so far and the coalition is also close to reaching one million in total.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Farm Animals (continued)

Wear it Kind campaign/Fur Free Britain/Wool with a Butt (continued)

Key Activities 2020 (continued)

In addition, we targeted international fashion company, *Madeleine*, which also sells in the UK, and mobilised over 4,000 British supporters to write letters, using our online action tool, to leading brands demanding a ban on fur.

Wild Animals

Tiger Trade campaign/Wildlife trade

Background

In the 20th century, the world lost over 90% of its wild tigers and there are only an estimated 3,900 tigers left in the wild. While international trade in wild tigers is banned through listing on Appendix I of CITES, the trade in captive bred tigers is still allowed and continues to take place around the globe. Unfortunately, legal trade can easily pose as a cover for illegal trade and contribute to an increased demand for tiger parts and products. Our investigations have revealed that illegal tiger products are not only traded in Asia but also here in Europe. Between 1999 and 2016, 1,412 tigers were legally exported from the EU to non-EU countries. During the same period, 8,278 illegal tiger products were confiscated in the EU. All seizures are assumed to represent only 10% of the total actually smuggled.

Key Activities 2020

During the year we promoted the *Tiger Mafia* documentary and petition, achieving 44,057 signatures so far.

We also contacted BIAZA (British and Irish Association of Zoos and Aquariums) to report a British zoo regarding a breach in their standards where two tiger cubs had been imported and allowed physical interactions with the public. BIAZA sanctioned this institution following our evidence and announced that they will review their animal interaction policy.

In addition to sharing stories and campaign updates with our supporters across social media (Facebook, Twitter and Instagram), we achieved coverage in the Daily Mirror of our rescue of two tigers, Jill and Sahib, from Manuel Weisheit Circus in Germany where they had previously spent most of their lives performing. We also obtained coverage in The Times for our FOUR PAWS report investigating the captive tiger trade.

In response to the pandemic, we joined the coalition to *End the Global Wildlife Trade* alongside several animal welfare charities including World Animal Protection. The coalition was calling on the UK Government to secure a global wildlife trade ban, raising this issue at the G20 summit, and also commit to ending the import and export of wild animals and wild animal products into the UK. During the year, the coalition secured mass media coverage for this topic and in September we delivered over 165,000 signatures at 10 Downing Street.

ACHIEVEMENTS AND PERFORMANCE IN 2020 (continued)

Wild Animals (continued)

Ruthless Tourism campaign/Wildlife in entertainment

Background

From festivals to zoos, in circuses or for selfies, across Europe, animals are suffering for our entertainment. Few tourists are aware that these animals have not adapted to be around humans but are usually sedated or psychologically 'beaten' down to the point of submission. They go back to small cages, where they spend the rest of their lives, with no access to proper food, nature or even light. FOUR PAWS identified tourists as the creators of the demand for these kinds of experiences and as a result, our focus has been to change consumer behaviour.

Key Activities 2020

During the year we launched our *Travel Kind* campaign which focused on advice, in the format of 'top tips', for travellers to eliminate animal cruelty from their holidays. It covered a range of wild animal issues, but also addressed domesticated and community animals. To date, we have worked with two travel companies to develop their own animal-friendly travel policies and have had discussions to develop a member template for the AITO (Association of Independent Tour Operators).

Rescue Mission Kaavan, the Elephant

In November, a team of international vets from FOUR PAWS, in collaboration with *Free the Wild*, successfully relocated an elephant named *Kaavan* from an inadequate enclosure of the Marghazar Zoo in Islamabad, Pakistan, where he had spent over thirty years. The preparation, training and transportation of *Kaavan* to a species appropriate sanctuary in Cambodia featured in the *One Show* on BBC1 and was also covered extensively on the BBC news website. Our Head of Communications for Four Paws UK joined the veterinary team in Pakistan to lead on our media coverage and raise awareness of this vital rescue mission.

Orangutans

In May, our FOUR PAWS orangutan sanctuary in Borneo was featured in the BBC1 documentary "*Primates*". This highlighted the rehabilitation of orphaned baby orangutans, where they are taught survival skills, such as foraging for food, building nests and navigating the forest canopy before being reintroduced into the wild.

FINANCIAL REVIEW

Income for the year was £3,768k, being £1,119k higher than last year. Despite the challenging economic climate due to Covid-19 and the financial effect of this on our donors and supporters, we saw significant growth of 37% in our voluntary donations bringing in an additional £695k.

Through our investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 63% to bring in £946k to support our diversification and future sustainability of our income streams.

FINANCIAL REVIEW (continued)

Income from our direct mail cash appeals grew by 6% contributing £729k, reflecting the strong response to our campaigns, in particular our rescue mission of *Kaavan* the elephant from Marghazar Zoo in Islamabad, Pakistan and our *Ending the Dog and Cat Meat Trade* in South East Asia.

Regular giving offline also grew by 27% to bring in £361k reflecting the investment in our Direct Response TV to acquire new donors and the successful performance of our new advert "baby bear" launched in 2018.

We also achieved substantial growth in our online income, bringing in £624k, an increase of 82% from the prior year. Our digital programme was responsible for 42% of our individual giving income, with 60% of this being received via mobile devices, which has highlighted our need to further develop tailored and mobile responsive content.

Legacy income increased by £346k (44%) and grant income also increased by £62k (16%) primarily supporting the Dog and Cat Meat Trade campaign activities in South East Asia.

Total expenditure increased by £572k, including a £144k increase in the cost of raising funds as a result of our investment in DRTV. To mitigate the possible impact of Covid-19 on our net income, we took proactive steps early in the year to reduce our Direct Mail fundraising costs and brought our data and creative activities in-house. We also launched four telemarketing campaigns to diversify recruitment of new regular givers and to strengthen this income stream.

The year finished with a net surplus of £353k, compared to a net deficit of £194k in 2019.

We are showing unrestricted funds of £790k at 31 December 2020 (2019 - £424k). There was no balance within restricted funds at 31 December 2020 (2019 - £13k).

Investment powers and policy

As required in its Memorandum, FOUR PAWS has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our first priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS may hold the following categories of financial reserves:

- ◆ unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- ◆ restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

FINANCIAL REVIEW (continued)

Reserves policy (continued)

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2020 and has now been set as 6 month's operating costs.

The unrestricted reserves at 31 December 2020 stood at £790k (2019: £424k) an increase of £366k against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £776k. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to support FOUR PAWS projects globally during 2021.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

In addition to the above, the full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

As set out in the accounting policies under "going concern" and in the plans for future periods section below, the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature **REVEAL-RESCUE-PROTECT**:

REVEALING means:

- ◆ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.

PLANS FOR FUTURE PERIODS (continued)

- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.
- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

Looking ahead to 2021

Next year, we will support and implement the international programme priorities locally while continuing to actively participate in national coalitions.

Our key objectives include:

- ◆ We will continue to promote the *Dog and Cat Meat Trade* campaign, mobilising public and high-profile support and engaging with tour operators and political stakeholders.

PLANS FOR FUTURE PERIODS (continued)

Looking ahead to 2021 (continued)

- ◆ We will continue our umbrella campaign, *Live Kinder*, launched in 2020 in response to the pandemic with focused messaging around the need to change the way we treat animals worldwide in order to help prevent the emergence of new zoonotic diseases.
- ◆ We will also explore the connection between meat consumption, factory farming and climate change.
- ◆ We plan to engage with corporate fashion brands to drive transparency and animal friendly policies in support of our textiles and consumer-focused campaign, *Wear-it-Kind*. We will continue to support *#FurFreeBritain* and highlight the issue of mulesing to stakeholders.
- ◆ We will engage with supporters to end the illegal puppy trade and will continue to monitor political developments, responding to any future enquiries or government consultations. We plan to re-launch the *Stop Puppy Traders* website and work with prosecution and investigation consultants to prosecute unscrupulous breeders and report suspected puppy farms to Trading Standards within the appropriate local authorities. We will also monitor the impact of Brexit in terms of the illegal puppy trade and the effect of increased border restrictions from leaving the EU single market.
- ◆ We will campaign to end the tiger trade with public communications and awareness and promote the campaign to end "ruthless tourism"
- ◆ We will respond to upcoming ad hoc government consultations such as live transport, and along with coalition partners, monitor the outcome of our exit from the EU on animal welfare in the UK.
- ◆ We will also continue to take proactive steps to diversify our income. We will invest in new digital tools to grow our email distribution and will develop a new digital suite to support our DRTV investment to recruit new regular givers. We will also explore the viability of a new DRTV creative in 2021 and develop our engagement strategy that integrates fundraising and campaigns to increase supporter engagement, minimise attrition and maximise return. We will also develop a new major donor strategy to improve the major giving engagement funnel and explore additional sources of major giving recruitment.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

By order of the Trustees:

Chair of Trustees



Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent 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 trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, 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.

Auditor's responsibilities for the audit of the financial statements

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

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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice, data regulations (GDPR) and safeguarding regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◊ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◊ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◊ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◊ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31 March 2021

Statement of financial activities (including income and expenditure account) Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Unrestricted funds £	Restricted funds £	Revaluation funds £	Total funds 2019 £
Income and expenditure								
Income from:								
Donations and legacies	1	3,688,272	80,000	3,768,272	2,621,398	27,502	—	2,648,900
Total income		3,688,272	80,000	3,768,272	2,621,398	27,502	—	2,648,900
Expenditure on:								
Raising funds		1,044,386	—	1,044,386	790,494	—	110,351	900,845
Charitable activities								
. Advocacy for animal welfare and raising awareness		1,682,777	—	1,682,777	1,051,729	—	—	1,051,729
. Wild animal programs and campaigns		109,112	62,845	171,957	252,882	10,002	—	262,884
. Companion animals programs and campaigns		445,946	30,000	475,946	602,746	12,500	—	615,246
. Farm animals programs and campaigns		40,442	—	40,442	12,502	—	—	12,502
Total expenditure	2	3,322,663	92,845	3,415,508	2,710,353	22,502	110,351	2,843,206
Net income (expenditure) and net movement in funds	3	365,609	(12,845)	352,764	(88,955)	5,000	(110,351)	(194,306)
Reconciliation of funds:								
Total funds brought forward		424,018	12,845	436,863	512,973	7,845	110,351	631,169
Total funds carried forward	11,13	789,627	—	789,627	424,018	12,845	—	436,863

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	6	—	—	—	—
Tangible assets	7	13,785	13,785	15,782	15,782
Current assets					
Debtors	8	242,830	261,094	418,876	679,970
Cash at bank and in hand		635,889	878,719	777,895	421,081
Creditors: amounts falling due within one year					
	9	(100,824)	(258,889)		
Net current assets					
Creditors: amounts falling due after more than one year					
	10	[2,053]			
Net assets					
The funds of the charity					
Revaluation reserve	12	—	—	—	—
Unrestricted funds	11	789,627	789,627	424,018	424,018
Restricted funds	11	—	—	—	12,845
		789,627	789,627	436,863	436,863

The notes on pages 31 to 39 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Chair of Trustees

Company registration number 5848230 (England and Wales).

31 March 2021

Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash inflow from operating activities	A	223,386	179,591
Cash outflow from investing activities	B	(6,373)	(10,327)
Increase in cash and cash equivalents	C	217,013	169,264

Notes to the statement of cash flows for the year to 31 December 2020

A. Reconciliation of net income (expenditure) to net cash inflow from operating activities

	2020 £	2019 £
Net (expenditure) income	352,764	(194,306)
Depreciation charge	8,370	7,112
Amortisation charge	—	110,351
Loss on disposal of fixed assets	—	916
Decrease in debtors	18,264	115,439
(Decrease) increase in creditors	(156,012)	140,079
Net cash inflow from operating activities	223,386	179,591

B. Cash flows from investing activities

	2020 £	2019 £
Investing activities		
Payments to acquire tangible fixed assets	(6,373)	(10,327)
Cash outflow from investing activities	(6,373)	(10,327)

C. Analysis of changes in cash (net debt)

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	418,876	217,013	635,889

Principal accounting policies 31 December 2020

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

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made are in respect to:

- ◆ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities – the method used in the allocation is based on lines of copy in the mailing; and
- ◆ estimating the future income and expenditure flows to enable the trustees to assess the charity's financial position, especially in light of the Covid-19 pandemic.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Going concern (continued)

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the fundraising income of FOUR PAWS due to current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. During 2020, we achieved strong financial performance and in 2021, we have continued to take proactive steps to diversify our income. We will invest in new digital tools to grow our email distribution and will develop a new digital suite to support our DRTV investment to recruit new regular givers. We will also explore the viability of a new DRTV creative in 2021 and develop our engagement strategy that integrates fundraising and campaigns to increase supporter engagement, minimise attrition and maximise return. We will also develop a new major donor strategy to improve the major giving engagement funnel and explore additional sources of major giving recruitment.

We have reviewed our forecasts for 2021 and 2022 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

The trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

Expenditure and the basis of apportioning costs (continued)

- a. Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- b. Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature costs is allocated to charitable activities, if it fulfils the following educational criteria:
 - ◆ it is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
 - ◆ it is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and
 - ◆ be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

All expenditure is inclusive of irrecoverable VAT.

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

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Principal accounting policies 31 December 2020

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset Category:	Annual rate:
Office equipment	5 year straight line
Computer equipment	3 year straight line
Fixtures & fittings	5 year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Notes to the financial statements 31 December 2020

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Voluntary income						
Donations	2,506,887	80,000	2,586,887	1,866,124	25,502	1,891,626
Gift aid	157,799	—	157,799	124,279	2,000	126,279
Legacies	587,109	—	587,109	240,640	—	240,640
Grants	436,477	—	436,477	374,839	—	374,839
Gifts in kind	—	—	—	15,516	—	15,516
2020 Total funds	3,688,272	80,000	3,768,272	2,621,398	27,502	2,648,900

Gifts in kind received by the charity in the year include the following:

	2020 £	2019 £
Google AdWords	—	15,516
	—	15,516

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2020 £
Charitable activities				
Advocacy for animal welfare and raising awareness	945,512	619,400	117,865	1,682,777
Wild animals programs and campaigns	78,582	87,845	5,530	171,957
Companion animals programs and campaigns	407,532	26,017	42,397	475,946
Farm animals programs and campaigns	35,895	—	4,547	40,442
	1,467,521	733,262	170,339	2,371,122
Raising funds				
Staff costs	192,564	—	—	192,564
Investment in donor acquisition	390,970	—	—	390,970
Other	359,810	—	101,042	460,852
	943,344	—	101,042	1,044,386
Total expenditure	2,410,865	733,262	271,381	3,415,508

2 Expenditure (continued)

	Direct costs £	Grants £	Support costs £	Total costs 2019 £
Charitable activities				
Advocacy for animal welfare and raising awareness	852,898	75,000	123,831	1,051,729
Wild animals programs and campaigns	140,396	110,002	12,486	262,884
Companion animals programs and campaigns	515,485	12,500	87,261	615,246
Farm animals programs and campaigns	10,917	—	1,585	12,502
	<u>1,519,696</u>	<u>197,502</u>	<u>225,163</u>	<u>1,942,361</u>
Raising funds				
Staff costs	162,185	—	—	162,185
Amortisation	110,351	—	—	110,351
Investment in donor acquisition	200,818	—	—	200,818
Other	375,905	—	51,586	427,491
	<u>849,259</u>	<u>—</u>	<u>51,586</u>	<u>900,845</u>
Total expenditure	<u>2,368,955</u>	<u>197,502</u>	<u>276,749</u>	<u>2,843,206</u>

Analysis of support costs

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2020 £
Staff costs	35,938	36,020	2,993	36,454	1,367	112,772
Premises costs	23,837	—	—	—	—	23,837
Governance	4,860	4,871	405	2,099	185	12,420
Other costs	36,407	76,974	2,132	3,844	2,995	122,352
	<u>101,042</u>	<u>117,865</u>	<u>5,530</u>	<u>42,397</u>	<u>4,547</u>	<u>271,381</u>

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2019 £
Staff costs	25,886	25,997	4,279	36,641	333	93,136
Premises costs	16,756	—	—	—	—	16,756
Governance	3,221	3,235	533	1,955	41	8,985
Other costs	5,723	94,599	7,674	48,665	1,211	157,872
	<u>51,586</u>	<u>123,831</u>	<u>12,486</u>	<u>87,261</u>	<u>1,585</u>	<u>276,749</u>

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2020 £	2019 £
Trustees' reimbursed expenses	—	494
Depreciation	8,370	7,112
Amortisation	—	110,351
Auditors' remuneration – audit fee	12,420	9,000

4 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2020 £	2019 £
Salaries and wages	751,081	692,602
Social security costs	76,669	71,018
Other pension costs	32,361	27,253
	860,111	790,873

The average number of employees who earned £60,000 per annum or more (including benefits but excluding pension contributions) during the year was as follows:

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

Staff numbers

The average number of employees during the year, calculated on an average headcount and full time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2020	2019	2020	2019
Average number of employees				
Charitable activities, campaigns and publicity	8	8	8	8
Fundraising	4	4	4	4
Managing and administration	1	1	1	1
Leadership and governance	5	5	5	5
	18	18	18	18

4 Employee and key management remuneration (continued)

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto-enrolled when they are first employed.

	2020 £	2019 £
The costs of the scheme to the charity for the year	32,361	27,253
	32,361	27,253

None of the Trustees received any remuneration in respect of their services during the year (2019 - £nil). During the year no out of pocket travelling expenses were reimbursed to Trustees (2019 - £494 was reimbursed to one Trustee).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £282,115 (2019 - £267,429).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

6 Intangible fixed assets

	Donor database £	Total 2020 £
Valuation		
At 1 January 2020 and 31 December 2020	551,751	551,751
Amortisation		
At 1 January 2019	551,751	551,751
Charge for the year	—	—
At 31 December 2020	551,751	551,751
Net book values		
At 31 December 2020	—	—
At 1 January 2020	—	—

The database was revalued internally on 31 December 2014, using the net present value of future cash flows. The historical cost of the database is £506,833.

7 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2020	4,949	24,158	2,851	31,958
Additions	2,415	3,958	—	6,373
Disposals	(3,690)	—	—	(3,690)
At 31 December 2020	<u>3,674</u>	<u>28,116</u>	<u>2,851</u>	34,641
Depreciation				
At 1 January 2020	4,949	10,105	1,122	16,176
Charge for the year	362	7,524	484	8,370
Disposals	(3,690)	—	—	(3,690)
At 31 December 2020	<u>1,621</u>	<u>17,629</u>	<u>1,606</u>	20,856
Net book value				
At 31 December 2020	<u>2,053</u>	<u>10,487</u>	<u>1,245</u>	13,785
At 31 December 2019	<u>—</u>	<u>14,053</u>	<u>1,729</u>	15,782

8 Debtors and prepayments

	2020 £	2019 £
Other debtors	12,122	15,330
Prepayments and accrued income	230,708	245,764
	<u>242,830</u>	<u>261,094</u>

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	52,705	18,411
Other creditors	54	—
Accruals	48,065	65,478
Grants payable	—	175,000
	<u>100,824</u>	<u>258,889</u>

10 Creditors: amounts falling after more than one year

	2020 £	2019 £
Finance lease commitments	2,053	—
	<u>2,053</u>	<u>—</u>

11 Movements in funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	At 31 December 2020 £
Restricted funds				
Bile Bears, Vietnam	11,600	25,000	(36,600)	—
Fier Zoo, Albania	245	—	(245)	—
Lions Rock Sanctuary, South Africa	1,000	—	(1,000)	—
Domazhyr Bear Sanctuary	—	25,000	(25,000)	—
Animal Rescue Organisation, Cambodia	—	10,000	(10,000)	—
Mobile veterinary service, Chennai	—	10,000	(10,000)	—
Dog and Cat Meat Trade slaughter house closure, Cambodia	—	10,000	(10,000)	—
	12,845	80,000	(92,845)	—
Unrestricted funds				
General funds	424,018	3,688,272	(3,322,663)	789,627
	424,018	3,688,272	(3,322,663)	789,627
Total funds	436,863	3,768,272	(3,415,508)	789,627
	At 1 January 2019 £	Incoming resources £	Outgoing resources £	At 31 December 2019 £
Restricted funds				
Stray Dogs	5,000	7,500	(12,500)	—
Bile Bears	1,600	10,000	—	11,600
Fier Zoo	245	—	—	245
Lionsrock Cat Sanctuary	1,000	—	—	1,000
Thula Thula Wildlife Rehabilitation Centre	—	10,002	(10,002)	—
	7,845	27,502	(22,502)	12,845
Unrestricted funds				
Designated fund				
Domazhyr Bear Sanctuary	—	100,000	(100,000)	—
Revaluation reserve	110,351	—	(110,351)	—
General funds	512,973	2,521,398	(2,610,353)	424,018
	623,324	2,621,398	(2,820,704)	424,018
Total funds	631,169	2,648,900	(2,843,206)	436,863

11 Movements in funds (continued)

Bile Bears

We have continued to rescue and rehabilitate Asiatic black bears that have been subjected to immense suffering on bile bear farms. During the year, we received donations of £25,000 (2019 - £10,000) to support the care and rehabilitation of two bear cubs that had been rescued and are now being cared for at the FOUR PAWS bear sanctuary at Ninh Binh, in Vietnam. This sanctuary has species-appropriate habitats for up to 50 bears, including a quarantine station and veterinary unit.

FIER Zoo

In 2018 FOUR PAWS led an exposé of the privately-owned zoological park in Fier County, Albania, where a severely malnourished lion and other animals, including a zebra, wolf and several deer, were witnessed locked up in desolate and dirty concrete cages without water. The animals were suffering from a range of physical and psychological issues caused by their living conditions, improper veterinary care and lack of an appropriate diet.

Following public pressure, the Albanian authorities took action ordering the zoo to be closed and our core international team from FOUR PAWS, comprising veterinarians and logistics support staff stepped in immediately to provide urgent veterinary care to the animals before transferring them to our species appropriate sanctuaries.

Lionsrock Big Cat Sanctuary

Four Paws big cat sanctuary, LIONSROCK is a project, which provides an appropriate, lifelong home for big cats that were kept in inadequate conditions in zoos, circuses or private captivity.

The project includes 52 enclosures on 62 hectares of land, as well as special enclosures, veterinary clinic and a special care unit. It is currently home to over 100 big cats including lions, leopards and tigers.

Domazhyr Bear Sanctuary

During the year, FOUR PAWS rescued two brown bears from temporary shelter, after they had been confiscated by authorities from Potrovsk Zoo, near the town of Donetsk, Ukraine. Both bears had endured terrible living conditions in small cages at the zoo and after years of suffering our team were able to provide veterinary care and transfer them to FOUR PAWS Domazhyr Bear Sanctuary in Ukraine. The bears are now able to live in species appropriate accommodation.

Animal Rescue Organisation Cambodia

In August, FOUR PAWS rescued 15 dogs from a slaughterhouse that had been active in the Dog and Cat Meat Trade in Kampong Thom, Cambodia. In partnership with NGO Animal Rescue Organisation, Cambodia, we were able to provide humane care and accommodation for these dogs, in addition to funding kennel refurbishments and a feeding programme for three months for stray/pagoda cats and dogs during the Covid-19 pandemic. The funding also enabled the recruitment of an outreach assistant to support the Caring for Community Animals Program, including the provision of medical equipment and vaccines.

11 Movements in funds (continued)

Mobile veterinary service, Chennai

FOUR PAWS has been an active cooperation partner of the Blue Cross of India (BCI) for almost 10 years. During the year, we received donations to fund the costs of two veterinarians in the mobile clinic in Chennai, to provide services for sick and injured street animals or animals in distress.

Dog and Cat Meat Trade slaughter house closure, Cambodia

In August, FOUR PAWS rescued 15 dogs from a slaughterhouse that had been active in the Dog and Cat Meat Trade in Kampong Thom, Cambodia.

The closure followed a landmark ban on dog meat, the first of its kind in Cambodia, by the Siem Reap government. An estimated three million dogs, including stolen pets, are slaughtered for their meat in Cambodia every year.

The now-closed slaughterhouse killed up to 3,000 dogs every year, most trafficked from Siem Reap, and served as the largest dog meat supplier in the area. Due to its strategic location between Siem Reap and Phnom Penh, the closure will severely impact the supply of dog meat into neighbouring provinces and the capital, taking effect beyond its immediate area. During the closure, FOUR PAWS rescued all 15 dogs on-site that were awaiting slaughter and transported them to our local partner charity "Animal Rescue Cambodia". There the dogs received immediate medical treatment and will be cared for until they find loving, adoptive homes.

12 Revaluation reserve

	2020 £	2019 £
Revaluation reserve brought forward	—	110,351
Amortisation charge during the year	—	(110,351)
Revaluation reserve carried forward	—	—

13 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2020 £
Tangible assets	—	13,785	13,785
Current assets	—	878,719	878,719
Current liabilities	—	(100,824)	(100,824)
Liabilities due in more than one year	—	(2,053)	(2,053)
	—	789,627	789,627

13 Analysis of net assets between funds (continued)

	Restricted £	Unrestricted £	Total 2019 £
Intangible assets			
Tangible assets	—	15,782	15,782
Current assets	12,845	667,125	679,970
Current liabilities	—	(258,889)	(258,889)
	12,845	424,018	436,863

14 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2020 (2019 – one Trustee received payments totalling £494) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

One of the UK Trustees was also in a Key Management position at VIER PFOTEN International: Josef Pfabigan, Chief Finance Officer, and Chief Executive Officer (from January 2020).

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year, payments totalling £694,861 (2019 – £177,701) were made to VIER PFOTEN International and grants of £436,478 were received (2019 – £374,389).

There were no other related party transactions in the year to 31 December 2020.