



**Report
and
Financial Statements
Year ended 31 March 2023**

Charity no: 1159690
Charitable Incorporated Organisation
(Registered in England)

Humane Slaughter Association
The Old School. Brewhouse Hill. Wheathampstead. Herts. AL4 8AN, UK
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Registered in England Charity No. 1159690
Charitable Incorporated Organisation

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CONTENTS

	Pages
Reference and Administrative Details of the Charitable Incorporated Organisation, its Trustees and Advisors	1
Trustees Report	2 - 14
Independent Auditor's Report on the Financial Statement	15-18
Statement of Financial Activities	19
Balance Sheet	20 -21
Notes to the Financial Statements	22 - 39

GENERAL DATA PROTECTION REGULATION 2018
In May 2018 the Data Protect Act 1988 was superseded by GDPR. In line with relevant laws, the charity has legal obligations relating to how it collects, stores, uses and processes personal information. Members, subscribers and others who have agreed to be on HSA's regular mailing list are reminded that their names and addresses are held on computer to produce address labels. Details of subscriptions and donations received are also recorded for audit purposes and, where payments are made by donations or subscriptions qualifying for tax relief, the amounts are listed to support claims for recovery of income tax from HM Revenue & Customs.

Vice-Presidents

Lydia Brown MBE BVSc BA PhD FRSB MBA FRCVS
Professor Peter Holmes OBE BVMS PhD FRCVS FRSE
Bryan Howard BVMS PhD FRCVS
John Pratt BVM&S DVSM FRCVS
Gillian Sales BSc PhD AKC MRSB DipTCDHE

Trustees

Chair: Mike Radford OBE LLB ¹
Deputy Chair: Emma-Louise Singh MCIOF (advDip) (from 8.02.2023) ²
Honorary Treasurer: Corrie McCann BSc ACA ^{1 3}

Siobhan Abeyesinghe BSc MSc PhD ³
Professor Richard M Bennett BSc MSc PhD ^{1 2}
Emily Craven MA VetMB PGCertVPS MRCVS
Jane Downes BVSc MRCVS
Alison Enticknap PhD²
Paula Junqueira BSc MBA CFP® (from 16.11.2022) ²
Dorothy McKeegan BSc MSc PGCAP PhD (from 16.11.2022) ³
Anna Olsson MSc PhD ³
David Pritchard BSc BVetMed MPH MRCVS ²
David R Sargan MA PhD ^{2 3}
Emma-Louise Singh MCIOF (advDip) (from 16.11.2022) ²

¹ Finance Panel Member ² Fundraising Panel Member ³ Grant Panel Member

Staff

Chief Executive & Scientific Director:	Huw Golledge BSc PhD AFHEA
Secretary:	Jane Moorman
Technical Director:	Charles W Mason HND MInstM ARAgS
Research Director:	Birte Nielsen BSc MSc PhD
Technical Officer:	Jade Spence BSc (Hons) MSc AMRSB
Technical Officer:	Susan Richmond BSc MSc PhD
Scientific Communication & Outreach Officer	Luisa Dormer BSc MSc AFHEA DLSHTM
Scientific Officer	Elizabeth Carter BSc MSc
Office Staff:	Samantha Griffin Tina Langford CICM (Grad)

Registered Auditors

Hillier Hopkins LLP, 249 Silbury Boulevard, Milton Keynes, Bucks, MK9 1NA, UK

Bankers

HSBC Bank plc, 31 Chequer Street, St Albans, Herts, AL1 4YN, UK

Solicitors

Withers LLP, 16 Old Bailey, London, EC4M 7EG, UK
Wilsons, Summerlock Approach, Salisbury, Wiltshire, SP2 7RJ, UK

Investment Advisers

Evelyn Partners, 45 Gresham St, London, EC2V 7BG, UK

Registered Offices

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TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Charitable Incorporated Organisation for the year 1 April 2022 to 31 March 2023. The Trustees confirm that the Annual Report and financial statements of the Charitable Incorporated Organisation comply with the current statutory requirements, the requirements of the Charitable Incorporated Organisation's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Organisation

The HSA, founded in 1911, is the only registered charity committed solely to the welfare of animals in markets, during transport, killing for welfare reasons and disease control, and at the point of slaughter. It seeks to achieve its objectives by a positive, practical approach and by maintaining a close working relationship with those responsible for the slaughter, marketing and transport of livestock.

Abattoir work involves the demonstration of humane stunning methods, production of instructional material, development of new equipment and advising on stunning and slaughter matters. Livestock markets are visited to monitor welfare conditions. The Association gives scientific and technical advice to government departments and industry and sponsors research projects and offers awards for animal welfare advances within its objectives.

The Universities Federation for Animal Welfare (UFAW) and HSA jointly own The Old School premises at Wheathampstead. UFAW's (an incorporated body) Council members are also the Trustees of HSA (a Charitable Incorporated Organisation). The Old School premises are held in the proportion of 1/3 HSA; 2/3 UFAW.

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

The Humane Slaughter Association (HSA) is a Charitable Incorporated Organisation (No 1159690), registered by the Charity Commission on 18 December 2014, which merged on the 1 April 2016 with the Humane Slaughter Association and Council of Justice to Animals (HSA and CJA) registered charity (No. 209563). The merger was registered with the Charity Commission on 24 November 2016 and the charity No. 209563 was subsequently dissolved. The Constitution dated 18 December 2014 forms the Association's governing document.

Trusteeship of the HSA is vested in the members of the Council of the Universities Federation for Animal Welfare (UFAW). UFAW is a connected charity (Registration Number 207996).

The Council usually meets four times each year, a meeting of the Finance Panel and Fundraising Committee booth meet 4 times per year whilst the Grants Panel meets as needed to review grant applications. The Chief Executive/Scientific Director (CE/SD) has overall responsibility to the Trustees for the management of the organisation in execution of the Trustees' policies. The Secretary is responsible to the Trustees, through the Chief Executive, for financial and administrative matters delegated by the Trustees; the Technical Director and Research Director are responsible to the CE/SD for the activities of the Technical Officers.

Objects and activities

a) Policies and objectives

The objects of the Association are

1.To promote the humane treatment of animals of a type normally kept for an agricultural purpose, and such other animals as the trustees may decide,

- (a) during transport;
- (b) in lairage;

- (c) at market or otherwise while being offered for sale; or
- (d) at the time of or at any other stage in the slaughter or killing process.

2.To further the prevention of suffering of such animals in the slaughter and killing process and improve their welfare by:

- (a) seeking to introduce reforms;
- (b) Promoting improved methods and practices;
- (c) Providing advice, training, and education;
- (d) Undertaking or supporting research; or
- (e) such other methods as the trustees agree will further this purpose.

Where the following words have the following meanings:

Agricultural purpose

An animal bred, kept, or killed for the production of food, wool or skin or other farming purposes.

At the time of slaughter or killing

The period between the animal arriving at the premises where it is to be killed and the time of death. Where the animal is not removed to a particular premises for the purpose of being killed, the relevant period shall be from the time that preparations to kill the animal are commenced and the time of death.

Market

A market place or sale-yard or any other premises or place to which animals are brought from other places and exposed for sale and includes any lairage adjoining a market.

Slaughter or killing

The killing of an animal by any means and in any circumstances.

Transport

The conveyance of an animal by whatever means, whether for commercial or other purpose, and including the collection, handling, driving, loading and unloading of the animal.

b) Strategies for achieving objectives

An interim strategy was adopted in February 2021 ahead of a planned comprehensive review of the strategy for the forthcoming years. Specific objectives are set, and agreed by the Trustees, prior to the start of each year. Progress with these objectives and with other activities is closely monitored as the year progresses, both at monthly staff meetings and by the Trustees at their meetings. The HSA's activities are outlined each year in the illustrated Annual Report, which is distributed to all members.

The strategy has three component objectives:

Objective 1. Promote Humane Slaughter and Transport through Education, Training and Outreach

The aim of this component of the plan is to disseminate existing best-practice wherever it might improve animal welfare during slaughter, marketing, transport or emergency killing. This includes to the industry and the general public.

Objective 2. International Development - Promote Humane Slaughter, Transport, Marketing and Killing for Disease Control in countries with lower animal welfare standards.

The fundamental aim of this objective is to promote best practice where standards are typically lower than in the UK and/or EU, and where significant change can be implemented based on existing best practice ('picking the low-hanging fruit').

We aim to work where either the impact could be very large (eg, in China) or where it is comparatively easy to make significant improvements (eg, African countries), due to favourable conditions (receptive governments, collaborating local and/or international NGOs etc).

Objective 3. Promote improvements in Humane Slaughter, Emergency Killing and Transport of Livestock through funding Research and related activities.

There is still a need to develop practical, economic humane slaughter techniques for many species. The HSA seeks to fund these developments as well as better methods of transport and handling of livestock destined for slaughter.

c) Activities undertaken to achieve objectives

Grants and Awards

The HSA makes grants for scientific research and other activities which further the humane treatment of livestock animals during marketing, transport, slaughter and killing for disease control.

Applications are judged in relation to their benefit for animal welfare, value for money, other merits, and also in relation to other applications received in the same time frame. Applications for project and several other kinds of awards are made using specific application forms and are judged by the Grants Panel, or by staff given authority to do so according to the Terms of Reference of the Grants Panel. All grants over the value of £5000 are subject to review by the Grants Panel. The progress of projects whose duration exceeds a year is monitored through annual reports.

In March 2023, we awarded £3,500 to Dr Frank Tuytens for a project to design, build and test prototypes of improved transport containers for laying hens. The project aims to address the limitations of current transport containers, which can result in increased stress and injuries to the birds. By developing improved containers, the project seeks to establish a commercially viable solution for improving pre-slaughter welfare for spent hens.

In 2022, we funded three student scholarships which enabled students to conduct small-scale research projects aligned with the goals of the HSA:

		
ASFA SAKHAWAT	CHRISTINE KUO	JOSEPH TUMUSIIME
University of Veterinary and Animal Sciences, Pakistan	University of British Columbia, Canada	Makerere University, Uganda
£2400	£2400	£2400
Assessment of pre-slaughter practices affecting goat welfare at abattoirs of Punjab and Sindh	British Columbian Livestock Transporter Stakeholders; perspectives on the updated Federal Health of Animals Act Part XII: Impacts on cull dairy cow transportation.	Assessment of the knowledge, attitudes and practices of animal handlers on the pre-slaughter welfare of sheep and goats in selected abattoirs in Kampala.

All three scholars presented their findings in December 2022 at the annual seminar held in conjunction with our sister charity, the Universities Federation for Animal Welfare (UFAW). This seminar provided an invaluable opportunity for students to present their work to a broader audience beyond their peers, equipping them with essential experience as they embark on their careers. Asfa Sakhawat also presented her results at the UFAW conference in June 2023.

Awards

The HSA recognises individuals or organisations that have made major scientific advances in the welfare of livestock during transport, marketing and slaughter, or killing for disease control through our Humane Slaughter Award.

The 2022 recipient of the award was Dr Mette Herskin, a Senior Researcher in the Department of Animal Science at Aarhus University, Denmark. Dr Herskin's research links ethology and veterinary science, with a particular focus on the behaviour of farm animals when kept in conditions that may challenge their welfare. In the last decade alone, she and her team have published 19 peer-reviewed articles on animal transport, lairage and slaughter, as well as reviewing the difficulties associated with the assessment of fitness for transport. In the same period, Dr Herskin has championed scientific communication on the subject, contributing to over 20 conferences and symposia, delivering lectures to members of the public and writing textbooks.

Dr Herskin was presented with her award and spoke about her work at the HSA International Conference 2022: Livestock Welfare during Transport, Marketing & Slaughter in July 2022. A recording of her talk is available on our YouTube channel.

Upon receiving her award, Dr Herskin very kindly donated her prize money back to the HSA to further our work in promoting the humane treatment of all food animals beyond the farm gate. We would like to express our sincere gratitude to Dr Herskin for her support for our work.



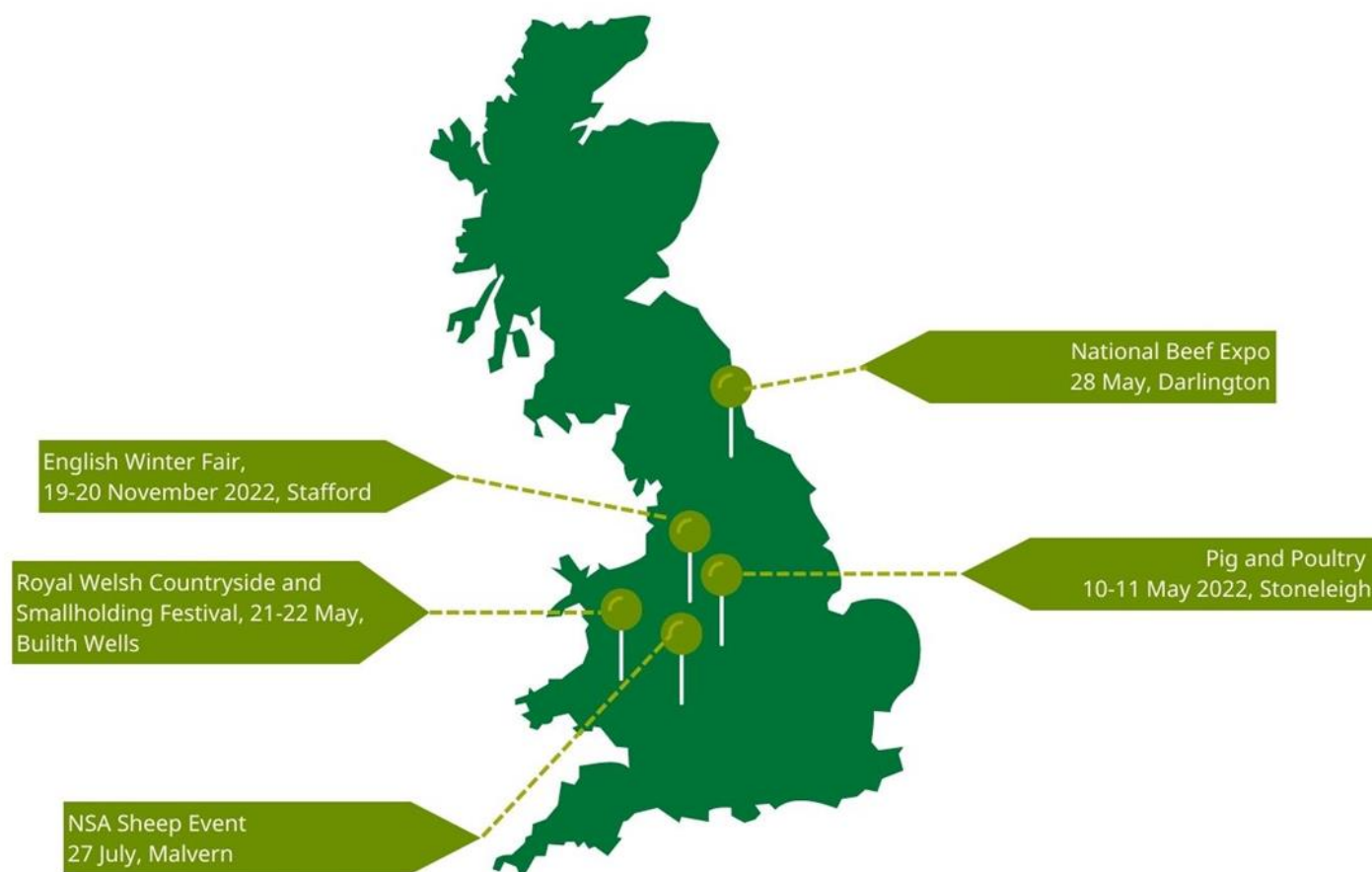
d) Main activities and achievements undertaken to further the Charitable Incorporated Organisation's purposes for the public benefit

Events

To facilitate sharing the latest developments in humane slaughter and transport, we held our first international conference in six years in Edinburgh on 30 June and 1 July 2022. The programme featured 28 talks covering a range of species, including a special focus on the welfare of aquatic species at slaughter. With decapod crustaceans and cephalopod molluscs recognised as sentient in UK law six weeks prior to the conference, this focus was critical to understanding how to protect their welfare. A number of presentations were by HSA-funded researchers including Dr Giovanna Ponte (development of methods to stun cephalopod molluscs), Dr Ragnhild Svalheim (development of stunning methods for decapod crustaceans), Dr Jimmy Turnbull (development of stunning methods for neglected finfish species) and Dr Nilantha Jayasuriya (systematic review and feasibility study of humane stunning or stun/killing of wild caught fish in commercial fisheries).

To ensure that this information was accessible and reached all those who need it, we livestreamed and recorded the talks for those colleagues who were unable to join the event in-person. 101 attendees registered to join us in-person, with a further 176 joining us virtually.

This year, our team of animal welfare experts were able to exhibit at several agricultural shows, allowing us the opportunity to showcase our work and offer advice and guidance to our supporters, both old and new:



We are actively pursuing opportunities to exhibit at other agricultural shows and events to ensure that we reach a diverse and extensive audience, maximising our outreach and disseminating animal welfare information to a broader range of individuals.

We continued with our education and training activities, ranging from practical training courses for staff from abattoirs and food processing plants, smallholders and specialist groups such as veterinarians and enforcement agencies to lectures for students.

During 2022-2023, we undertook:

5



Welfare assessment visits

28



Training courses & lectures

We were unable to run our poultry training course, aimed at UK small-scale seasonal poultry producers, due to the Avian Influenza outbreak and hope to be able to reschedule as soon as possible.

Provision of Guidance and Technical Advice

During 2022/2023, we continued to review and update our existing guidance documents to ensure that they reflect best practice and align with current legislation. In February, we published updated versions of the Code of Practice for the Killing of Chicks in Hatcheries and associated Technical Notes.

Furthermore, our Technical Director delivered a presentation on the humane electrical stunning of cashmere goats for producers in China, where non-stun slaughter has historically been used. The live presentation, organised by the Aid by Trade Foundation, was attended by approximately 50 cashmere goat producers. The session was also recorded to enable future training sessions which will be conducted over the next 2 years, with the goal of training a substantial number of cashmere goat farmers in electrical stunning. The presentation will undergo periodic review to ensure that the content remains aligned with best practice.

In addition to developing and sharing our own guidance materials, HSA actively contributes its expertise by responding to consultations initiated by governments and other organisations.

In February 2023, the HSA responded to a consultation from the Welsh Government on Mandatory Closed-Circuit Television (CCTV) in slaughterhouses. The HSA is in favour of the adoption of mandatory CCTV in slaughterhouses. Recording of all procedures involving animals at the slaughterhouse will act both as a preventative measure for potential welfare mitigating behaviour and can also be a useful tool in identifying (and subsequently solving) problem areas or routines, resolve situations where spurious accusations have been made, or where injury to an animal was not caused by humans. Given this, mandatory CCTV will be a benefit to both animals and staff. In addition, CCTV footage can be very useful as a training aid and well-trained staff will contribute to better animal welfare.

In March 2023, the HSA commented on the draft of the *Scottish Government Guidance for the Welfare of Pigs*, which was a comprehensive and well-written document, that covers all aspects of pig production and husbandry. We suggested a clarification on certain legislative documents, as the draft made reference to *The Welfare of Animals (Slaughter or Killing Regulations) 1995 (WASK 1995)* – a piece of legislation that was revoked by *WATOK (England) 2015*.

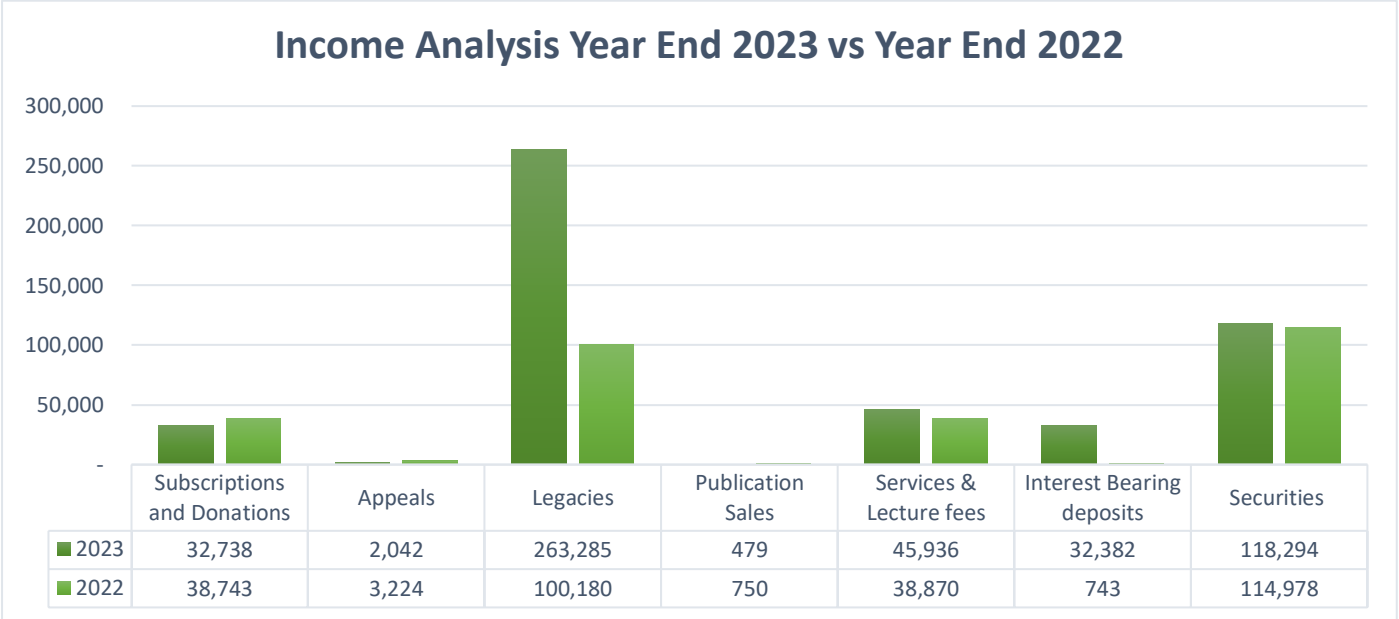
Staff

The delivery of the charity objectives depends on our talented and motivated staff. We are extremely grateful to the staff for continuing to work tirelessly for the charity

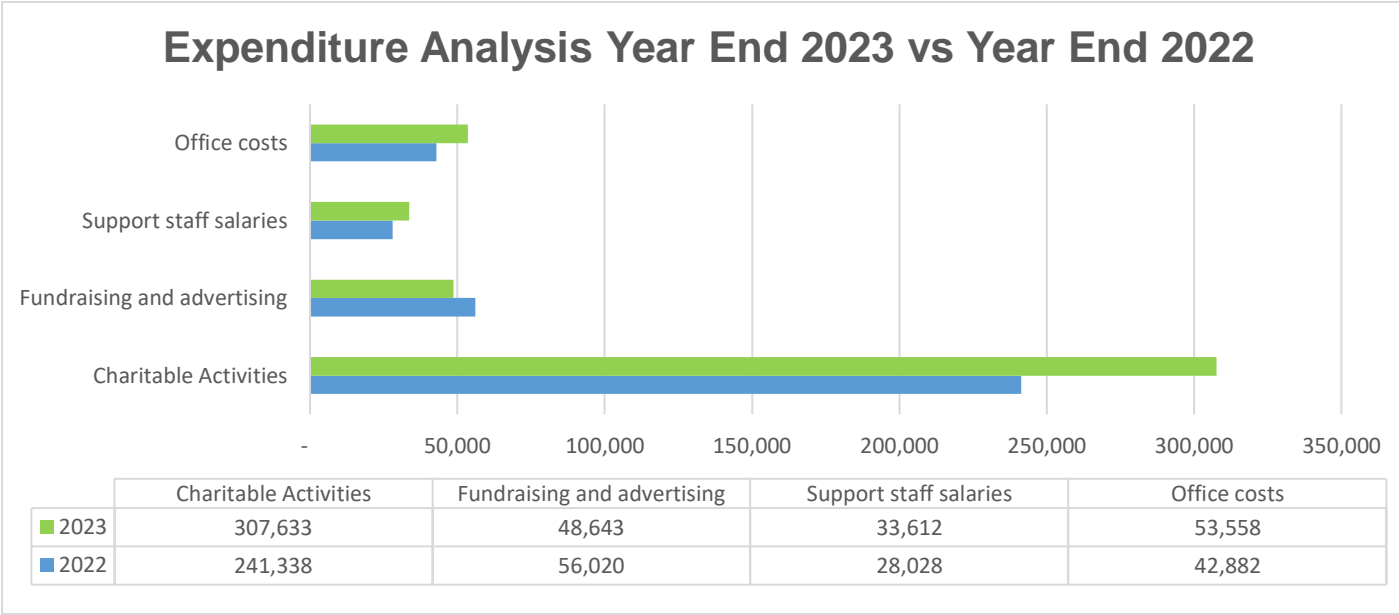
Review of activities

a) Financial Review of activities

The gross income of the Association was £495,156. Unrestricted income was £469,354, an increase of £171,868 on the previous year. (Total income in 2021/22 was £297,488, of which unrestricted income was £296,798, and restricted income of £690).



Legacy income continues to be unpredictable, this year our income totalled £263,285, an increase of £163,105 from the previous year (£100,180, 2021/22). The income from lecture fees of £45,936 is an increase of £7,066 this year (£38,870, 2021/22). The income received from the international conference in Edinburgh of nearly £25k helped increase our income from the previous year. Due to the outbreak of Avian Influenza, we were only able to carry out one of our planned poultry slaughter training courses. Unrestricted Investment income for securities was £118,294, an increase of £3,316 against the previous year (£114,978, 2021/22). Unrestricted interest-bearing deposit accounts provided an income of £6,580 an increase on the previous year of £6,527 (£53, 2021/22), and restricted income from these deposit accounts was £25,802 an increase of £25,112 (£690, 2021/22).



Unrestricted resources expended amounts to £436,643 an increase of £68,315 on the previous year (£368,328, 2021/22). During the year, the restricted expenditure was £15,875 (£15,909, 2021/22).

There was an unrestricted operational gain of £32,711 on the net incoming resources for the year. (2021/22 a loss of £71,470). The total balance sheet, made up of the unrestricted and restricted funds totals £6,208,251 (2021/22 £6,378,733).

Realised investments showed a gain of £89,575, and the unrealised market value of the year-end portfolio showed a loss of £302,695. This follows a realised gain in the year 2021/22 £273,258 and the unrealised loss for 2021/22 being £126,189, illustrating the unpredictability of the stock market, and the continuing impact of the COVID-19 pandemic, the outbreak of war in Ukraine, and ongoing concerns of a global recession.

This resulted in a net loss on the unrestricted funds of £180,409 for the year, the year 2021/22 resulted in a gain of £75,599.

Total creditors on the unrestricted funds due within one year showed an increase of £1,416 being £51,514 compared to the previous year (£50,098, 2021/22).

Restricted Funds total creditors are £717,784, of which £658,979 are due within 1 year.

The cost of the Association's planned activities for 2023/24 is estimated at £737,433. Total income for the year 2023/24 is estimated at £421,941 and this includes a projected legacy income of £236,786, and investment income of £114,978. The Trustees are satisfied that the financial position of the charity is sound.

b) Fundraising activities and income generation

An external review of fundraising activities was undertaken during this 2022/23 financial year. The Trustees have agreed to a fundraising strategy requiring investment in staffing and infrastructure over the next 5 years.

The HSA raises funds to support its charitable aims by seeking legacies, donations and appeals through advertisements, press releases and publicity; and by applications to trusts. Income is also earned through activities including welfare consultancy and conference registration fees. The charity is regulated by the Charity Commission and UK law. HSA is a member of the Institute of Fundraising and follows the Code of Fundraising Practice, which helps to ensure that organisations raising money for charity from the public do so honestly and properly.

The HSA does not use an external professional fundraiser or have any commercial partners and does not use telephone marketing.

The HSA respects the privacy and contact preferences of all donors. The charity does not pass any information it receives to third parties.

c) Privacy policy

We sometimes use external service providers to process personal data on our behalf and when we do so we have appropriate agreements in place to ensure your information is protected. Any data transfers between us and external service providers are conducted by secure means.

HSA is sometimes required to disclose your details to the Police, regulatory bodies or legal advisors for specified lawful purposes.

HSA may transfer personal information outside the EU when it is necessary for the administration of its scientific activities (eg, to administer grants, meetings, etc).

d) Investment powers and policy

The Trustees are empowered to invest monies not immediately required for the Association's purposes as they think fit. The Trustees engage Evelyn Partners (formerly Smith & Williamson Investment Management) to manage the investment portfolio. The policy is to pursue a medium risk investment strategy based on maximising income whilst preserving the value of investments.

e) Complaints

The HSA aims to respond promptly to requests to cease contact or to complaints and will act as best we can to address their causes. The HSA has not received any complaints in this year.

Financial review

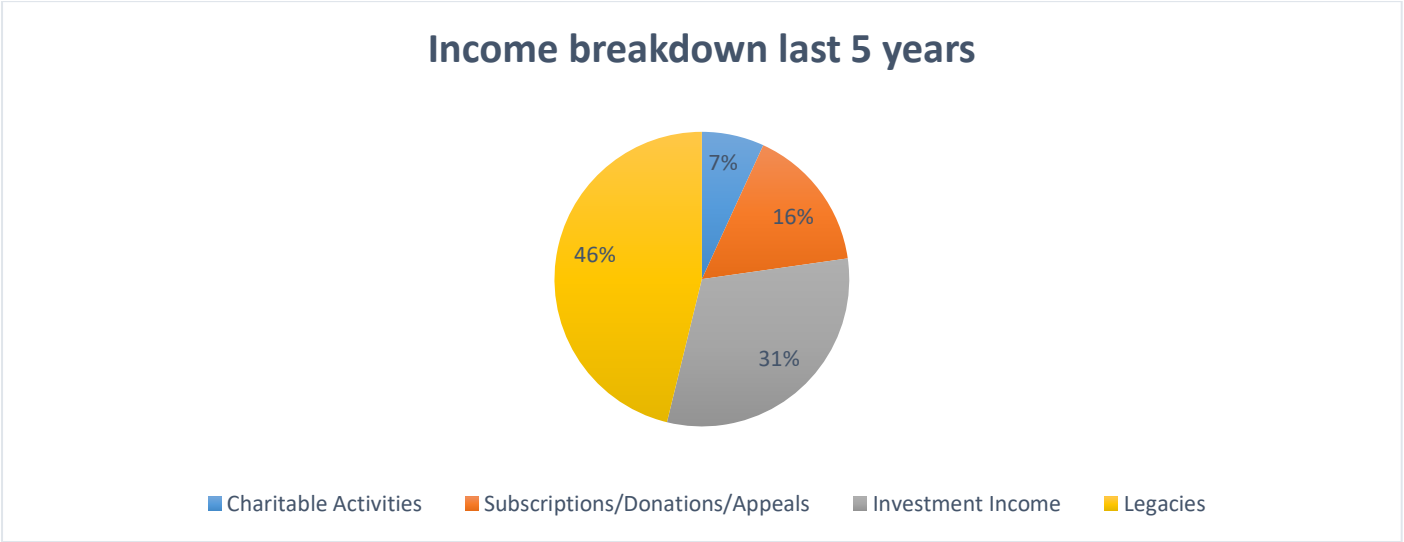
a) Going concern

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

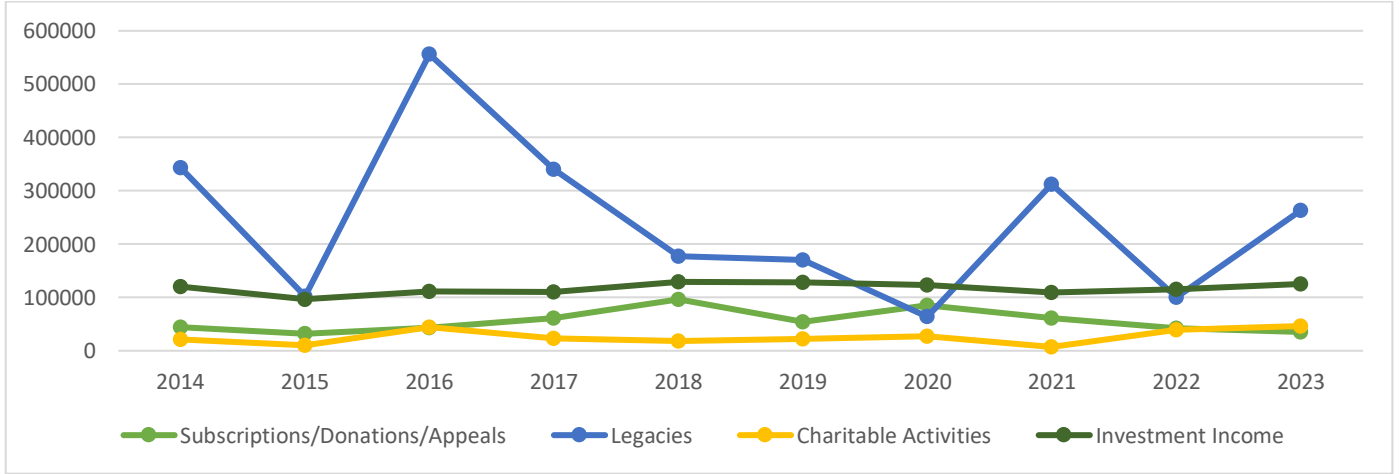
b) Reserves policy

The reserves policy is monitored and reviewed each year as part of the process of planning the budget for the forthcoming financial year. When planning and budgeting for its activities, the Humane Slaughter Association considers the level of reserves held to strike a balance between the continuing development of its services, the need for prudent management of working assets and commitments while providing for contingencies.

Over the last 5 years 46% of the charity’s income has come from legacies and 31% from investment income. The remainder is made up of donations and subscriptions 14%, and charitable activities 7%.



Legacies are inherently difficult to forecast. In the last 10 years, our legacy income has had the tendency to be unpredictable, and our reliance on this income, has been identified as a risk.



During 2022/23 the Trustees instructed Moore Kingston Smith to carry out a full review of our income generation to help the charity to identify new avenues of income streams. A fundraising plan has been agreed, with the recruitment of a fundraising manager to take place in the 2023/24 year.

The charity's unrestricted reserves (the value after deducting fixed assets, committed grants expenditure, planned expenditure investing in fundraising activities over the next 5 years, and other risks and liabilities) at the end of 2022/23 are £4.6m (2021/22 £5m).

The average core costs over the last 5 years have been £381,453, with the average income being £386,336. Core costs are the running costs of your organisation. This is the money you need to make its work happen. These are also called overheads, running costs or operating costs. The regular income received from the investments (shown in green) has helped mitigate the unpredictability of legacy income, allowing the charity to continue with its activities without interruption. Our investment portfolio, currently at £4.84 million provides will provide us with a steady and reliable income stream through dividends and bond payments, and as such is not considered "free reserves".

We aim to hold 6 months operating costs as cash at the bank.

c) Financial risk management objectives and policies

The Trustees are committed to effective risk management as an integral part of ensuring good governance and to enable the charity to identify, review and manage uncertainty and major threats in a systematic effective and efficient way. The structure of the charity's risk document is in line with the Charity Commission's document "Charities and Risk Management". The Chief Executive, with the support of the Senior Management Team, monitors external developments that may impact upon the organisation, and reviews any necessary changes to the risk document at regular meetings. The Trustees considers the risk document at each of their meetings.

The charity has identified the following key risk areas:

- Fundraising problems including excessively low profile.
- Unhealthy dependence on particular income sources.
- Insufficient income leading to erosion of reserves.

These and other identified risks are detailed in the risk register, which scores risks according to the impact and likelihood of the risk and describes plans and controls that are in place to mitigate risks. With respect to the risks identified above, the charity appointed Moore Kingston Smith to carry out a full fundraising review during the course of this financial year. From the review the trustees have developed a fundraising strategy and action-plan. In the 2023/24 financial year the charity will seek to recruit a Fundraising Manager to implement a legacy and major donor programme with the aim of significantly growing income from these sources over the coming years. The charity is highly dependent on legacies, but strives to maintain diversity in income streams, and reserves are maintained to provide a buffer against short and longer-term fluctuations.

d) Ethical investment policy

The Trustees periodically review the policy regarding ethical aspects of investments. The policy is not to invest in companies whose activities conflict with the objects of the Association. This is monitored as closely as possible, and details of all holdings managed by the Association's stockbrokers are circulated at each Trustees' meeting. Additionally, at each meeting new investments are listed with a brief description of the organisation. The investment managers have been asked to only place invest in companies with a high ESG (Environmental, Social and Governance) rating or those strongly committed to improving their ESG performance. The ESG policy of the charity is to be reviewed in light of upcoming changes to Charity Commission guidance.

e) Grant making policy

It is our policy that all grants should be recognised as creditors as soon as they are agreed and communicated to the grantee, irrespective of the period over which they are payable. Grant commitments made today may not be completely satisfied until all payments have been made. Therefore, cash payments made in any one year could include amounts relating to grants awarded in prior years. Our cash and investment portfolio is held to help the charity meet those longer-term obligations.

Structure, governance and management

a) Constitution

The Humane Slaughter Association (HSA) is a Charitable Incorporated Organisation (No 1159690), registered by the Charity Commission on 18 December 2014, which merged on the 1 April 2016 with the Humane Slaughter Association and Council of Justice to Animals (HSA and CJA) registered charity (No. 209563). The merger was registered with the Charity Commission on 24 November 2016 and the charity No. 209563 was subsequently dissolved. The Constitution dated 18 December 2014 forms the Association's governing document.

Trusteeship of the HSA is vested in the members of the Council of the Universities Federation for Animal Welfare (UFAW). UFAW is a connected charity (Registration Number 207996), The Old School premises are held in the proportion of 2/3 UFAW; 1/3 HSA from which both charities operate.

b) Methods of appointment or election of Trustees

The management of the Charitable Incorporated Organisation is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Following a recruitment exercise where we sought to diversify the expertise and representativeness of the board, adding expertise in management, investment management and fundraising alongside animal welfare science and veterinary medicine. Following interviews, we welcomed four new Trustees who were appointed following a vote of the membership at the 2022 AGM.

Emily Craven MA VetMB PGCertVPS MRCVS

Emily is a clinical vet with a production animal focus. She has always had an interest in ethics and welfare, including doing clinical research in pain perceptions in dairy cattle lameness.

Dr. Dorothy McKeegan BSc MSc PhD PGCAP

Dorothy is an animal welfare scientist and Senior Lecturer at the University of Glasgow. She has wide ranging research interests relating to animal welfare and animal ethics, with expertise in behaviour and neurophysiology and a particular interest in farm animal welfare.

Paula Junqueira BSc MBA, CFP®

Paula is an Executive Director at J.P. Morgan Private Bank in London and brings to the board extensive expertise in financial, investment and management,

Emma-Louise Singh MCIOF (advDip)

Emma-Louise is an experienced fundraiser with over 17 years of hands-on experience across multiple fundraising tactics, including Trusts and Foundations, Events, Community and Corporate and in particular strategic fundraising development.

c) Organisational structure and decision-making policies

The Council usually meets four times each year, a Finance Panel and the Fundraising Committee also meet 4 times a year. The Grant Panel hold meetings as required to consider funding applications. The Chief Executive/Scientific Director (CE/SD) has overall responsibility to the Trustees for the management of the organisation in execution of the Trustees' policies. The Secretary is responsible to the Trustees, through the Chief Executive, for financial and administrative matters delegated by the Trustees; the Technical Director and Research Director are responsible to the CE/SD for the activities of the Technical and Scientific Officers.

d) Policies adopted for the induction and training of Trustees

The Trustee induction covers the history of the charity, its objects and constitution, governance and management, ownership of the premises, membership, financial position and arrangements, current activities and Trustees' roles and responsibilities. This is offered to all new Trustees

e) Remuneration Policy

The charity is committed to ensuring that staff are paid fairly and in a way which ensures the charity attracts and retains the right skills to have the greatest impact in delivering our charitable objectives.

The Remuneration Committee for the charity is the Finance Panel, which meets annually, in a closed session. The Chief Executive attends the meeting to discuss the staff salaries. The Chief Executive is not present when the committee discusses the Chief Executive's salary.

The main responsibilities of the Remuneration Committee are to: Review the salary of all staff against the Universities and Colleges Employers Association (UCEA) pay scales, an independent benchmarking tool; Determine the remuneration package of the Chief Executive; Approve cost of living increments on the basis of those agreed by the UCEA; Approve any consolidated pay awards and staff salary increases outside of the annual review process; Approve any non-consolidated pay awards (bonuses); and to determine pension arrangements.

One member of staff was paid more than £60,000 in this financial year 2022/23. This employee fell into the £60,000 to £70,000 bracket.

No Trustee received remuneration.

f) Equality

We value diversity and are committed to equality of opportunities. We understand the value of an inclusive approach and recognise the impact that different perspectives bring to the work we do.

g) Related party relationships

The Trusteeship, including the sole and entire management of the HSA and its income and property, is vested in the persons, who are members, for the time being, of the Council of the Universities Federation for Animal Welfare (UFAW) acting in accordance with their usual procedure.

The charity shares certain staff, premises and facilities with UFAW.

h) Trustees' indemnities

The charity holds Directors and Officers insurance cover for the trustees and employees. The cost of the policy cover in 2022/23 was £2,964. In 2021/2022 the cost of the policy cover was £3,560.

Plans for future periods

Budgets are set each year, considering income received in the previous year, estimated income in the forthcoming year, and the demands of current and planned programmes of work. As far as possible, we strive to continue to expand the charity's activities whilst ensuring that sufficient reserves will be held in the future.

The Senior Management Team monitor income and expenditure monthly and prepare reports for the Financial Panel and Council throughout the year.

The net cost of the activities planned by the charity for the financial year 2023/24 is estimated at £748,945. Charitable activities account for 68% of the budget. The total income for the year 2023/24 has been estimated at £393,734, this includes a projected legacy income of £195,080 based on a rolling ten-year profile of legacy income). Investment Income of £109,100 based on the projected return as at January 2023. The deficit of £355,211 was agreed to enable the planned programme of work to be executed. If required, funds will be added from investments to ensure charitable activities are not compromised.

Members' liability

The Members of the Charitable Incorporated Organisation guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Incorporated Organisation in the event of winding up.

Statement of Trustees' responsibilities

The Trustees of the Charitable Incorporated Organisation are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Incorporated Organisation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Incorporated Organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Incorporated Organisation's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Incorporated Organisation and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charitable Incorporated Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor


Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Hillier Hopkins LLP, has indicated its willingness to continue in office. The Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

.....E3886B4294DA411.....

M Radford OBE LLB
(Chair of Trustees)

Date: 23 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMANE SLAUGHTER ASSOCIATION

Opinion

We have audited the financial statements of Humane Slaughter Association (the 'charitable incorporated organisation') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable incorporated organisation's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 incorporated organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable incorporated organisation'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMANE SLAUGHTER ASSOCIATION (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable incorporated organisation'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 incorporated organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMANE SLAUGHTER ASSOCIATION (CONTINUED)

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 consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable incorporated organisation's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable incorporated organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and relevant tax legislation.


Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.


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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMANE SLAUGHTER ASSOCIATION
(CONTINUED)**

Use of our report

This report is made solely to the Charitable Incorporated Organisation's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charitable Incorporated Organisation's trustees 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 Incorporated Organisation and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

512213CD94334AB...
Hillier Hopkins LLP
Chartered Accountants
Registered Auditor
249 Silbury Boulevard
Milton Keynes
MK9 1NA

Date: 
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	298,065	-	298,065	142,147
Charitable activities	4	46,415	-	46,415	39,620
Investments	5	124,874	25,802	150,676	115,721
Total income		469,354	25,802	495,156	297,488
Expenditure on:					
Raising funds	6,7	62,277	-	62,277	71,651
Charitable activities	9	374,366	15,875	390,241	312,526
Total expenditure		436,643	15,875	452,518	384,177
Net income/(expenditure) before net (losses)/gains on investments					
		32,711	9,927	42,638	(86,689)
Net (losses)/gains on investments	15	(213,120)	-	(213,120)	147,069
Net movement in funds		(180,409)	9,927	(170,482)	60,380
Reconciliation of funds:					
Total funds brought forward		5,735,137	643,596	6,378,733	6,318,353
Net movement in funds		(180,409)	9,927	(170,482)	60,380
Total funds carried forward		5,554,728	653,523	6,208,251	6,378,733

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

The notes on pages 22 to 39 form part of these financial statements.

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	197,048	201,543
Investments	15	4,844,462	5,073,208
		<u>5,041,510</u>	<u>5,274,751</u>
Current assets			
Debtors	16	11,938	21,341
Term deposits at Money Markets		1,754,564	1,859,302
Cash at bank and in hand		181,481	368,148
		<u>1,947,983</u>	<u>2,248,791</u>
Creditors: amounts falling due within one year	17	(722,437)	(1,011,636)
Net current assets		<u>1,225,546</u>	<u>1,237,155</u>
Total assets less current liabilities		<u>6,267,056</u>	<u>6,511,906</u>
Creditors: amounts falling due after more than one year	18	(58,805)	(133,173)
Total net assets		<u><u>6,208,251</u></u>	<u><u>6,378,733</u></u>
Charity funds			
Restricted funds	19	653,523	643,596
Unrestricted funds			
General funds		5,554,728	5,735,137
	19	<u>6,208,251</u>	<u>6,378,733</u>
Total funds		<u><u>6,208,251</u></u>	<u><u>6,378,733</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Charities Act 2011 with respect to accounting records and preparation of financial statements.

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

DocuSigned by:
Mike Radford
F3896B4294DA411...
M Radford OBE LLB
Chairman

DocuSigned by:
Corrie McLann
D119DE6215534CB...
C McCann BSc ACA
Hon. Treasurer

Date: 23 August 2023

The notes on pages 22 to 39 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The Humane Slaughter Association (HSA) is a charitable incorporated organisation (CIO).

The Humane Slaughter Association/CJA (Charity No 209563) merged with the Humane Slaughter Association CIO (Charity No 1159690), on 1 April 2016, as agreed at the General Meeting held on 14th October 2015. All the assets and liabilities were transferred to the CIO.

The registered address is The Old School, Brewhouse Hill, Wheathampstead, Hertfordshire AL4 8AN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, with the exception of investments, which are included at market value.

Humane Slaughter Association 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.

2.2 Going concern

The financial statement has been prepared on a going concern basis. In arriving at this conclusion, the trustees have taken into account any material uncertainties that may affect the charity's ability to continue as a going concern. The period covered by this assessment is at a minimum level 12 months from the date of the approval of the accounts.

2.3 Income

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income (continued)

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

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

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Incorporated Organisation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Gift Aid

In the case of a Gift Aid payment made within the Group, income is accrued when the payment is payable to the Parent Charitable Incorporated Organisation under a legal obligation. Measurement is at the fair value receivable, which will normally be the transaction value.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as investment income in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following basis:

Freehold property	-	2.5%
Fixtures and fittings	-	15.0%
Computer equipment	-	20.0%
Slaughter equipment	-	20.0%

2.8 Stocks

Stocks of items such as books and leaflets are written off at purchase because a high percentage is disposed of free of charge.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Financial instruments

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

2.13 Pensions

The HSA does not operate an occupational pension scheme. The charity contributes 8% of pensionable salary to HM Revenue & Customs approved personal pension schemes. The charity uses independent financial advisors to monitor the Charity's pension provider and upon their recommendation, for all future employees from December 2012, the Friends Life Stakeholder Pension scheme has been replaced with the Aegon Group Personal Pension Scheme operated through Scottish Equitable. Staff engaged prior to 1 April 2001 (the date the government introduced stakeholder pensions) may determine their personal pension provider.

2.14 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations		
Subscriptions and donations	32,738	32,738
Appeals	2,042	2,042
Subtotal Donations	34,780	34,780
Legacies	263,285	263,285
	298,065	298,065

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Income from donations and legacies (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations		
Subscriptions and donations	38,743	38,743
Appeals	3,224	3,224
Subtotal Donations	<u>41,967</u>	<u>41,967</u>
Legacies	<u>100,180</u>	<u>100,180</u>
	<u><u>142,147</u></u>	<u><u>142,147</u></u>

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Publication sales	479	479
Services & lecture fees	45,936	45,936
	<u>46,415</u>	<u>46,415</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Publication sales	750	750
Services & lecture fees	38,870	38,870
	<u>39,620</u>	<u>39,620</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Securities	118,294	-	118,294
Interest bearing deposits	6,580	25,802	32,382
	<u>124,874</u>	<u>25,802</u>	<u>150,676</u>
	<u><u>124,874</u></u>	<u><u>25,802</u></u>	<u><u>150,676</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Securities	114,978	-	114,978
Interest bearing deposits	53	690	743
	<u>115,031</u>	<u>690</u>	<u>115,721</u>
	<u><u>115,031</u></u>	<u><u>690</u></u>	<u><u>115,721</u></u>

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising & publicity costs	19,640	19,640
Legacy fees	926	926
Allocated centrally incurred fundraising and governance costs	13,633	13,633
	<u>34,199</u>	<u>34,199</u>
	<u><u>34,199</u></u>	<u><u>34,199</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Expenditure on raising funds (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising & publicity costs	12,054	12,054
Legacy fees	216	216
Wages and salaries	13,624	13,624
Allocated centrally incurred fundraising and governance costs	15,630	15,630
	<u>41,524</u>	<u>41,524</u>

7. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £
Investment management fees	28,078	28,078

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment management fees	30,126	30,126

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of grants

	Grants to Individuals 2023 £	Total funds 2023 £
Awards	4,517	4,517
Student/Training Scholarship	6,900	6,900
Unspent Awards refunded	(6,800)	(6,800)
	<hr/> 4,617 <hr/>	<hr/> 4,617 <hr/>
	<i>Grants to Individuals 2022 £</i>	<i>Total funds 2022 £</i>
Awards	7,477	7,477
Student/Training Scholarship	12,000	12,000
	<hr/> 19,477 <hr/>	<hr/> 19,477 <hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Scientific & technical staff costs	255,027	-	255,027
Publications	3,982	-	3,982
Other charitable projects expenditure	8,376	-	8,376
Awards	4,517	-	4,517
Student/Training Scholarship	6,900	-	6,900
Unspent Awards refunded	(6,800)	-	(6,800)
Fees & expenses	7,700	-	7,700
Two day Conference	21,131	-	21,131
Depreciation	4,409	-	4,409
Audit fee	9,370	-	9,370
Legal & Professional fees	1,740	-	1,740
Office costs	58,014	15,875	73,889
	374,366	15,875	390,241
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Scientific & technical staff costs	209,673	-	209,673
Publications	3,470	-	3,470
Other charitable projects expenditure	3,955	-	3,955
Awards	7,477	-	7,477
Student/Training Scholarship	12,000	-	12,000
Fees & expenses	4,763	-	4,763
Depreciation	4,197	-	4,197
Audit fee	3,590	-	3,590
Legal & Professional fees	3,199	-	3,199
Office costs	44,293	15,909	60,202
	296,617	15,909	312,526

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Scientific & technical staff costs	255,027	-	-	255,027
Publications	3,982	-	-	3,982
Other charitable projects expenditure	8,376	-	-	8,376
Awards	-	4,517	-	4,517
Student/Training Scholarship	-	6,900	-	6,900
Unspent Awards refunded	-	(6,800)	-	(6,800)
Fees & expenses	7,700	-	-	7,700
Two day Conference	21,131	-	-	21,131
Depreciation	(673)	-	5,082	4,409
Audit fee	(1,430)	-	10,800	9,370
Legal & Professional fees	(266)	-	2,006	1,740
Office costs	(11,264)	-	85,153	73,889
	282,583	4,617	103,041	390,241

	<i>Activities undertaken directly 2022 £</i>	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Scientific & technical staff costs	209,673	-	-	209,673
Publications	3,470	-	-	3,470
Other charitable projects expenditure	3,955	-	-	3,955
Awards	-	7,477	-	7,477
Student/Training Scholarship	-	12,000	-	12,000
Fees & expenses	4,762	-	-	4,762
Depreciation	(923)	-	5,120	4,197
Audit fee	(790)	-	4,380	3,590
Legal & Professional fees	(704)	-	3,903	3,199
Office costs	(13,213)	-	73,416	60,203
	206,230	19,477	86,819	312,526

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charitable Incorporated Organisation's auditor for the audit of the Charitable Incorporated Organisation's annual accounts	10,800	4,380

12. Staff costs

	2023 £	2022 £
Wages and salaries	281,143	244,959
Social security costs	11,829	11,214
Contribution to defined contribution pension schemes	11,457	10,942
	304,429	267,115

The average number of persons employed by the Charitable Incorporated Organisation during the year was as follows:

	2023 No.	2022 No.
Scientific and technical	4	4
Management and administration	1	1
	5	5

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the charity comprise of the Chief Executive and Scientific Director, and the Charity Secretary. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity which is recharged from the Universities Federation for Animal Welfare (UFAW) was £56,528 (2022 - £46,746), see Note 24 for further details.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £2,151 were reimbursed or paid directly to 6 Trustees (2022 - £156 to 1 Trustee) for travel and subsistence.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Slaughter equipment £	Total £
Cost or valuation					
At 1 April 2022	206,666	17,778	11,113	1,389	236,946
Additions	-	321	266	-	587
Disposals	-	(7,466)	(6,084)	-	(13,550)
At 31 March 2023	206,666	10,633	5,295	1,389	223,983
Depreciation					
At 1 April 2022	8,898	17,264	7,852	1,389	35,403
Charge for the year	3,445	562	1,076	-	5,083
On disposals	-	(7,466)	(6,084)	-	(13,550)
At 31 March 2023	12,343	10,360	2,844	1,389	26,936
Net book value					
At 31 March 2023	194,323	273	2,451	-	197,047
At 31 March 2022	197,768	514	3,261	-	201,543

The most recent valuation of UFAW's share of The Old School, Wheathampstead of £413,333 was carried out by Jean Howe BSc FRICS Dip.Arb. of Kirby & Diamond, Chartered Surveyors, at open market value with vacant possession at 14.08.2019. (Previous valuation was carried out on 05.12.12 at a market value of £400,000).

The Charitable Incorporated Organisation has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2023 £	2022 £
Freehold property	80,792	83,125

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	5,073,208
Additions	1,052,006
Disposals	(1,042,935)
Revaluations	(237,817)
	<hr/>
At 31 March 2023	4,844,462
	<hr/>
Net book value	
At 31 March 2023	4,844,462
	<hr/>
At 31 March 2022	5,073,208
	<hr/>

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	2,460	1,264
Other debtors	33	-
Prepayments and accrued income	6,804	16,608
Tax recoverable	2,641	3,469
	<hr/>	<hr/>
	11,938	21,341
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	2,350	7,807
Amounts owed to other participating interests	14,609	-
Other creditors	1,113	615
Accruals and deferred income	31,939	25,592
Research Training Scholarships/Other Awards	672,426	977,622
	722,437	1,011,636
	2023	2022
	£	£
Deferred income at 1 April 2022	5,142	-
Resources deferred during the year	(5,142)	5,142
	-	5,142

Deferred income relates to event tickets sold in advance of the event.

18. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Research Training Scholarships/Other Awards	58,805	133,173

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Statement of funds**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds	5,735,137	469,354	(436,643)	(213,120)	5,554,728
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Open Philanthropy funds	643,596	25,802	(15,875)	-	653,523
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	6,378,733	495,156	(452,518)	(213,120)	6,208,251
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Restricted Funds comprise the following:

The HSA was successful in being awarded 3 generous grants from the American organisation, Open Philanthropy. These grants had previously been treated in the accounts as designated funds. Having reviewed the terms of the awards during the year the Trustees concluded that these grants should be accounted for as restricted funds.

Grant 1: Awarded 2017 to be used to fund work in China providing welfare training for industry. Balance £344,140 outstanding.

Grant 2: Awarded 2017 to be used to fund research to improve welfare of finfish, decapod crustaceans and coleoid cephalopods. Balance £104,223 outstanding.

Grant 3: Awarded 2018 £430,915 be used to fund a s scoping exercise looking at the complexities in the development of more humane methods of killing wild-caught fish. In addition to these funds, further money was received to support the administration and technical staffing of the charity. Balance £205,160 outstanding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds				
General Funds	5,659,538	443,867	(368,268)	5,735,137
Restricted funds				
Open Philanthropy funds	658,815	690	(15,909)	643,596
Total of funds	<u>6,318,353</u>	<u>444,557</u>	<u>(384,177)</u>	<u>6,378,733</u>

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	5,735,137	469,354	(436,643)	(213,120)	5,554,728
Restricted funds	643,596	25,802	(15,875)	-	653,523
	<u>6,378,733</u>	<u>495,156</u>	<u>(452,518)</u>	<u>(213,120)</u>	<u>6,208,251</u>

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
General funds	5,659,538	443,867	(368,268)	5,735,137
Restricted funds	658,815	690	(15,909)	643,596
	<u>6,318,353</u>	<u>444,557</u>	<u>(384,177)</u>	<u>6,378,733</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	197,048	-	197,048
Fixed asset investments	4,844,462	-	4,844,462
Current assets	563,229	1,384,754	1,947,983
Creditors due within one year	(50,011)	(672,426)	(722,437)
Creditors due in more than one year	-	(58,805)	(58,805)
Total	5,554,728	653,523	6,208,251

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	201,543	-	201,543
Fixed asset investments	5,073,208	-	5,073,208
Current assets	514,117	1,734,674	2,248,791
Creditors due within one year	(53,731)	(957,905)	(1,011,636)
Creditors due in more than one year	-	(133,173)	(133,173)
Total	5,735,137	643,596	6,378,733

22. Pension commitments

The HSA does not operate an occupational pension scheme. The charity contributes 8% of pensionable salary to HM Revenue & Customs approved personal pension schemes. The charity uses independent financial advisors to monitor the Charity's pension provider and upon their recommendation, for all future employees from December 2012, the Friends Life Stakeholder Pension scheme has been replaced with the Aegon Group Personal Pension Scheme operated through Scottish Equitable. Staff engaged prior to 1 April 2001 (the date the government introduced stakeholder pensions) may determine their personal pension provider.

The pension cost charge represents contributions payable by the group to the fund and amounted to £11,457 (2022 - £10,942) and £641 (2022 - £615) were payable to the scheme at the balance sheet date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

23. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

24. Related party transactions

The Trusteeship, including the sole and entire management of the HSA and its income and property, is vested in the persons, who are members, for the time being, of the Council of the Universities Federation for Animal Welfare (UFAW) acting in accordance with their usual procedure.

The charity shares certain staff, premises and facilities with UFAW. During the year costs of £160,652 (2022 - £130,319) were charged to Humane Slaughter Association. A sum of £14,609 (2022 - £3,920) was owed at the balance sheet date and are included in bank and creditors.