

**COMPANY NUMBER:06035040
CHARITY NUMBER: 1118277
INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST DECEMBER 2020



Dedicated to the rescue and rehabilitation of suffering animals

www.internationalanimalrescue.org

**INTERNATIONAL ANIMAL RESCUE
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**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

CONTENTS

	Page
Legal and administrative information	1
Report of the trustees	2 – 13
Report of the independent auditors	14 – 17
Statement of financial activities	18
Income and expenditure account	19
Statement of comprehensive income	19
Balance sheet	20
Cash flow statement	21
Notes to the financial statements	22 – 31
Detailed income and expenditure account	32 – 33

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Registered company number: 06035040

Registered charity number: 1118277

Trustees: P G Bennett M.A. (Hons)(Cantab) Dip.Ed. (NZ)
– Chairman
P Cassar BSc(Hons) BDS
L Milella BVCC DipEVDC MRCVS
A Irons (Resigned 5th February 2020)
A Bruce (Appointed 25th February 2020)

Chief Executive Officer: A Knight OBE BSc(Hons)

**Chief Financial
Operating Officer:** G Bruce

Registered Office: Lime House
Regency Close
Uckfield
East Sussex
TN22 1DS

Statutory Auditors: Clark Brownscombe Limited
Chartered Accountants & Statutory Auditors
2 St Andrews Place
Lewes
East Sussex
BN7 1UP

Principal bankers: The Co-operative Bank plc.
242 High Street
Exeter
EX4 3QB

Solicitors: Bennett, Griffin LLP
Shelley House
23 Warwick Street
Worthing
West Sussex
BN11 3DG

Investment Advisors: Rathbone Greenbank Investments
10 Queen Square
Bristol
BS1 4NT

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

The Trustees have pleasure in presenting their annual report and financial statements for the year ended 31st December 2020.

Structure

International Animal Rescue (IAR) is a company limited by guarantee and is a registered charity. It is governed by its Memorandum and Articles of Association dated 21st December 2006.

The Trustees of the charitable company are its trustees for the purposes of Company Law. Throughout this report they are collectively referred to as Trustees.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities.

History and Formation of International Animal Rescue (Limited by Guarantee)

On 1st January 2008 the net assets of International Animal Rescue (The Tillyer Foundation) were transferred into the company whose new charity number is 1118277. International Animal Rescue was originally registered with the Charity Commission in 1989 under charity number 802132, which became dormant after the change in structure in January 2008.

Recruitment of Trustees

In accordance with the Articles of Association, the number of trustees shall be no less than three but are not subject to any maximum.

New trustees may be appointed by ordinary resolution. Every new trustee shall sign in the minute book a declaration of acceptance and of willingness to act as a trustee of the Charity.

Trustees are recruited as required or when a particular skill gap is identified. Trustees are selected based on what they can contribute to the Charity. Trustees need to be prepared to take an active part in the running of the Charity and therefore need to be able - and willing - to give time to the efficient administration of the Charity and the fulfilment of its objectives.

Prospective trustees are required to consider whether there would be any possible conflicts of interest if they were to be appointed as a trustee. It is particularly important that the individual is free to make a full contribution to the trustees' discussions and decisions.

When recruiting new Charity trustees, the existing trustees ensure they understand the purposes and aims of the Charity, as well as their broader duties and responsibilities as trustees so that they are able to explain to prospective trustees what is required of them.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Organisation and Management

In terms of organisational structure the Trustees are responsible for the strategic direction of the Charity, governance and charting performance against the budget which is prepared annually. Investment decisions regarding the funds of the Charity, as well as decisions regarding expansion into new territories are made by the Trustees.

The Chief Executive is responsible for the day to day operational management of the Charity, reporting on progress to the Trustees at the scheduled Trustees' meetings. If there are extraordinary issues that need to be brought to the attention of the Trustees, extra meetings are scheduled as required. The Chief Executive is responsible for maintaining relationships with partner charities, staff management, recommending projects to the Trustees and annual financial performance.

The Chief Executive is supported by a small management team who are responsible for functional areas within the Charity. These functional heads provide periodic reports for the Trustees.

Affiliates

International Animal Rescue is affiliated and provides funding to several other independent groups. Yayasan IAR Indonesia runs primate rescue and rehabilitation centres in Java and Borneo, Indonesia; International Animal Rescue Costa Rica runs our wildlife protection effort in Costa Rica; International Animal Rescue USA serves the North American territory with education and information relating to the projects that International Animal Rescue supports. As a group, the independent International Animal Rescue Charities share common goals and objectives.

Partners

In addition to the affiliate group, International Animal Rescue also works very closely with several International partner organisations. International Animal Rescue is a major funder of Wildlife SOS (India) who are responsible for the Dancing Bear Project in India. In addition, International Animal Rescue provides funding for its partner Catastrophes Cat Rescue, which provides care for older and unwell cats in the UK. Other partner groups are FPWC (Armenia), British Divers Marine Life Rescue (UK), East Sussex Wildlife Rescue and Ambulance Service (UK), Animal Protection Agency – APA (UK), Goan Strays (India) and Friendicoes SECA (India).

Risk Management

The Trustees have prepared a risk assessment document for the Charity. This covers risks regarding data, continuity, succession and liability.

The trustees review the major risks to which the Charity is exposed on a regular basis and systems are implemented whenever possible to mitigate these risks. The Trustees believe that there is a satisfactory system of internal controls which are also reviewed on a regular basis.

Objectives

For the benefit of the public to: (a) relieve the suffering of animals in need of care and attention and to provide rescue facilities for the reception, care, rehabilitation and reintroduction back into the wild of such animals; (b) promote the conservation, protection and improvement of the physical and natural environment and support the development of sustainable ecosystems.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

International Animal Rescue works with expert affiliate and partner groups on projects that will make a significant impact on animal welfare and conservation issues. The Charity engages with local and national governments internationally, as support from the state combined with efforts on the ground gives the various projects the best chance of success.

The main objectives for 2020 were;

- Work with Wildlife SOS (India) to provide safe sanctuary for the rescued dancing bears in India and continue to rescue bears that are threatened;
- Support the rehabilitation and release program of macaques in Indonesia;
- Work to mitigate the illegal pet trade in Indonesia as well as continue the rescue, rehabilitation and release of the slow loris;
- Expand the orangutan release programme;
- Develop holistic habitat protection strategies;
- Continue the Great Bear Rescue programme for Armenia;
- Develop our wildlife protection work in Costa Rica;
- Continue to support Catastrophes Cat Rescue in the UK.
- Continue to sustainably grow the UK charity in an efficient manner; increasing fundraising capacity with minimal increase in overhead.
- Develop digital supporter strategies to reflect the importance of digital media and social networks.

Public Benefit

In consideration of The Charities Act 2011 definition of charitable purpose; the Trustees of International Animal Rescue consider that the objectives and activities of the Charity are for the public benefit by supporting the advancement of animal welfare. In setting the programme each year the Trustees have regard to both the Charity Commission's general guidance on public benefit and the advancement of animal welfare for the public benefit. The Trustees always ensure that the programmes undertaken are in line with the charitable objectives and aims. The activities, which are described in more detail in a separate section below, cover the following charitable purposes for public benefit;

- promoting kindness and to prevent or suppress cruelty to animals;
- building and funding animal sanctuaries in the UK and overseas;
- provision of veterinary care and treatment to animals;
- care and re-homing of animals that are abandoned, mistreated or lost;
- conservation of endangered wildlife;
- mitigation strategies of the illegal wildlife trade;
- spaying and neutering projects for feral animal control;
- rescue, rehabilitation and release of wild animals; and
- conserving habitats and protecting the natural environment.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Review of activities

This section provides an overview of the various programmes that are supported by International Animal Rescue.

Covid-19 Pandemic

2020 was overshadowed by the coronavirus pandemic, which swept around the globe causing hundreds of thousands of deaths, individual hardship and economic chaos. Health systems were overwhelmed, livelihoods were destroyed, supply chains were disrupted and normal day to day activities came to a grinding halt.

All of our rescue centres were affected by disrupted food and medical supplies and soaring costs. Our already strict biosecurity protocols were reinforced in an attempt to protect our animals and staff from infection. We had to stockpile provisions that were in short supply and (like so many others) were paying hugely inflated prices for PPE and other medical supplies.

Our fundraising plans had to be changed very fast. Our small fundraising team (working from home) had to cancel many events due to the necessary social distancing rules. Our rescue centre in Costa Rica receives a large proportion of its funding from visitors. Naturally, the centre had to close its doors shutting off this essential funding; however, our supporters have been amazing. They appreciated the strain on our teams in the field and have continued to donate essential funds – We never cease to be amazed at the loyalty and generosity of our supporters, many of whom have been with us for many years.

As has been widely reported, the delta coronavirus variant has caused tremendous problems in Asia during 2021. We have been able to protect our animals; however, our teams in India and Indonesia have been badly affected and have faced many challenges. Hopefully, as staff and people in the local communities become vaccinated, the situation will continue to improve.

The Trustees of IAR are immensely grateful to all the staff and volunteers at our projects for their tireless efforts protecting animals and habitats in such unprecedented conditions, and to our supporters who have stood by us during this challenging time.

Indian Dancing Bear Project

International Animal Rescue has been working with its partner Wildlife SOS (an Indian charity) since 2002 on a project that ended the trade of dancing bears in India. The partnership has built up 3 sanctuaries across India to accommodate the rescued ‘dancing’ bears; in addition, a community programme has been devised to support the Kalandar people who once relied on the bears for their income. During 2020, IAR provided £616k of funding to this project.

The Kalandar people have had vocational training and financial support to establish them into new professions. In addition, the communities are supported with schooling and education such that they may have a brighter future.

The Indian Government responded swiftly to the ‘first wave’ of the Covid pandemic with a nationwide lockdown, this made the routine logistics of procuring food and medical supplies extremely challenging. Furthermore, the cost of supplies sky-rocketed especially PPE and medical supplies. Thankfully, our team escaped infection and things settled down a little in the second half of 2020. However, as has been widely reported in the media, since the year end a vicious ‘second wave’ has swept the nation and the country is in crisis. Unfortunately, the team has been affected and (at the time of writing) several people have been infected. IAR is doing all it can to support Wildlife SOS and its team through the emergency situation.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

IAR has an ongoing commitment to provide the best possible care for the 223 rescued bears (as at 31 December 2020) for the rest of their lives. The financial commitment to the bears is significant as the food, enrichment, veterinary and medical expenses are considerable.

Orangutan Conservation

Since 2009, International Animal Rescue Indonesia has had an agreement with the Indonesian Ministry of Environment (KLHK) to rescue and rehabilitate the critically endangered orangutans of Western Borneo. At the end of 2020 over 100 orangutans resided at our Orangutan Rescue and Rehabilitation Centre in West Kalimantan. The work carried out is in partnership with the KLHK and divisions of the Natural Conservation Agency BKSDA.

During the year, the IAR rescue team were called out to assist young orphaned orangutans; these juvenile animals, which are not yet independent, will be cared for at the rescue centre, rehabilitated, and, ultimately, prepared for release back into the wild – a process that can take more than seven years. By the end of 2020 IAR has rescued over 400 orangutans. Some of these were mature animals and were directly relocated to protected areas of wild forest.

Some of the highlights of 2020 include:

January: A mother and baby orangutan (Qia and Mama Qia) were rescued and relocated after fire destroyed their forest home in West Borneo.

January: Epen, a starving orangutan that was rescued after fire destroyed her forest home in West Borneo, was returned to the wild after six weeks treatment in our rehabilitation centre.

January: Our team rescued a sun bear in Borneo that had been caught in a snare. Unfortunately, it had to have its leg amputated but, recovered to full health and was returned to the wild.

February: mother and baby orangutan rescued from forest destroyed by the 2019 fires.

February: Rehabilitated Foster mother Monti and baby Anggun are returned to freedom in the Bornean rainforest with three other rehabilitated orangutans.

February: Starving large male orangutan (Inap), displaced by mining and logging activity, translocated to safe area of forest.

March: Ten years after her traumatic ordeal and rescue, Peni gives birth in the wild following her release a few years earlier.

April: Infant pet orangutan (Batis) rescued in West Borneo.

May: rehabilitated orangutan that were previously released into wild forest gives birth.

July: Two rehabilitated orangutans that were previously released into wild forest give birth.

August: Two adult Bornean orangutans (Samson and Boboy) rescued after spending years in small cages in Central Java.

August: Translocation of large adult male orangutan from smallholding to large forest.

September: Rescue of Covita, an orangutan illegally kept as a pet.

October: Special Award for Holistic Conservation from BBVA bank.

December: Rescue of Kulur, an orangutan illegally kept as a pet.

December: Release of five orangutans in Bukit Baka Bukit Raya National Park.

In addition to the Rescue, Rehabilitation, Release programmes, IAR Indonesia has continued to progress its holistic approach to orangutan conservation. Integrated activities are undertaken that aim to protect habitats, biodiversity and ecosystems with the aim of protecting wild populations. Engagement of local communities is the cornerstone of this work and we have specialist teams that work with the local villages to understand the drivers that lead to potential exploitation of the forests and wildlife. Alternative livelihoods, awareness, schooling & scholarships, organic farming and fire protection are all elements of this work.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

IAR Indonesia has implemented management plans for thousands of hectares of forest that are threatened by fire, illegal logging or conversion.

Slow loris conservation

International Animal Rescue Indonesia operates the only dedicated rescue and research centre for the slow loris, a critically endangered nocturnal primate. The IAR Primate Rescue and Rehabilitation Centre is located near Bogor in Java. Most of the animals at the centre have been confiscated from the illegal exotic pet trade. Little is known about these primates; researchers and students from various universities work with the IAR team to conduct studies into habitat, diet, behaviour and ecology. A release programme has been implemented whereby released animals are monitored in the wild using radio tracking equipment.

IAR has an active Wildlife Protection Team. This unit investigates the illegal pet trade, including the trade in Slow Lorises. It is a collaboration with the police and Ministry of Forest and Conservation. Whenever possible, the team gathers evidence to ensure successful law enforcement and, when appropriate, prosecution.

In January, an infant slow loris (later named Meli), found alone and in a very weak condition in a residential garden in West Java, was rescued by IAR. Our team, alongside a team from the BKSDA, came to the aid of the tiny, critically endangered, Javan slow loris. She was taken by the rescue team to the IAR Primate Rescue and Rehabilitation Centre. Meli's treatment and care will be lengthy. Once her condition improves, she will be moved to a bigger cage and provided with enrichment to stimulate her natural behaviour and prepare her for release back into her natural habitat.

In March, thirteen slow lorises (six male and seven female) were returned to their forest home in Sumatra after undergoing rehabilitation at the IAR Primate Rescue and Rehabilitation Centre. The lorises were released in the Batutegi Protected Forest in Lampung, Sumatra in collaboration with the BKSDA. The released lorises had undergone an intensive rehabilitation and assessment to ensure that their daily activity, diet and behaviour was appropriate for release back into the wild.

In August 2020, 10 critically endangered Javan slow lorises (four males and six females) were relocated from the IAR Primate Rescue and Rehabilitation Centre in Bogor to the Mount Sawal Wildlife Reserve (SMGS) in Ciamis, West Java where they were habituated to their new surrounding before being released into the rainforest. Most of these lorises were surrendered by members of the local community to the BKSDA.

Macaque Welfare

International Animal Rescue Indonesia has a project to Rescue, Rehabilitate and Release macaques. These animals are generally rescued from the pet trade. They are treated at the rescue centre in Java to bring them back to health, sterilised and then slowly socialised into 'troops' that can be released into uninhabited forest to live out their lives in the wild.

Macaques are often considered a pest and, if no sensible controls are in place, they can come into conflict with human populations. In 2020, IAR continued its work in relation to human – macaque conflict in Jakarta such that the community is aware how to mitigate conflict situations, such as no feeding and rubbish control (including macaque proof bins).

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Cat rescue

IAR supports Catastrophes Cat Rescue, which offers a 'last chance' refuge for older cats that it would otherwise be difficult to find a home for. When cats arrive, they may simply have problems with their diet or perhaps have an underlying health problem that needs attention. All the cats receive expert veterinary care. There is a small veterinary surgery on site where simple procedures can be administered. As cats grow older they often suffer from dental disease which can make their lives miserable, leading to a rapid loss of condition as they find it difficult to eat. The daily routine of cleaning, feeding and medication continued through the year thanks to Catastrophes' dedicated group of carers.

Costa Rica - Howler Monkeys

IAR Costa Rica is located on the Pacific Coast in the town of Nosara and is dedicated to protecting wildlife in Costa Rica with particular attention to Howler Monkeys.

The main issue in and around Nosara is wildlife electrocution. Due to uncontrolled residential development, the trees are being removed and overhead electric cables are being installed. The monkeys use the cables as replacement arboreal routes. Unfortunately, in many situations, the electrical apparatus is not insulated and the monkeys suffer from electrocution. Very often, the adults are severely injured or killed outright; however, sometimes, the infants (which cling to their mothers) can survive. After emergency medical aid, treatment and a lengthy process of rehabilitation, the aim is to release small troops of young adults back into the wild.

During 2020, IAR entered into an agreement with the Nosara Civic Association (NCA) for a five-acre forested piece of land to locate a new, purpose built, rescue centre. The land is within a large section of the NCA parklands, which are protected from development so, although it is close to the town, it will be peaceful for rehabilitation purposes.

IAR has had constructive initial discussions with MINAE (Ministry of Environment) and ICE (electric company) on a more holistic approach to prevent electrocutions. This dialogue will continue into 2021 and, as part of these discussions, the aim is that a pilot study will be initiated in the area around Nosara.

Our semi-permanent pre-release habituation enclosure was busy during 2020, with three troops of rehabilitated howler monkeys passing through on their final step to freedom. Given that the prognosis for rescued, electrocuted monkeys is so poor, it is a remarkable achievement by the team in Costa Rica that they are able to get the infants through their ordeal and ready for a life back in the wild.

During 2020, Refuge for Wildlife responded to almost 615 incidents and dealt with 391 rescues. 124 of the reported incidents related to electrocutions. 92 Animals were released back into the wild. Sadly, all of these statistics exceeded those of 2019

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Armenia Bears

Historically, wild bears have been illegally caught or trapped by poachers in Armenia. Once captured, many of them end up in small, squalid cages in restaurants and other public entertainment venues as a tourist attraction. Some are kept in bus depots, others are hidden from view in dark cellars. Some of the bears are mentally and physically damaged by the boredom and frustration of their miserable existence behind bars.

The bears in Armenia are Syrian Brown Bears (*Ursus arctos syriacus*), one of the smaller sub-species of brown bear. They are found in the mountainous areas of the country where they forage for fruits, berries and insects in the meadows and forests and hibernate in caves and tree hollows. Their barren prisons are a far cry from their natural home in the forest.

Many bears are being kept captive in miserable conditions across Armenia, including in the capital city of Yerevan. Some have been incarcerated for years in cramped cages with scarcely any food or water. Their environment meets none of their psychological or physical needs. They have very little space to move around in. They are given unsuitable and insufficient food and no environmental enrichment to distract and amuse them. The bears have been deprived of their dignity and their freedom. They lack everything they need to live life as nature intended.

In October 2017, in conjunction with local partners FPWC, International Animal Rescue launched a new campaign to help these suffering bears. The Great Bear Rescue aims to free them from their suffering and, after thorough veterinary checks and assessment, rehabilitate and eventually release those that are physically and mentally equipped to fend for themselves in the wild. Those that are not viable for release will be given a permanent home in sanctuaries where they will be well cared for, well fed and have the freedom to express natural bear behaviour.

The pandemic presented an opportunity to rescue three caged bears from a restaurant that used them as a tourist attraction that was closed forced to close down. The emergency rescue operation was carried out after the restaurant owner claimed he no longer had any use for the bears and couldn't afford to feed them. The three bears consisted of a female bear of 20 years old and her two five-year-old sons.

By the end of 2020, in conjunction with FPWC, IAR have rescued over 30 bears from their cramped cages. The rescued bears are now being cared for at a new purpose build rehabilitation centre in the South Caucasus mountains of Armenia.

The existing facility is now at full capacity. A combination of the pandemic and the war between Armenia and Azerbaijan over the disputed Nagorno-Karabakh region slowed down our plans; however, as things stabilise in 2021 we will look into finding more land to expand the centre and expect building work to commence after the winter in the spring of 2022.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Future plans

As both IAR and the projects around the world have grown, it is more important than ever to maintain a stable and sustainable organisation. In recent years, the income from legacies has become a significant contributor to the work that IAR does; however, it is very difficult to know how reliable this income stream will be in the medium term. With economic uncertainty in the UK there is greater financial risk to the organisation than previously. IAR will continue to maximise all channels of communication with its supporters, especially digital opportunities. The full impact of the Covid crisis is a big unknown. This has a material impact on our projects and our ability to raise funds.

Looking forward, the strategy of IAR's projects is to move 'upstream' – this means focussing more resource on the root cause of the problem. The programme team in Indonesia have made excellent progress working with local communities to protect habitat and use effective education and awareness strategies, law enforcement, capacity building and collaboration to reduce the illegal trade in protected wildlife. We will continue to expand the Wildlife Protection Unit who are tasked with investigating the illegal pet trade and instigating wildlife crime prosecutions.

Habitat protection remains a key objective for IAR – while rescuing wildlife is an essential activity, we are increasingly moving into prevention and how we can protect habitats and keep the wildlife safe in the forest.

The release orangutan release program in the Bukit Baka Bukit Raya National Park has continued to expand considerably during 2020, IAR will continue to move more animals through the process of rehabilitation to release and is implementing a five-year holistic strategy to engage the local community into the conservation of orangutans in the forest.

In Costa Rica, we will push on with the development of the new purpose built rescue centre in late 2021 / early 2022. IAR continue to engage with the electric companies and government to address the electrocution problem. One particular initiative will be the development of an open data collection tool where the public can report wildlife incidents (electrocutions, traffic accidents, dog attacks, etc). By having this data (with the geolocation) we can identify hotspots which require immediate remediation.

In Armenia, IAR will press ahead with increasing capacity by either expanding the existing facility or building an additional larger facility. We will look to accelerate the work to remove bears from the squalid conditions where they are being kept caged up and mistreated.

Investments

The Charity's equity investments are managed by Rathbone Greenbank's ethical investment team according to the objects of the Charity.

The financial markets were particularly affected by the Covid pandemic; the impact on global economies was unprecedented. We saw huge fluctuations with large falls in March 2020 and then a slow recovery through to the end of December 2020.

Trustees have always looked to strike a balance between equities and interest-bearing bonds. Overall, the equity component of the portfolio experienced a capital gain of £458k in 2020 (realised loss of £94k and an unrealised gain of £552k). The fund generated £71k of income through interest and dividends. The financial markets seemed stronger at the end of the year; however, the pandemic is far from over and it remains to be seen how quickly economies can recover. IAR will monitor this closely with its advisors, Rathbone Greenbank.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Financial Performance

In 2019, IAR received two exceptional one-off restricted grants totalling £4.3m, the underlying 2019 income was £3.7m. By comparison, IAR received £3.9m if income in 2020.

The main driver for the increase in underlying income was an increase in legacy income from £900k in 2019 to £1.1m in 2020. Otherwise, considering the backdrop of the pandemic, other fundraising channels held up very well. It is incredible with all that was going on and with countless personal challenges for our supporters that they stood by us and continued to fund our work – we are immensely grateful for this loyalty.

Excluding the utilisation of the two 2019 one-off grants of £4.3m, charitable expenditure was slightly higher in 2020 than the previous year at £3.4m against £3.1m (underlying) in 2019. We provided extra support through the Covid crisis to all the projects to deal with the challenge of logistics and higher prices. Fundraising Costs were higher slightly in 2020 at £450k (£418k in 2019).

The Charity experienced an operating surplus in 2020 of £68k of which £16k remains restricted. Overall, there was a total recognised gain for the year of £570k – this includes the unrealised gains on investments (as described in the investments section above) and gains on foreign exchange contracts.

Reserves

The global economy remains precarious with the pandemic still impacting all markets. For the UK, the full impact of the pandemic and Brexit remains uncertain. We are navigating through extremely uncertain times and the full impact on our projects and fundraising remains to be seen. We have identified risk from the economic downturn, the impact on property prices (and the affect that will have on legacy income) and foreign exchange risk.

Most of IAR's program expenditure is in the developing world, where there are significantly higher growth rates than in the West; as such, the operational costs of IARs programmes face upward inflationary pressure (as well as scale).

In addition to the restricted funds held by IAR, which are detailed in Note 14, the Charity is holding certain ring-fenced reserves for essential future spending on large projects that cannot be met from future income alone. These activities include; the construction of the new wildlife rescue centre in Costa Rica, the construction of a large free ranging enclosure for adult sanctuary orangutans, the expansion of the bear rescue and rehabilitation facility in Armenia and a reserve fund for the management (one year) the c.95k acre landscape to protect threatened orangutan habitat.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Taking into consideration the financial risk associated with fundraising challenges in the current economic climate, the impact of the coronavirus crisis, the significant monthly commitment to several overseas projects, exchange rate fluctuations and uncertainty within the funding streams, the Trustees consider that holding slightly higher than usual free reserves is prudent, without being excessive. At this time, the Trustees have agreed an appropriate reserves range for IAR as £5.8m to £6.3m, which is broken down as follows:

Reserves range	£m
Financial impact of risk	£1.0m
Working capital	£1.8m
Ring-fenced reserves	£3.0m
Minimum level	£5.8m
Range	£0.5m
Maximum level	£6.3m

The actual free reserves held by IAR as at 31st December 2020 is £5.7m, just outside the range required; however, financial markets have strengthened during 2021, bringing the reserves within range.

Statement of Trustees' Responsibilities and Corporate Governance

The members of the Board of Trustees, as Trustees and Directors, are responsible for preparing the Report of the Trustees and the financial statements. The Trustees have chosen to prepare financial statements for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the Trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit for that period and comply with UK GAAP and the Companies Act 2006.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Charity will continue in business.

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

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

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee has taken the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant information and to establish that the company's auditors are aware of that information.

Registered Office:

Lime House
Regency Close
Uckfield
East Sussex
TN22 1DS

On behalf of the Board



P Bennett – Trustee

Date: 9th Sept 2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of International Animal Rescue (the 'company') for the year ended 31st December 2020 which comprise the Income Statement, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 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 directors 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 in the Report of the Trustees but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

INTERNATIONAL ANIMAL RESCUE (LIMITED BY GUARANTEE)

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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 identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the trustees (as required by auditing standards) and discussed with the trustees the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were management bias of accounting estimates particularly in relation to the timing of legacies. Audit procedures performed by the engagement team included:

- discussions with managements including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- challenging estimates and judgements made by management in their significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified overseas laws and regulations relating to the support of projects where the laws may be considerably different to the UK along with Health and Safety regulations in the UK and overseas as the areas most likely to have such an effect, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we became aware of no actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

INTERNATIONAL ANIMAL RESCUE (LIMITED BY GUARANTEE)

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

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Victoria Anderson BA(Hons) FCA DChA (Senior Statutory Auditor)
for and on behalf of Clark Brownscombe Limited
Chartered Accountants
and Statutory Auditors
2 St Andrews Place
Lewes
East Sussex BN7 1UP

Date: 13 September 2021

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	2019 £
INCOME					
Donations and legacies					
- Donations and grants		2,373,346	301,076	2,674,422	6,947,611
- Legacies		1,131,453	-	1,131,453	903,692
Investments					
- Interest					
- Cash deposits		410	-	410	1,989
- UK Fixed Interest Securities		15,423	-	15,423	21,029
- Overseas Fixed Interest Securities		5,979	-	5,979	2,956
- Dividends					
- UK equities		38,420	-	38,420	59,035
- Overseas equities		10,688	-	10,688	7,611
Other trading activities		<u>20,781</u>	<u>-</u>	<u>20,781</u>	<u>28,096</u>
Total income	1	<u>3,596,500</u>	<u>301,076</u>	<u>3,897,576</u>	<u>7,972,019</u>
EXPENDITURE					
Charitable activities		3,062,315	301,076	3,363,391	7,395,036
Raising funds					
- Fundraising costs		449,627	-	449,627	417,595
- Investment managers fees		<u>16,687</u>	<u>-</u>	<u>16,687</u>	<u>16,546</u>
Total expenditure	3	<u>3,528,629</u>	<u>301,076</u>	<u>3,829,705</u>	<u>7,829,177</u>
		67,871	-	67,871	142,842
Gains on investment assets		<u>458,105</u>	<u>-</u>	<u>458,105</u>	<u>701,808</u>
Net income		525,976	-	525,976	844,650
Other recognised (losses)/gains					
(Losses) on foreign exchange		(649)	-	(649)	(1,216)
Gains/(losses) on forward exchange contracts		<u>44,840</u>	<u>-</u>	<u>44,840</u>	<u>(105,549)</u>
Net movement in funds		570,167	-	570,167	737,885
Reconciliation of funds					
Fund balances at 1st January 2020		<u>5,157,817</u>	<u>15,889</u>	<u>5,173,706</u>	<u>4,435,821</u>
Fund balances at 31st December 2020		<u>5,727,984</u>	<u>15,889</u>	<u>5,743,873</u>	<u>5,173,706</u>

The detailed 2019 comparative statement of financial activities is reported in note 2.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

INCOME ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
TURNOVER	1	3,826,656	7,879,399
Campaign costs, fundraising, administration and general expenses		<u>3,829,705</u>	<u>7,829,177</u>
OPERATING SURPLUS	4	(3,049)	50,222
(Losses)/gains on sale of investments		(94,185)	86,338
(Losses) on foreign exchange		(649)	(1,216)
Interest receivable and income from investments		<u>70,920</u>	<u>92,620</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(26,963)</u>	<u>227,964</u>

All amounts relate to continuing activities.

STATEMENT OF COMPREHENSIVE INCOME

	2020 £	2019 £
(Deficit)/surplus for the year	(26,963)	227,964
Unrealised gains on revaluation of investments	552,291	615,470
Gain/(loss) on forward exchange contracts	<u>44,839</u>	<u>(105,549)</u>
Total recognised gains for the year	<u>570,167</u>	<u>737,885</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

BALANCE SHEET

**AS AT 31ST DECEMBER 2020
COMPANY NUMBER: 06035040**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	7	169,455	181,565
Investments	8	<u>5,034,234</u>	<u>4,132,482</u>
		5,203,689	4,314,047
CURRENT ASSETS			
Stock		8,145	7,986
Debtors	9	88,489	172,422
Cash at bank and in hand		<u>511,188</u>	<u>789,603</u>
		607,822	970,011
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	<u>67,638</u>	<u>110,352</u>
NET CURRENT ASSETS		<u>540,184</u>	<u>859,659</u>
TOTAL ASSETS			
LESS CURRENT LIABILITIES		<u>5,743,873</u>	<u>5,173,706</u>
THE FUNDS OF THE CHARITY			
Restricted funds	14	<u>15,889</u>	<u>15,889</u>
Unrestricted funds		4,473,587	4,414,331
Revaluation reserve		<u>1,254,397</u>	<u>743,486</u>
Total unrestricted funds	15	<u>5,727,984</u>	<u>5,157,817</u>
TOTAL CHARITY FUNDS		<u>5,743,873</u>	<u>5,173,706</u>

Approved by the trustees on 7th Sept. 2021 and signed on their behalf by:

P Bennett
P Bennett - Trustee

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
		£	£
Net cash from operating activities	19	97,824	51,803
Cash flow from investing activities			
Purchase of tangible assets		(2,863)	(2,656)
Purchase of fixed asset investments		(798,087)	(725,934)
Proceeds from disposal of fixed asset investments		354,440	922,711
Interest received and income from investments		<u>70,920</u>	<u>92,620</u>
Net cash (used)/gained in investing activities		<u>(375,590)</u>	<u>286,741</u>
Net (decrease)/increase in cash and cash equivalents		(277,766)	338,544
Cash and cash equivalents at the beginning of year		789,603	452,275
Exchange (losses)		<u>(649)</u>	<u>(1,216)</u>
Cash and cash equivalents at end of year		<u>511,188</u>	<u>789,603</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015), hereafter referred to as the Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Animal Rescue meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. However, there are no judgements or assumptions that have a significant risk of causing material adjustment.

b) Income

(i) Donations and Gift Aid

Donations are recognised when they are received and recorded in the Charity's accounting records. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

(ii) Legacies

Legacies are recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount receivable can be measured reliably.

(iii) Trading Activities

Income from trading activities is included in the period in which the Charity is entitled to receipt.

(iv) Investment Income

Income from investments is recognised when receivable.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

c) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. A proportion of the costs of producing fundraising literature is considered to be educational and therefore included within charitable activities.

The main categories of expenditure are:-

- a) Charitable activities are the costs of the campaigns and related support costs.
- b) Raising funds are fundraising costs and investment management fees. Fundraising costs relate to the external agencies and internal fundraising resource. Agency costs include the design, production and printing of promotional material, as well as the direct mailing costs. Twenty five per cent of the cost is allocated to education on the basis that the literature produced increases public awareness of issues that the Charity works with around the world.
- c) Support costs are allocated over the above categories on the basis of staff time spent on each activity.

d) Pension scheme arrangements

The Charity makes contributions to a small self-administered pension scheme which operates on a defined contribution basis to provide employees retirement and death benefits. Regular contributions are recognised on an accruals basis and special contributions are recognised in the period in which they occur.

e) Going concern

There are no material uncertainties concerning the charity's ability to continue as a going concern.

f) Fund accounting

The charity maintains various funds in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities 2015'. These funds, which require separate disclosures, are as follows:-

Unrestricted Funds. These are general funds of the charity and are expendable at the discretion of the Trustees in the furtherance of the charitable objectives. The main sources of general funds are donations arising from appeals, grants from trusts and investment income. The main applications of general funds are campaign costs, fundraising costs and related overhead costs.

Restricted Funds. These are funds which are subject to specific objects declared by the donor or which are raised by appeal for a specific purpose. These funds are expendable by the Trustees in furtherance of the specific object for which they were given unless the donor later agrees that they can be applied for a general purpose. Due to the nature of these funds they are accounted for separately from the general funds of the charity.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

g) Fixed assets

Fixed assets are depreciated over their expected useful lives at the following annual rates:

Freehold property/improvements	2%/10%	On cost
Motor vehicles	25%	Reducing balance
Support boat for Malta	25%	Reducing balance
Plant and machinery	20%	Reducing balance
Office equipment	20%	Reducing balance

h) Stock

Stock is included at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

i) Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments are measured at fair value as at the balance sheet date using the quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Unrealised gains and losses on revaluation are accounted for in the relevant fund.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

2. Detailed comparatives for the statement of financial activities

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £
INCOME				
Donations and legacies				
- Donations and grants		2,548,118	4,399,493	6,947,611
- Legacies		903,692	-	903,692
Investments				
- Interest				
- Cash deposits		1,989	-	1,989
- UK Fixed Interest Securities		21,029	-	21,029
- Overseas Fixed Interest Securities		2,956	-	2,956
- Dividends				
- UK equities		59,035	-	59,035
- Overseas equities		7,611	-	7,611
Other trading activities		<u>28,096</u>	<u>-</u>	<u>28,096</u>
Total income		<u>3,572,526</u>	<u>4,399,493</u>	<u>7,972,019</u>
EXPENDITURE				
Charitable activities		2,981,432	4,413,604	7,395,036
Raising funds				
- Fundraising costs		417,595	-	417,595
- Investment managers fees		<u>16,546</u>	<u>-</u>	<u>16,546</u>
Total expenditure	3	<u>3,415,573</u>	<u>4,413,604</u>	<u>7,829,177</u>
		156,953	(14,111)	142,842
Gains on investment assets		<u>701,808</u>	<u>-</u>	<u>701,808</u>
Net income/(expenditure)		858,761	(14,111)	844,650
Other recognised gains				
Profit on foreign exchange		(1,216)	-	(1,216)
Gains on forward exchange contracts		<u>(105,549)</u>	<u>-</u>	<u>(105,549)</u>
Net movement in funds		751,996	(14,111)	737,885
Reconciliation of funds				
Fund balances at 1st January 2019		<u>4,405,821</u>	<u>30,000</u>	<u>4,435,821</u>
Fund balances at 31st December 2019		<u>5,157,817</u>	<u>15,889</u>	<u>5,173,706</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

3. Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	2019 £
Charitable Activities				
Campaign costs	2,656,175	301,076	2,957,251	6,927,711
International development costs	-	-	-	250
Educational costs	143,375	-	143,375	127,841
Travel and accommodation	1,345	-	1,345	43,040
Support costs	<u>261,420</u>	<u>-</u>	<u>261,420</u>	<u>296,194</u>
	<u>3,062,315</u>	<u>301,076</u>	<u>3,363,391</u>	<u>7,395,036</u>
Raising funds				
Fundraising costs:-				
Appeal and other costs	249,486	-	249,486	209,002
Support costs	<u>200,141</u>	<u>-</u>	<u>200,141</u>	<u>208,593</u>
	<u>449,627</u>	<u>-</u>	<u>449,627</u>	<u>417,595</u>
Investment managers fees	<u>16,687</u>	<u>-</u>	<u>16,687</u>	<u>16,546</u>
Total	<u>3,528,629</u>	<u>301,076</u>	<u>3,829,705</u>	<u>7,829,177</u>

Analysis of Support Costs

	Charitable Activities £	Fundraising Costs £	Total 2020 £	2019 £
Staff costs	177,165	172,058	349,223	341,196
Premises costs	7,535	2,512	10,047	13,113
Office administration costs	13,142	4,380	17,522	25,702
Insurance	8,471	2,823	11,294	14,753
Database, development and computer costs	10,600	3,533	14,133	46,207
Motor expenses	2,755	918	3,673	4,753
Depreciation	11,231	3,743	14,974	17,205
Bank charges	20,427	6,809	27,236	25,527
Professional fees	378	126	504	1,656
Audit and accountancy fees	6,255	2,085	8,340	8,104
Sundry expenses	<u>3,461</u>	<u>1,154</u>	<u>4,615</u>	<u>6,571</u>
	<u>261,420</u>	<u>200,141</u>	<u>461,561</u>	<u>504,787</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

4. Operating Surplus

The operating surplus is stated after charging:-	2020	2019
	£	£
Administration expenses including:-		
Depreciation	14,974	17,205
Auditors remuneration		
- audit fees	3,650	3,550
- for accountancy work	<u>4,690</u>	<u>4,554</u>

5. Staff Costs

	2020	2019
	£	£
Wages and salaries	519,062	497,446
Social security costs	50,358	49,937
Pension costs	<u>62,529</u>	<u>57,553</u>
	<u>631,949</u>	<u>604,936</u>

The number of staff to whom retirement benefits are accruing under a defined contribution pension scheme is sixteen (2019: fifteen).

The average number of employees during the year was nineteen (2019: sixteen).

The number of employees receiving remuneration in excess of £60,000 p.a. is as follows:-

	2020	2019
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

The key management personnel of the company comprise the trustees, the Chief Executive Officer and the Chief Financial and Operating Officer. The total employee benefits of the key management personnel were £200,297 (2019: £191,858).

6. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

7. Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Support Boat £	Total £
Cost					
At 1st January 2020	216,430	99,564	32,000	11,395	359,389
Additions	-	2,864	-	-	2,864
Disposals	-	-	-	-	-
At 31st December 2020	<u>216,430</u>	<u>102,428</u>	<u>32,000</u>	<u>11,395</u>	<u>362,253</u>
Depreciation					
At 1st January 2020	82,130	65,518	18,781	11,395	177,824
Charge for the year	4,287	7,382	3,305	-	14,974
On disposals	-	-	-	-	-
At 31st December 2020	<u>86,417</u>	<u>72,900</u>	<u>22,086</u>	<u>11,395</u>	<u>192,798</u>
Net Book Value					
At 31st December 2020	<u>130,013</u>	<u>29,528</u>	<u>9,914</u>	<u>-</u>	<u>169,455</u>
At 31st December 2019	<u>134,300</u>	<u>34,046</u>	<u>13,219</u>	<u>-</u>	<u>181,565</u>

8. Investments

	2020 £	2019 £
Market value at 1st January 2020	4,132,482	3,627,451
Acquisitions	798,087	725,934
Less: Disposals	<u>(448,625)</u>	<u>(836,373)</u>
Net unrealised gain on revaluation	<u>4,481,944</u>	<u>3,517,012</u>
	<u>552,290</u>	<u>615,470</u>
Market value of listed investments at 31st December 2020	<u>5,034,234</u>	<u>4,132,482</u>
Historical cost at 31st December 2020	<u>3,779,837</u>	<u>3,388,996</u>

All investments are listed on a recognised stock exchange.

An analysis of investments is as follows:

	2020			2019		
	UK Investments £	Overseas Investments £	Total £	UK Investments £	Overseas Investments £	Total £
Debt Instruments	774,865	210,961	985,826	629,484	144,775	774,259
Equities	<u>2,438,596</u>	<u>1,609,812</u>	<u>4,048,408</u>	<u>1,357,149</u>	<u>2,001,074</u>	<u>3,358,223</u>
	<u>3,213,461</u>	<u>1,820,773</u>	<u>5,034,234</u>	<u>1,986,633</u>	<u>2,145,849</u>	<u>4,132,482</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

9. Debtors

	2020 £	2019 £
Derivative asset	3,655	-
Other debtors	77,399	166,200
Prepayments and accrued income	<u>7,435</u>	<u>6,222</u>
	<u>88,489</u>	<u>172,422</u>

10. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	30,712	38,667
Derivative liability	-	41,184
Other taxes and social security costs	20,401	17,540
Other creditors	1,220	79
Accruals	<u>15,305</u>	<u>12,882</u>
	<u>67,638</u>	<u>110,352</u>

11. International Animal Rescue Trading Limited

The Charity holds 100% of the issued share capital of International Animal Rescue Trading Limited (2 ordinary £1 shares). The company was dormant throughout the year.

	2020 £	2019 £
The assets and liabilities of the subsidiary were:		
Assets	3,773	3,773
Liabilities	<u>-</u>	<u>-</u>
	<u>3,773</u>	<u>3,773</u>
Aggregate share capital and reserves	<u>3,773</u>	<u>3,773</u>

Consolidated financial statements have not been prepared for the Group on the grounds that the subsidiary is not material and the costs of preparing Group financial statements outweigh the benefits arising from them.

12. Share Capital

The company is limited by guarantee having no share capital and members having a liability not exceeding £10 each.

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

13. Financial Instruments	2020	2019
	£	£
Financial assets measured at fair value through income account	<u>5,545,422</u>	<u>4,922,085</u>

14. Restricted Funds

	At 1st January 2020 £	Income £	Expenditure £	At 31st December 2020 £
Orangutan Conservation	-	5,660	(5,660)	-
PPE Indonesia	-	2,000	(2,000)	-
Plant A Tree - Indonesia	-	6,000	(6,000)	-
India: Dancing Bears	-	249,122	(249,122)	-
Armenia Bears	-	38,294	(38,294)	-
Orangutan Release Programme	<u>15,889</u>	<u>-</u>	<u>-</u>	<u>15,889</u>
	<u>15,889</u>	<u>301,076</u>	<u>(301,076)</u>	<u>15,889</u>

£15,889 of restricted funds was brought forward for the purpose of designing a new transmitter system for post-release monitoring of orangutans. Due to issues with testing of the prototypes, these funds remained unspent as at December 31, 2020.

IAR received a legacy of £249k in 2020, restricted for the Indian dancing bear project, which was fully expended in the year. A total of £38k of restricted donations were received for the Armenia Great Bear Rescue, these were all fully utilised in the year. All other restricted funds were fully expended in the year.

15. Unrestricted Funds

	At 1st January 2020 £	Income £	Expenditure £	Unrealised and realised gains £	At 31st December 2020 £
General Fund	<u>5,157,817</u>	<u>3,596,500</u>	<u>(3,528,629)</u>	<u>502,296</u>	<u>5,727,984</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

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

16. Analysis of Net Assets between Funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	169,455		169,455
Investments	5,034,234	-	5,034,234
Stock	8,145	-	8,145
Debtors	88,489	-	88,489
Cash at bank	495,299	15,889	511,188
Other net current liabilities	<u>(67,638)</u>	<u>-</u>	<u>(67,638)</u>
	<u>5,727,984</u>	<u>15,889</u>	<u>5,743,873</u>

17. Related Party Transactions

Grants and expenses totalling £188,409 (2019: £189,400) were paid to Catastrophes Cat Rescue. The partner of Alan Knight, Chief Executive Officer of IAR, is the founder and trustee of Catastrophes Cat Rescue. Accounting services are provided free of charge to Catastrophes Cat Rescue.

Office space and accounting services are provided free of charge to British Divers Marine Life Rescue. Alan Knight, Chief Executive Officer of IAR, is a trustee of British Divers Marine Life Rescue.

All transactions were approved by the Board of Trustees.

18. Trustees remuneration and expenses

No remuneration or expenses were paid by the charity to any Trustee during this year or the previous year.

19. Notes to the Cash Flow Statement

Reconciliation of net surplus to net cash inflow from operating activities

	2020 £	2019 £
Operating (deficit)/surplus	(3,049)	50,222
Depreciation	14,974	17,205
(Increase) in stocks	(159)	(1,123)
Movement on derivative asset	44,839	(105,549)
Decrease in debtors	83,933	66,799
(Decrease)/increase in creditors	<u>(42,714)</u>	<u>24,249</u>
Net inflow from operating activities	<u>97,824</u>	<u>51,803</u>

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020	2019
	£	£
INCOME		
Direct mail appeals	795,408	623,477
Committed gifts	478,439	471,117
Donations from individuals and companies	969,099	593,893
Gift aid	246,102	216,963
Grants from trusts and foundations	73,689	4,867,011
Legacies	1,131,453	903,692
Fundraising events	111,685	175,150
Merchandise and promotions	20,781	28,096
Investment income	70,510	90,631
Interest received	<u>410</u>	<u>1,989</u>
Total income	<u>3,897,576</u>	<u>7,972,019</u>
EXPENDITURE		
Campaign costs:		
India – Dancing Bear Project	616,395	488,610
Indonesia – Primate Rescue	1,800,382	5,963,270
Costa Rica – Refuge for Wildlife	113,482	105,795
Armenian Bear Project	198,868	143,668
Catastrophes Cat Rescue	188,409	189,400
Other project costs	39,715	36,968
International development costs	-	250
Educational costs	143,375	127,841
Travel and accommodation	<u>1,345</u>	<u>43,040</u>
	3,101,971	7,098,842
Fundraising costs:		
Appeals costs	179,474	139,962
Exhibition, and advertising costs	38,380	31,343
Web, affinity and legacy costs	5,315	4,730
Cost of trading	6,836	11,901
Investment managers fees	16,687	16,546
Sundry fundraising	<u>19,481</u>	<u>21,066</u>
	266,173	225,548

**INTERNATIONAL ANIMAL RESCUE
(LIMITED BY GUARANTEE)**

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020		2019
	£	£	£
Overheads:			
Salaries, national insurance and pensions	349,223		341,196
Printing, postage and stationery	13,281		21,250
Computer and website costs	14,133		46,207
Rates	1,533		1,509
Light and heat	2,830		2,594
Repairs and maintenance	5,684		9,010
Insurance	11,294		14,753
Telephone and internet	4,241		4,452
Motor expenses	3,673		4,753
Audit and accountancy fees	8,340		8,104
Legal and professional fees	504		1,656
Sundry expenses	4,615		6,571
Profit on foreign exchange	649		1,216
Bank charges	27,236		25,527
Depreciation	14,974		17,205
Deficit/(surplus)			
on disposal of fixed asset investments	<u>94,185</u>		<u>(86,338)</u>
		<u>556,395</u>	<u>419,665</u>
Total expenses		<u>3,924,539</u>	<u>7,744,055</u>
Net (deficit)/surplus		<u>(26,963)</u>	<u>227,964</u>
