

# **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

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

| <b>Trustee</b>   | <b>Appointed / resigned</b>   |
|------------------|-------------------------------|
| 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 20<sup>th</sup> 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](http://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<br>£ | Restricted funds<br>£ | Total funds<br>2022<br>£ | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>2021<br>£ |
|-----------------------------------------------------------|-------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| <b>Income and expenditure</b>                             |       |                         |                       |                          |                         |                       |                          |
| <b>Income from:</b>                                       |       |                         |                       |                          |                         |                       |                          |
| 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                      | —                       | —                     | —                        |
| <b>Total income</b>                                       |       | <b>4,136,883</b>        | <b>243,555</b>        | <b>4,380,438</b>         | <b>4,564,780</b>        | <b>106,008</b>        | <b>4,670,788</b>         |
| <b>Expenditure on:</b>                                    |       |                         |                       |                          |                         |                       |                          |
| 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                   |
| <b>Total expenditure</b>                                  | 2     | <b>3,678,603</b>        | <b>215,966</b>        | <b>3,894,569</b>         | <b>3,973,897</b>        | <b>100,500</b>        | <b>4,074,397</b>         |
| <b>Net income (expenditure) and net movement in funds</b> | 3     | <b>458,280</b>          | <b>27,589</b>         | <b>485,869</b>           | <b>590,883</b>          | <b>5,508</b>          | <b>596,391</b>           |
| <b>Reconciliation of funds:</b>                           |       |                         |                       |                          |                         |                       |                          |
| 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<br>£ | 2022<br>£ | 2021<br>£ | 2021<br>£ |
|----------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Fixed assets</b>                                            |       |           |           |           |           |
| Intangible assets                                              | 6     |           | —         |           | —         |
| Tangible assets                                                | 7     |           | 21,070    |           | 16,221    |
|                                                                |       |           | 21,070    |           | 16,221    |
| <b>Current assets</b>                                          |       |           |           |           |           |
| Debtors                                                        | 8     | 366,958   |           | 404,082   |           |
| Cash at bank and in hand                                       |       | 1,594,926 |           | 1,045,227 |           |
|                                                                |       | 1,961,884 |           | 1,449,309 |           |
| <b>Creditors: amounts falling due within one year</b>          | 9     | (109,980) |           | (77,942)  |           |
| <b>Net current assets</b>                                      |       |           | 1,851,904 |           | 1,371,367 |
| <b>Creditors: amounts falling due after more than one year</b> | 10    |           | (1,087)   |           | (1,570)   |
| <b>Net assets</b>                                              |       |           | 1,871,887 |           | 1,386,018 |
| <b>The funds of the charity</b>                                |       |           |           |           |           |
| 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<br>£ | 2021<br>£ |
|----------------------------------------|-------|-----------|-----------|
| 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<br>£      | 2021<br>£      |
|--------------------------------------------------|----------------|----------------|
| 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)       |
| <b>Net cash inflow from operating activities</b> | <b>563,816</b> | <b>421,443</b> |

#### B. Cash flows from investing activities

|                                               | 2022<br>£       | 2021<br>£       |
|-----------------------------------------------|-----------------|-----------------|
| <b>Investing activities</b>                   |                 |                 |
| Payments to acquire tangible fixed assets     | (14,117)        | (12,105)        |
| <b>Cash outflow from investing activities</b> | <b>(14,117)</b> | <b>(12,105)</b> |

#### C. Analysis of changes in cash (net debt)

|                          | At<br>1 January<br>2022<br>£ | Cash<br>flows<br>£ | At 31<br>December<br>2022<br>£ |
|--------------------------|------------------------------|--------------------|--------------------------------|
| Cash at bank and in hand | 1,045,227                    | 549,699            | <b>1,594,926</b>               |

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<br>£ | Restricted funds<br>£ | 2022<br>Total funds<br>£ | Unrestricted funds<br>£ | Restricted funds<br>£ | 2021<br>Total funds<br>£ |
|-------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| <b>Voluntary income</b> |                         |                       |                          |                         |                       |                          |
| 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                   |
| <b>2022 Total funds</b> | <b>4,136,258</b>        | <b>243,555</b>        | <b>4,379,813</b>         | <b>4,564,780</b>        | <b>106,008</b>        | <b>4,670,788</b>         |

## 2 Expenditure

|                                                   | Direct costs<br>£ | Grants<br>£    | Support costs<br>£ | Total costs<br>2022<br>£ |
|---------------------------------------------------|-------------------|----------------|--------------------|--------------------------|
| <b>Charitable activities</b>                      |                   |                |                    |                          |
| 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                   |
|                                                   | <b>1,616,988</b>  | <b>465,966</b> | <b>520,594</b>     | <b>2,603,548</b>         |
| <b>Raising funds</b>                              |                   |                |                    |                          |
| Staff costs                                       | 351,986           | —              | —                  | 351,986                  |
| Investment in donor acquisition                   | 391,221           | —              | —                  | 391,221                  |
| Other                                             | 431,876           | —              | 115,938            | 547,814                  |
|                                                   | <b>1,175,083</b>  | <b>—</b>       | <b>115,938</b>     | <b>1,291,021</b>         |
| <b>Total expenditure</b>                          | <b>2,792,071</b>  | <b>465,966</b> | <b>636,532</b>     | <b>3,894,569</b>         |

|                                                   | Direct costs<br>£ | Grants<br>£      | Support costs<br>£ | Total costs<br>2021<br>£ |
|---------------------------------------------------|-------------------|------------------|--------------------|--------------------------|
| <b>Charitable activities</b>                      |                   |                  |                    |                          |
| 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                   |
|                                                   | <b>1,565,109</b>  | <b>1,218,500</b> | <b>208,011</b>     | <b>2,991,620</b>         |
| <b>Raising funds</b>                              |                   |                  |                    |                          |
| Staff costs                                       | 237,685           | —                | —                  | 237,685                  |
| Investment in donor acquisition                   | 281,913           | —                | —                  | 281,913                  |
| Other                                             | 451,797           | —                | 111,382            | 563,179                  |
|                                                   | <b>971,395</b>    | <b>—</b>         | <b>111,382</b>     | <b>1,082,777</b>         |
| <b>Total expenditure</b>                          | <b>2,536,504</b>  | <b>1,218,500</b> | <b>319,393</b>     | <b>4,074,397</b>         |

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

|                | Raising funds<br>£ | Advocacy and raising awareness<br>£ | Wild animals<br>£ | Companion animals<br>£ | Farm animals<br>£ | Total costs 2022<br>£ |
|----------------|--------------------|-------------------------------------|-------------------|------------------------|-------------------|-----------------------|
| 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               |
|                | <b>115,939</b>     | <b>326,959</b>                      | <b>29,629</b>     | <b>136,057</b>         | <b>27,948</b>     | <b>636,532</b>        |

|                | Raising funds<br>£ | Advocacy and raising awareness<br>£ | Wild animals<br>£ | Companion animals<br>£ | Farm animals<br>£ | Total costs 2021<br>£ |
|----------------|--------------------|-------------------------------------|-------------------|------------------------|-------------------|-----------------------|
| 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               |
|                | <b>111,382</b>     | <b>154,026</b>                      | <b>8,766</b>      | <b>41,185</b>          | <b>4,034</b>      | <b>319,393</b>        |

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<br>£ | 2021<br>£ |
|------------------------------------|-----------|-----------|
| 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<br>£        | 2021<br>£        |
|-----------------------|------------------|------------------|
| Salaries and wages    | 1,217,466        | 910,252          |
| Social security costs | 135,973          | 94,240           |
| Other pension costs   | 47,274           | 36,711           |
|                       | <b>1,400,713</b> | <b>1,041,203</b> |

**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<br>No. | 2021<br>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      |
| <b>Average number of employees</b>             |           |           |                      |           |
| 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         |
|                                                | <b>25</b> | <b>21</b> | <b>26</b>            | <b>22</b> |

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

|                                                     | 2022<br>£     | 2021<br>£     |
|-----------------------------------------------------|---------------|---------------|
| The costs of the scheme to the charity for the year | 47,274        | 36,711        |
|                                                     | <b>47,274</b> | <b>36,711</b> |

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<br>database<br>£ | Total<br>2022<br>£ |
|----------------------------------------|------------------------|--------------------|
| <b>Valuation</b>                       |                        |                    |
| At 1 January 2022 and 31 December 2022 | 551,751                | <b>551,751</b>     |
| <b>Amortisation</b>                    |                        |                    |
| At 1 January 2022 and 31 December 2022 | 551,751                | <b>551,751</b>     |
| <b>Net book values</b>                 |                        |                    |
| At 1 January 2022 and 31 December 2022 | —                      | <b>—</b>           |

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

**8 Debtors and prepayments**

|                                | 2022<br>£      | 2021<br>£ |
|--------------------------------|----------------|-----------|
| Other debtors                  | <b>16,156</b>  | 16,012    |
| Prepayments and accrued income | <b>350,802</b> | 388,070   |
|                                | <b>366,958</b> | 404,082   |

**9 Creditors: amounts falling due within one year**

|                 | 2022<br>£      | 2021<br>£ |
|-----------------|----------------|-----------|
| Trade creditors | <b>63,553</b>  | 55,849    |
| Accruals        | <b>46,427</b>  | 22,093    |
|                 | <b>109,980</b> | 77,942    |

**10 Creditors:** amounts falling after more than one year

|                           | 2022<br>£    | 2021<br>£    |
|---------------------------|--------------|--------------|
| Finance lease commitments | 1,087        | 1,570        |
|                           | <b>1,087</b> | <b>1,570</b> |

**11 Movements in funds**

|                                        | At 1<br>January<br>2022<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At 31<br>December<br>2022<br>£ |
|----------------------------------------|------------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Restricted funds</b>                |                              |                            |                            |                                |
| 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                         |
|                                        | <b>5,508</b>                 | <b>243,555</b>             | <b>(215,966)</b>           | <b>33,097</b>                  |
| <b>Unrestricted funds</b>              |                              |                            |                            |                                |
| General funds                          | 1,380,510                    | 4,136,883                  | (3,678,603)                | 1,838,790                      |
|                                        | <b>1,380,510</b>             | <b>4,136,883</b>           | <b>(3,678,603)</b>         | <b>1,838,790</b>               |
| <b>Total funds</b>                     | <b>1,386,018</b>             | <b>4,380,438</b>           | <b>(3,894,569)</b>         | <b>1,871,887</b>               |
|                                        | At 1<br>January<br>2021<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | At 31<br>December<br>2021<br>£ |
| <b>Restricted funds</b>                |                              |                            |                            |                                |
| 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                          |
|                                        | <b>—</b>                     | <b>106,008</b>             | <b>(100,500)</b>           | <b>5,508</b>                   |
| <b>Unrestricted funds</b>              |                              |                            |                            |                                |
| General funds                          | 789,627                      | 4,564,780                  | (3,973,897)                | 1,380,510                      |
|                                        | <b>789,627</b>               | <b>4,564,780</b>           | <b>(3,973,897)</b>         | <b>1,380,510</b>               |
| <b>Total funds</b>                     | <b>789,627</b>               | <b>4,670,788</b>           | <b>(4,074,397)</b>         | <b>1,386,018</b>               |

## 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<br>£ | Unrestricted<br>£ | Total<br>2022<br>£ |
|---------------------------------------|-----------------|-------------------|--------------------|
| 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)            |
|                                       | <b>33,097</b>   | <b>1,838,790</b>  | <b>1,871,887</b>   |

  

|                                       | Restricted<br>£ | Unrestricted<br>£ | Total<br>2021<br>£ |
|---------------------------------------|-----------------|-------------------|--------------------|
| 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)            |
|                                       | <b>5,508</b>    | <b>1,380,510</b>  | <b>1,386,018</b>   |

## 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.