

Animal Equality
Unaudited Financial Statements
31 July 2021

ROBINSONS CONSULTING LIMITED

Chartered accountants
5 Underwood Street
London
N1 7LY

Animal Equality

Financial Statements

Year ended 31 July 2021

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Animal Equality

Trustees' Annual Report

Year ended 31 July 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 July 2021.

Reference and administrative details

Registered charity name	Animal Equality
Charity registration number	1168309
Charity address	Kemp House 152-160 City Road London EC1V 2NX
The trustees	Mr M Cupi Ms S N Gough Mr J A V Blanco Mr F J M Belmonte
Accountant	Robinsons Consulting Limited 5 Underwood Street London N1 7LY

TRUSTEES' REPORT

1st August 2020 – 31st July 2021

Structure, governance and management

Animal Equality's Trustees meet regularly to review the overall objectives of the charity (no. 1168309, England & Wales), so as to ensure its effective performance.

During this reporting period, day-to-day oversight, smooth running and CIO-related responsibilities lie with the Executive Director (UK), Abigail Penny. The administration of the charity, and keeping of its financial books and records, are carried out by the staff of the charity with supervision of the appointed Trustees.

Apart from the first charity trustees, any new Trustee must be appointed by a resolution passed at a properly convened meeting of the charity Trustees. In selecting individuals for appointment as Animal Equality charity Trustees, the charity Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

At the end of this reporting year the CIO had seven full-time staff. The below reflects the structure at the end of the period 1st August 2020 – 31st July 2021:

- Abigail Penny, Executive Director
- Sally Ivens, Communications Manager
- Olaf Garvey, Development Manager
- Michelle Baxter Wickham, Corporate Outreach Manager
- Jenny Canham, Campaigns and Public Affairs Specialist
- Tim Ridgway, Data and Development Coordinator
- Giovanna Lastrucci, Digital Marketing Coordinator

The CIO also works with Animal Equality Ltd, a not-for-profit company limited by guarantee (company number: 07047011), which undertakes work to investigate farmed animal cruelty.

In producing this report we have referred to the recommendations contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and in planning our activities. We consider that we have complied with our duty to have due regard to the guidance published by the Charity Commission.

Animal Equality typically strives to hold 6-9 months of funds in reserve. As can be seen in the financial accounts, Animal Equality is currently holding higher than this in reserve and is bringing £514,962 forward to the next reporting period. Due to the ongoing and unprecedented COVID-19 crisis, this money has been deliberately set aside to ensure financial viability and sustainability throughout the pandemic. When the Trustees are confident that financial stability has once again been attained, a significant proportion of these funds will be carefully invested to support our ongoing operational costs and programmatic work directly. These funds are kept in accordance with the charity's Reserves Policy and with continued oversight from the organisation's Board of Trustees.

Objectives

The principle objectives of the charity are to promote kindness to animals and to prevent or suppress animal suffering. To have the maximum possible impact and influence we primarily focus our work on the animals that suffer the most and in the greatest numbers: farmed animals. Our operational aims are underpinned by our values, namely: compassion, determination and effectiveness.

During these 12 months of operation the charity had a substantial impact for animals through public education programmes, campaigns, legal advocacy, corporate outreach and engagement with supporters.

Achievements and performance

Animal Equality works with society, governments and corporations to enact meaningful changes to animals exploited by the meat, dairy, egg and fish industries. Throughout this 12-month period Animal Equality carried out a number of strategically-planned political, educational, corporate and supporter-related activities in order to meet our primary objectives.

As an effective altruist organisation we work hard to ensure that with every pound spent as many animals as possible are positively impacted. We are proud to have had yet another successful year, accomplishing a significant amount for animals between August 2020 and July 2021.

As a not-for-profit organisation, we rely on the generosity of members of the public and grant-awarding bodies to ensure our continued progress and success; we are filled with gratitude to all of those who give to our work and who have helped us achieve our objectives this year. We could not accomplish all that we do without the enormous support we receive from our altruistic donors. We also wish to extend our deepest thanks to our ever-growing team of devoted digital volunteers, who graciously give up their time to enable us to effect even greater change for animals.

And, of course, we are indebted too to the political figures, change-makers, celebrities and other key decision makers who lend their time, support and cooperation to meet with us, endorse our campaigns and use their platforms to help us enact change for animals across the UK and beyond.

Our team works tirelessly to enact meaningful changes for animals on a daily basis and it would not be possible to detail all of our achievements in a single, concise report. Below, however, we outline several of our most notable highlights.

Summary: 1st August 2020 – 31st July 2021

- Five ground-breaking investigations were released, raising awareness of the plight of farmed chickens, fish, hens and pigs.
- Over 140 media stories were generated in relation to investigations, including in The Times, The Guardian, the Independent, Sky News, BBC News and more.
- One ongoing court case in relation to farmworker animal abuse.
- One corporate animal welfare commitment, which will impact 180,000 chickens annually.

- Success for the 'End the Cage Age' coalition campaign, with the European Union voting in favour of banning cages for farmed animals across Europe by 2027, impacting hundreds of millions of animals each year.
- More than 650 collective hours of digital activism carried out by our dedicated volunteers.

Investigative releases

Covert footage released by Animal Equality depicts the harsh realities of intensive farms and slaughterhouses in the UK. Our powerful findings garner significant media attention, which is used to inform consumers, prompt Government officials to improve enforcement of existing legislation and increase legal protections for animals, and encourage major corporations to make meaningful changes to their existing supply chains.

Undercover footage obtained by whistleblowers was passed on to our CIO on multiple occasions throughout this reporting year. Our charity distributed the photographs and footage to expose the goings-on within UK farms. Our charity was also responsible for liaising with the relevant authorities and enforcement bodies regarding these investigations.

Chickens deprived of water on farms operated by known McDonald's supplier

In August 2020, Animal Equality UK released footage captured by our undercover investigator into eight Red Tractor-approved farms operated by Moy Park, one of Europe's largest chicken producers. Moy Park is responsible for raising and slaughtering over 312 million birds every year.

In an exclusive with The Independent, we exposed severe animal suffering and problematic, yet typical, industry practices. In one farm we discovered that smaller birds were deliberately deprived of water, as water drinkers were routinely raised to such heights that smaller birds were unable to reach. We also found many chickens suffering from raw skin burns and blisters on their feet and chests from the filthy, urine-soaked floors, and hundreds of chickens being killed by workers each day on-site. One of the eight farms had been investigated by Animal Equality the year prior and had again been at the centre of serious animal welfare complaints. Animal Equality passed the footage onto Defra's Animal and Plant Health Agency, the RSPCA and Red Tractor.

Our findings gained substantial media coverage, including a television interview with BBC Look North, as well as online articles in BBC News, Coventry Live, Lincolnshire Live, Plant Based News.

Hundreds of chickens die in a 24-hour period on farms linked to Tesco

Despite disturbing evidential footage, the industry was dismissive of Animal Equality's aforementioned investigative release. A Moy Park spokesperson claimed that "*no major breaches were identified*" and, despite this investigation taking place in eight farms, stated that "*we are confident that it is not reflective of our high standards.*" Red Tractor claimed that the practices upheld its corporate standards and did not remove the farms' certifications.

To that end, Animal Equality addressed these responses within a second investigative release, sharing previously unseen footage from four additional farms. These farms, also

operated by Moy Park, were all linked to major UK supermarket, Tesco, at the time of recording.

In the second of this exclusive series with The Independent, our exposé highlighted high mortality rates found across multiple farms: on one occasion, over 500 chickens were found to have died in a single shed over a 24 hour period. Many chickens were found to be dying due to problems prompted by their selective breeding, showing signs of lameness and difficulty breathing. Other chickens suffered critical injuries after being roughly ‘tipped’ onto farm floors on arrival. Workers were also consistently filmed culling birds, deeming them too weak or small to be profitable to the company.

During a covertly filmed conversation, one worker stated: *“I can look at a day-old chick and say that’s going to make 1.85 [kg] at 32 days or it’s not. If it isn’t, there’s no point feeding it. It’s cheaper to kill it and get rid of it. Because at the end of the day it’s about making money.”* Many chickens were killed using the rough edges of farm feeders or by having their necks crushed or stretched; in one case a wellington boot was used and in several cases the birds appeared to remain conscious many minutes after their necks were broken. Animal Equality sought expert commentary from Veterinary Professor of Animal Welfare, Professor Andrew Knight, of the University of Winchester, who publicly corroborated our claims of severe animal suffering.

This investigative release also garnered extensive media attention, with articles in MSN News, Yahoo News and more.

[Baby chicks cruelly caged on British egg farm](#)

In October 2020, Animal Equality UK released distressing scenes of animal suffering covertly filmed inside an egg farm in West Sussex, England. Kinswood Eggs confines around 320,000 hens who lay a staggering 72 million eggs every single year. The farm, which is accredited by the ‘Laid in Britain’ quality assurance label, supplies a number of UK wholesalers and local catering companies.

We found hens packed into extremely overcrowded cages, in which they each had less usable space than an A4 piece of paper. Many birds were suffering from severe feather loss; some were almost completely bald with red, raw skin. Others didn’t survive and their bodies were left to decay in cages alongside living hens. By cramming vast numbers of hens into a single cage – in some instances as many as 100 to a single cage – Kinswood Eggs were violating English animal welfare regulations by not ensuring that the number of feed troughs and water drinkers provided met minimum legal requirements.

With a potential media reach of over 100 million views, the footage was released in an exclusive with The Daily Mail, and received further articles in The Independent, MSN News, and Plant Based News. It was trending on the ‘World News’ subreddit internet forum and was shared by high-profile TV business-woman, Deborah Meaden, on Twitter.

[Fish killed while fully conscious in Scottish salmon slaughterhouse](#)

In February 2021, we released a ground-breaking investigation into a Scottish Salmon Company slaughterhouse in Scotland – the first of its kind ever to be conducted in the UK. Despite a stun-kill machine on site, we discovered that there were many animals displaying consciousness after failure to stun, evidenced by flapping, wriggling and gasping motions.

This resulted in many salmon's gills being cut without prior stunning, causing pain, as well as others who were re-stunned with a club after their gills were cut, causing blood to spray from their gills. Some salmon were clubbed multiple times, in some instances as many as seven times per animal, and others had their gills painfully torn with workers' fingers. We also filmed several salmon falling or being thrown to the floor and left to suffocate.

With exclusive coverage in The Times, followed by releases in The Scotsman, Stornoway Gazette, Private Eye, Intrafish and Fish Farming Expert, as well as interviews with BBC Alba and BBC Radio 4 Farming Today, the investigation had tremendous media reach. It was also core to a documentary shown on major Italian TV news channel, Le Iene.

[Pigs hammered to death on 'high welfare' farm](#)

In May 2021, Animal Equality UK released a powerful and hard-hitting investigation into an accredited pig farm in Scotland: P&G Sleigh pig unit, owned by a senior pig industry figure. Within the filthy confines of the farm we uncovered abuse and neglect, with mother pigs left to suffer with untreated wounds, prolapses and infections; piglets illegally hammered to death and showing signs of life for over four minutes after the first strike; and others mutilated and 'thumped' against the concrete floors.

With coverage in The Times, The Independent, The Guardian, The Scottish Daily Mail, STV, and a front page cover story in The Press & Journal (Scotland's most widely-read national newspaper), the release was seen by millions. Our release also saw backing from TV business-woman, Deborah Meaden (500k Twitter followers), and actor, Karen Gillan (7.3m Instagram followers).

Our investigation also sparked a number of damning articles questioning Britain's allegedly 'world-leading' standards, including a leader in The Times entitled 'Cruel Country', an article entitled 'Is the UK really a world leader on animal welfare?' in The Grocer, as well as opinion pieces in Plant Based News and Sentient Media.

As a result, the farm was stripped of its 'Quality Meat Scotland' accreditation, the owner resigned as a Government-appointed Board Member of the same scheme, and the farm was delisted by supermarkets Tesco and Lidl. A formal criminal investigation is underway – led by APHA and the Scottish SPCA.

[Legal advocacy](#)

[Campaigning for an end to the importation of foie gras made by force-feeding](#)

Foie gras made by force-feeding is immensely cruel and controversial. Animal Equality's investigations over the years have shown the horrific practices involved in 'gavage' – the force-feeding process – where sensitive ducks and geese are brutally fattened up using a feeding tube that is forced down their throats. The animal's diseased liver is then sold and marketed as foie gras. Force-feeding animals is illegal in the UK – based on welfare grounds – yet imports of this 'speciality' product are permitted.

In March 2021, Defra officials announced publicly that it was 'exploring further restrictions' to foie gras following reports that Environment Minister, Lord Zac Goldsmith, was determined to ban sales in the UK.

Upon learning this news, Animal Equality UK coordinated political support from varying parties in every country in the UK. In an open letter to the relevant officials, we urged the Government to provide a roadmap, outlining specifically when and how the ban would be implemented. This saw huge coverage in mainstream media, with articles in The Observer, The Guardian, WATT Ag, and New Food magazine, and support from influential figures such as Richard Dawkins. The action led to frequent meetings with Defra's Animal Welfare Team and prompted French foie gras producers to respond publicly.

As public support continued to gather momentum, and Animal Equality's petition calling for a ban on imports surpassed 200,000 signatures, the Government continued to delay action. As a result, we coordinated a follow-up letter to Defra, signed by cross-party MPs throughout the UK, requesting an urgent meeting and concrete commitment. Covered in the Independent, the letter stated that *'The UK public is growing impatient, as are we.'*

Our tireless work on this issue continues.

[Calling for legal protections for fish at the time of killing](#)

Coinciding with the release of our investigation in February 2021, 70 world-leading aquatic animal experts, animal welfare advocates and advocacy organisations presented an open letter to representatives from the Department of the Environment, Food and Rural Affairs (Defra), as well as Ministers from each of the devolved governments in Scotland, Wales and Northern Ireland, urging that specific and meaningful protections be put in place for farmed fish at the time of killing (in the form of WATOK regulation). Signatories included many of the world's leading fish experts, such as Dr Jonathan Balcombe, Professor Culum Brown, Dr Becca Franks, Dr Lynne Sneddon and Dr John Webster, among others. This letter was released via The Times.

Our findings led to meetings with key influential political figures and bodies, including with the Best Aquaculture Practices accreditation scheme, Defra officials, representatives of the Welsh Government, the Chief Veterinary Advisor for the Scottish Government, and the Cabinet Secretary for Rural Affairs and Islands in Scotland. We have seen extensive public backing for our ask, with thousands of individuals calling for Government action, and MPs and peers in the House of Commons and House of Lords respectively endorsing our ask.

Our investigation and subsequent lobbying activities led the Animal Plant and Health Agency to, for the first time ever, conduct regular inspections into aquatic animal slaughterhouses.

Formal consultation responses

Public consultations led by Defra and other relevant Government departments enable Animal Equality, our supporters and volunteers, academics, and fellow animal advocates to voice our input on matters affecting farmed animals through a formal regulatory process.

To that end, Animal Equality has prioritised taking part in such consultations throughout this reporting period, submitting comprehensive and well-considered responses to consultations on the issue of live animal exports, agriculture research, and gene editing explorations.

With the generous pro-bono support of a student at the University of Oxford, we also carried out a deep-dive into opportunities available to Animal Equality to improve the legal protection of farmed animals in post-Brexit UK. We intend to consider these further as part of our ongoing legal advocacy strategies in defence of farmed animals.

Corporate outreach and campaigns

Animal Equality's vision is to achieve a world in which animals are truly respected and protected. We do, though, recognise that there are vast numbers of farmed animals currently trapped in the system and so, alongside our work to encourage consumers to switch to plant-based alternatives, we concurrently campaign to eliminate some of the worst atrocities taking place on farms in Britain today. This allows for continued progress and prevents further 'backsliding' of existing standards.

Over one billion chickens are reared and slaughtered in the UK every year, with circa 95% confined in barren, overcrowded factory farms and approximately 800 million chickens destined for UK supermarkets annually.

Given this, we focus our efforts on reducing some of the worst abuses that chickens face in the current farming system. Selectively bred to grow far too big, far too quickly, many of these chickens suffer from painful heart attacks, leg deformities and breathing difficulties, before they are killed at just five or six weeks old.

In March 2021, alongside TV conservationist Chris Packham and several other animal protection organisations, we launched a petition urging the UK's major supermarkets to sign the European Chicken Commitment. This commitment encourages corporations to eliminate some of the worst abuses for chickens in their supply chains, most notably by switching to slower-growing chicken breeds and reducing extreme overcrowding. With features on Sky News, Talk Radio, The Grocer, and The Independent, as well as opinion pieces from Dr Marc Abraham and others, our high-profile campaign raised public awareness of the plight of farmed chickens.

In July 2021, Animal Equality secured a commitment from Hard Rock Hotel London and Thistle Hotels owner GLH Hotels, the largest hotel owner-operator in London. This will impact 180,000 chickens annually.

Whilst Animal Equality firmly believes that farming animals can never be cruelty-free, these commitments signal progress, encourage meaningful exchanges, and suppress some of the worst abuses for chickens farmed within the UK and Europe.

Educational outreach

Rather than perceiving policy-change and individual change as a dichotomy, we believe that these factors are often reliant on one another. As a self-claimed 'nation of animal lovers', the UK boasts of its high welfare standards, however in practice – as evidenced by our undercover investigations – it appears that these laws are often flouted by farmers.

In order to better persuade policy-makers and organisations to enforce existing regulations, and put in place additional legal protections for animals, it is often imperative to evidence that British consumers and constituents take animal protection issues seriously and wish to see them addressed.

To that end, we leverage opportunities to share our findings and inform members of the public about the conditions on farms throughout the UK, always taking a pragmatic approach.

During this reporting period, our colleagues:

- Gave a guest lecture at the University of Exeter about the devastation caused by animal agriculture and the experiences of animal activists.
- Interviewed actor, Peter Egan, about his experience on a French foie gras farm.
- Hosted a Q&A with leading aquatic animal legal experts, Professor Kathy Hessler and Amy Wilson, of the Lewis & Clark Law School.
- Presented at the Conference of Animal Rights in Europe on the topics of social media advertising and how to evoke empathy towards animals through storytelling.
- Released an egg-free [cookbook](#).
- Launched a free animal [quiz](#).

During this reporting period, Animal Equality focused efforts on extending our online reach even further, so as to attract new audiences to add their voice to our crucial campaigns and, in doing so, enhance awareness of our work.

As a result of these efforts we saw over 550,000 page views on our website, a 39% increase on the previous reporting period. We also obtained more than 13.5 million impressions of our social media content and over 300,000 video views on Youtube during these 12 months.

Collaboration with other groups

Whilst Animal Equality is proud to work independently on many crucial activities to defend farmed animals – including our undercover investigations, legal advocacy campaigns and public education projects – we also often cooperate effectively with others in the animal protection sphere.

As part of an alliance of animal protection organisations, Animal Equality is part of several legal initiatives, including:

- The ‘Better Deal for Animals’ campaign, calling for animal sentience to be enshrined in law.
- The ‘End the Cage Age’ campaign, calling for cruel cages to be banned throughout Europe.

In relation to the latter, in June 2021 the European Union voted to ban cages for farmed animals, marking a momentous and historic legislative action for animals. Following the coalition’s relentless work, and over 1.6 million European citizens signing in support, cruel cages will be banned in Europe, a move that will impact hundreds of millions of animals every year.

We continue to be an active member of the Open Wing Alliance, a global coalition bringing together animal protection organisations campaigning for companies to agree to cage-free egg policies and the European Chicken Commitment.

As a member of Eurogroup for Animals – a pan-European animal advocacy organisation challenging decision-makers throughout Europe to enact positive change for animals at an EU level – we play an integral part in several task-forces. And, as part of the Trade and Animal Welfare Coalition, we produce and disseminate key political briefing documents and lobby Government officials to ensure animal issues remain a priority during post-Brexit free trade agreement negotiations.

Expanding our fundraising activities

Animal Equality relies on the generosity of members of the public and grant-providers who allow our organisational vision to become a reality. With every kind gift we edge ever nearer to a world in which animals are respected and protected; we simply could not achieve any of our successes without our supporters.

Throughout this reporting period we introduced a number of operational improvements to enhance the donor experience, including issuing quarterly impact reports and bi-annual e-magazines, further enhancing our donation widget, improving our Google Ads usage and issuing a supporter survey to receive feedback and suggestions. In February 2021, we were also joined by our Digital Marketing Coordinator.

As ever, we are hugely grateful to have seen support from a number of volunteers and businesses. Notably, one passionate volunteer carried out a tattoo fundraiser, generously directing profits to Animal Equality in support of our life-saving work.

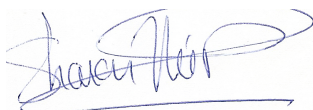
Supporter engagement

Comprising tens of thousands of people, we have a large online supporter base subscribed to our weekly UK e-newsletter, which saw an 18% uplift compared to the previous reporting period. We use our newsletters as an opportunity to provide information on ways in which people can help reduce animal suffering, for example by taking part in our campaign actions, making changes to their dietary habits, volunteering at our educational outreach events and/or donating to support our work.

We are immensely proud of our achievements for animals during this time and have ambitious and inspiring plans for the remainder of 2021 and beyond. Thank you once more to all of our supporters, without whom this impactful work would not be possible. We are changing the world for animals, together.

Date: 25th April 2022

Sharon Núñez
Chair of Board of Trustees



Animal Equality

Independent Examiner's Report to the Trustees of Animal Equality

Year ended 31 July 2021

I report to the trustees on my examination of the financial statements of Animal Equality ('the charity') for the year ended 31 July 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

SIGNED SECURELY
Matthew Sheraton
24/05/2022 at 12:57:24 PM UTC

Matthew Sheraton FCCA
Robinsons Consulting Limited

5 Underwood Street
London
N1 7LY

24 May 2022

Animal Equality

Statement of Financial Activities

Year ended 31 July 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Donations and legacies	4	401,640	401,640	407,511
Charitable activities	5	898	898	374
Investment income	6	—	—	737
Total income		<u>402,538</u>	<u>402,538</u>	<u>408,622</u>
Expenditure				
Expenditure on charitable activities		<u>329,885</u>	<u>329,885</u>	<u>364,942</u>
Total expenditure		<u>329,885</u>	<u>329,885</u>	<u>364,942</u>
Net income and net movement in funds		<u>72,653</u>	<u>72,653</u>	<u>43,680</u>
Reconciliation of funds				
Total funds brought forward		442,309	442,309	398,629
Total funds carried forward		<u>514,962</u>	<u>514,962</u>	<u>442,309</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 20 form part of these financial statements.

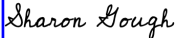
Animal Equality

Statement of Financial Position

31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	11	1,639	2,753
Current assets			
Debtors	12	646	7,104
Cash at bank and in hand		514,837	434,612
		<u>515,483</u>	<u>441,716</u>
Creditors: amounts falling due within one year	13	<u>2,160</u>	<u>2,160</u>
Net current assets		<u>513,323</u>	<u>439,556</u>
Total assets less current liabilities		<u>514,962</u>	<u>442,309</u>
Net assets		<u>514,962</u>	<u>442,309</u>
Funds of the charity			
Unrestricted funds		<u>514,962</u>	<u>442,309</u>
Total charity funds	15	<u>514,962</u>	<u>442,309</u>

These financial statements were approved by the board of trustees and authorised for issue on 24 May 2022, and are signed on behalf of the board by:

SIGNED SECURELY

26/05/2022 at 4:33:08 PM UTC

Ms S N Gough
Trustee

The notes on pages 14 to 20 form part of these financial statements.

Animal Equality

Notes to the Financial Statements

Year ended 31 July 2021

1. General information

The charity is registered charity in England and Wales and is unincorporated.
The address of the charity is Kemp House, 152-160 City Road, London, EC1V 2NX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

(i) Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(ii) Going concern

There are no material uncertainties about the charity's ability to continue.

(iii) Disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

(a) No cash flow statement has been presented for the charity (b) Disclosures in respect of financial instruments have not been presented

(iv) Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the trustees in preparing these financial statements.

(v) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

3. Accounting policies *(continued)*

(vi) Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

(vii) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

3. Accounting policies *(continued)*

(viii) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

(ix) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

(x) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

3. Accounting policies *(continued)*

(xi) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

(xii) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	375,640	375,640	154,948	154,948
Grants				
Grants receivable	26,000	26,000	252,563	252,563
	<u>401,640</u>	<u>401,640</u>	<u>407,511</u>	<u>407,511</u>

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income from charitable activities	<u>898</u>	<u>898</u>	<u>374</u>	<u>374</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>—</u>	<u>—</u>	<u>737</u>	<u>737</u>

7. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>2,103</u>	<u>1,857</u>

8. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,160</u>	<u>2,160</u>

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	213,445	211,967
Social security costs	17,050	15,537
Employer contributions to pension plans	<u>3,912</u>	<u>5,027</u>
	<u>234,407</u>	<u>232,531</u>

The average head count of employees during the year was 6 (2020: 7).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

10. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

11. Tangible fixed assets

	Equipment £
Cost	
At 1 August 2020	7,427
Additions	989
At 31 July 2021	<u>8,416</u>
Depreciation	
At 1 August 2020	4,674
Charge for the year	2,103
At 31 July 2021	<u>6,777</u>
Carrying amount	
At 31 July 2021	<u>1,639</u>
At 31 July 2020	<u>2,753</u>

12. Debtors

	2021 £	2020 £
Other debtors	<u>646</u>	<u>7,104</u>

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	<u>2,160</u>	<u>2,160</u>

14. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,912 (2020: £5,027).

Animal Equality

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

15. Analysis of charitable funds

Unrestricted funds

	At 1 August 2020 £	Income £	Expenditure £	At 31 July 2021 £
General funds	442,309	402,538	(329,885)	514,962

	At 1 August 2019 £	Income £	Expenditure £	At 31 July 2020 £
General funds	398,629	408,622	(364,942)	442,309

16. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,639	1,639
Current assets	515,483	515,483
Creditors less than 1 year	(2,160)	(2,160)
Net assets	514,962	514,962

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	2,753	2,753
Current assets	441,716	441,716
Creditors less than 1 year	(2,160)	(2,160)
Net assets	442,309	442,309