

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Company number: 558085

Charity number: 209015

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

(A company limited by guarantee)

Financial statements
31 December 2020

For the working animals of the world

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

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Report of the Council (incorporating the Report of the Directors)
For the year ended 31 December 2020

INTRODUCTION

Introduction from our Chair of Trustees and Acting Chief Executive

In 2020, as might be expected, the coronavirus (Covid-19) pandemic had a dramatic impact on our plans to deliver veterinary treatments and provide animal welfare training and teaching. Most of the countries in which we operate went into lockdown, thereby reducing the level of services we could provide. Conditions continued to be challenging into 2021, with our education work still restricted during the early part of the year.

While the numbers of treatments and educational opportunities were fewer than recent years, we responded to a greater number of crisis situations. The charity's emergency feeding programme provided food to starving animals, whose owners found themselves unable to earn a livelihood due to the collapse of local trade and tourism.

Despite the varied challenges of Covid-19, 2020 highlights include:

- Donated income rose by 22 per cent thanks to our supporters, with increases in general donations, legacies and appeal income;
- SPANA vets performed 350,628 treatments for sick and injured animals;
- Our community trainers improved the skills and knowledge of 47,400 animal owners;
- SPANA's education team provided humane education to 50,888 children;
- We launched an emergency feeding programme, which supported working animals in six countries and encompassed a number of other local feeding initiatives.

SPANAs priorities at the start of the pandemic included the safety of our staff, in the UK and abroad, as well as instigating a series of emergency programmes for animals affected by the crisis. We then began to plan for a future based on potentially reduced income but an increased need for our services abroad. This work included a rigorous examination of our Head Office (London) costs, where a number of savings were identified. As a result of this, together with an especially successful fundraising year and the recovery of our investment portfolio from losses in 2020, the charity is financially robust. We are now well placed to carefully increase our charitable spend, while maximising the use of every donor pound.

SPANAs currently works in 28 countries around the world, focusing on our three charitable objectives, which are to:

TREAT - providing free veterinary care for sick and injured working animals, and also responding to emergencies, to get urgent help to animals affected by drought, conflict and natural disaster;

TRAIN - delivering not only professional training to improve the skills of vets, para vets, vet students and teachers, but also community training to give owners the skills and knowledge they need to improve animal care;

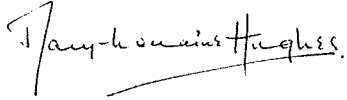
TEACH - humane education for children, to foster kindness and compassion towards working animals.

Elected as the new Chair of SPANA at the end of February 2021 I wish to thank my predecessor, Richard Greenhalgh, who resigned due to pressure of work from his other commitments. The Board of Trustees have just instigated an independent search and selection process to identify a new Chief Executive, after the departure of Geoffrey Dennis in late 2020.

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Having been a long time SPANA donor, and a Trustee since 2017, I am familiar with the charity and its objectives, to which I am hugely committed... and am proud to be leading a first class, dedicated team as we develop plans to celebrate our centenary in 2023 and, even more importantly, set our goals for the future.



Dr Mary-Lorraine Hughes
Chair

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Highlights from 2020

The significant challenges created by the Covid-19 pandemic inevitably constrained SPANA's activities and plans in 2020. But despite the obvious challenges, the charity nevertheless continued to successfully deliver the core of our work programme throughout the year. Our key achievements included:

- SPANA vets treated 283,552 animals (2019: 388,702)
- Our veterinary teams provided 350,628 treatments for sick and injured animals (2019: 458,046)
- Our community trainers improved the skills and knowledge of 47,400 animal owners (2019: 57,619)
- 5,419 pieces of humane equipment were distributed to animal owners. (2019: 13,156)
- We provided training to 836 professionals, including veterinary students attending the clinical skills centres (2019: 4,387)
- A new clinical skills centre was opened in Sodo, Ethiopia, teaching practical veterinary skills to university students.
- We provided humane education to 50,888 children (2019: 76,898) in a variety of settings, including SPANA's centres and animal clubs, schools, mobile classrooms and exhibitions.
- Our Services team supported Covid-19 emergency projects and activities in Ethiopia, Tanzania, Morocco, Tunisia, Mali and Mauritania, as well as a flooding response project in Ghana.
- We raised £9,539,169 in funds for our vital work, thanks to the kindness of our supporters.
- We maintained the Investors in People certification for our standards in staff management.

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STRATEGIC REPORT

About SPANA

Around the world, more than 600 million people rely on a huge, but largely overlooked, workforce of donkeys, mules, horses, elephants, camels and oxen to support their livelihoods. It's a precarious existence for members of these developing communities: should an animal become sick or injured, whole families can rapidly find themselves in desperate poverty. In some parts of the world, a working animal really is the difference between life and death.

There are at least 200 million working animals in the world: only a small number of these animals will have access to even the most basic veterinary care. If they are sick or in pain, they work on.

But, for the lucky few, there is SPANA, an animal welfare charity that has been helping the working animals of the world since 1923.

Today, SPANA helps working animals in 28 countries. Every day of the year, our teams of dedicated vets, trainers and teachers are easing suffering and building a more compassionate future for working animals, wherever they are needed most.

SPANA's vision is a world where every working animal lives a life free from suffering and is treated with compassion.

Our mission is to improve the welfare of working animals in the world's poorest communities.

To achieve our mission, we treat, train and teach:

- **Treat:** Our dedicated vets and technicians work to improve the health and welfare of the world's working animals, by treating injuries, preventing diseases and providing support during crisis situations. SPANA's network of busy veterinary centres is at the heart of our work, while a fleet of mobile clinics also takes our lifesaving care to the most remote and inaccessible communities. In addition, our outreach and partnership programmes provide support to local organisations, helping SPANA reach working animals in need wherever they are.
- **Train:** Through giving animal owners a better understanding of the needs of working animals, and through training them in improved husbandry and the use of humane harnessing and equipment, SPANA works to deliver sustainable changes in local behaviour that will benefit working animals for generations to come. To maximise our impact, SPANA also trains vets and technicians about veterinary care and husbandry. We perform training in universities and colleges, through regular lectures and by establishing clinical skills centres (CSCs).
- **Teach:** SPANA's education programme aims to teach children, the next generation of animal owners, to recognise that animals are capable of feeling pain and have complex welfare needs. Above all, we work to foster compassion. By educating children in this way, we're investing in a kinder future for hardworking animals.

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Where we work

In 2020, SPANA worked overseas in the following countries, delivering lifesaving care in our core countries, as well as through our partnership and outreach projects.

Treat – Providing free veterinary care;

Train – Improving owners' knowledge and skills, and building capacity with vets and teachers;

Teach – Developing compassion and respect towards animals among schoolchildren.

Country	Treat	Train	Teach
Botswana	✓	✓	✓
Cambodia		✓	✓
Cameroon	✓	✓	✓
Costa Rica		✓	✓
Ethiopia	✓	✓	✓
Ghana		✓	✓
Guatemala			✓
Guinea		✓	✓
India	✓	✓	✓
Indonesia	✓	✓	
Iraq	✓	✓	
Jordan	✓	✓	✓
Kenya	✓	✓	✓
Liberia			✓
Mali	✓	✓	✓
Mauritania	✓	✓	✓
Morocco	✓	✓	✓
Mozambique	✓	✓	
Myanmar	✓	✓	
Namibia	✓	✓	
Peru	✓	✓	
Sierra Leone		✓	✓
Somalia	✓	✓	
South Africa	✓	✓	✓
Tanzania	✓	✓	✓
Tunisia	✓	✓	✓
Uganda	✓	✓	✓
Zimbabwe	✓	✓	✓

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Five-year strategy 2018–2022

SPANA aspires to be recognised as the world's leading charity for working animals. The charity ultimately aims to have a presence and influence in every accessible developing country with a significant working animal population.

During the first two years of the 2018-2022 strategic period, SPANA was focused on expanding our work into new territories and strengthening our professional networks. We worked hard to develop and build awareness and income for the charity, and its organisational infrastructure, in support of our goal.

In 2020, several of our ambitious strategic objectives were put on hold by the Covid-19 pandemic. We responded to the potential financial implications of the pandemic by holding an immediate strategic review of our organisation. This involved identifying long-term cost saving measures, refining our organisational structure and refocusing our spend away from our Head Office in London towards our overseas work. Through this process, we aimed to protect and secure the future of SPANA and ensure we would be well placed to pursue future growth opportunities when external conditions improve.

Objectives and achievements for 2020

In addition to the ongoing work we undertake in our core countries (Botswana, Ethiopia, Jordan, Mali, Mauritania, Morocco, Tunisia, Zimbabwe), we achieved the following outcomes against the objectives planned for 2020.

Treat

Objective	Achievements
Identify a pathway for the development of overseas staff so that they achieve a minimum core standard of clinical skills.	Our online training portal has been successfully launched for staff and our SPANA veterinary curriculum has been developed.
Review our activities in Tanzania as we continue to develop it as a new core country.	All Tanzania activities were reviewed and developed in line with our Treat, Train, Teach approach.
Develop and expand current partners to enable them to reach core status.	Progress on this was largely put on hold due to the Covid-19 pandemic.
Explore the development and expansion of current outreach projects in Somalia and Uganda.	A joint education and veterinary project was developed for Uganda. Work on Somaliland projects was postponed due to Covid-19.

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Train

Objective	Achievements
Develop the veterinary infrastructure for the training of professionals, veterinary students and communities using online tools and the use of research documents, videos and e-learning.	SPANAs online portal was developed to encompass training materials, examination and skills development.
Provide a training congress, which will be delivered remotely to develop diagnostic procedures.	An eight-week virtual training course was developed, but delivery of the course was moved to April 2021.
Provide research opportunities to explore country-specific animal health conditions.	Work has been ongoing with Liverpool University to provide research for EZL and equine influenza.

Teach

Objective	Achievements
Develop existing education and community training outreach projects into partnerships in India, Central America and South America.	This work was postponed due to Covid-19.
Review of the humane education training curriculum.	This work was postponed due to Covid-19.
Undertake a curriculum review for the PAWS Clubs and the centre visit programmes in Ethiopia.	Curriculum updates were developed.

Services impact and evaluation

Objective	Achievements
Develop and quality-assure country plans, working with country directors and other key stakeholders to ensure each core country programme has a fit-for-purpose plan by 2021.	All countries now provide annual project planning documents prior to and aligned to release of budget.
Deliver a Standard Operating Policies and Procedures manual to standardise our operating procedures across the organisation.	This work was moved into 2021.

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Objective	Achievements
Simplify the entry and exit points for identifying and agreeing new projects through the development of the decision-making framework and the project pipeline.	Entry framework and pipeline were provided.
Work to demonstrate the impact of our emergency response work, by building in robust pre- and post-project impact assessments to those initiatives that seek to build the capacity of local communities to prepare for and endure crises and climatic shock.	Baseline assessments and decision frameworks were produced. Actual impact review work was not undertaken due to Covid-19.

Fundraising and marketing

Objective	Achievements
In the wake of the Covid-19 crisis, refocus our fundraising programme to ensure we can maximise net income and donor loyalty for the charity.	During the spring of 2020, the Fundraising team developed and pursued a new strategic plan focused on maximising net income and donor loyalty for the charity. This strategy enabled us to increase income on a decreased expenditure budget, while our active donor base for the charity also increased by 10%.
Develop a series of new fundraising appeals and activities that will give donors the chance to support working animals who are facing hardship due to the ongoing Covid-19 crisis.	Shortly after the outbreak of the Covid-19 pandemic, we launched a series of fundraising appeals and activities that generated funds and support for SPANA's work during the crisis. Supporters responded warmly to these, with our spring, summer and autumn activities consistently outperforming the previous year's results. Our centrepiece Covid-19 crisis appeal emerged as SPANA's most successful appeal in a decade, while our two SPANA News appeals and our Happy Hooves campaigns also generated record results.
Develop and deliver a legacy marketing campaign in the summer of 2020, building on the success of our 2019 campaign.	A major new legacy marketing campaign was developed and delivered in the summer of 2020, with 21,270 supporters mailed. This was followed by the charity's first reminder legacy mailing early in 2021.
Continue to expand SPANA's social media presence geographically, with a greater focus on new fundraising markets.	We maintained a social media audience of more than 350,000 followers globally in 2020, while we increased our Australian social media audience by 14%.

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Extend the number of celebrity ambassadors and strengthen relationships with existing high-profile supporters.	Our work with celebrity supporters has been strengthened with the launch of the SPANA Ambassadors programme in 2020. The first celebrities to sign up as SPANA Ambassadors included Paul O'Grady, Jim Broadbent, Brian Blessed, Twiggy Lawson and Peter Egan, along with celebrity vets Marc Abraham and James Greenwood. John Craven also confirmed his commitment to remain as SPANA's Patron.
Review the SPANA brand.	An initial review of the SPANA brand was conducted in the spring of 2020. This involved qualitative assessment of the views of stakeholders from several key audiences. The findings of our research will help inform further brand development work.

Finance, Human Resources and Information Technology

Objective	Achievements
Introduce revised human resource policies and procedures to take into account the impact of Covid-19 and revised working practices.	A number of key policies have been updated and they were approved by the People Committee in March 2021.
Finalise the implementation of the financial system.	The project was delayed as we needed to complete the switch to the new IT service provider. The project will be completed in 2021.
Upgrade of our internal information technology systems.	We successfully switched to a new IT service provider on 1 January 2021 and, in the process, we upgraded a number of our core IT systems.

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Plans for 2021

Our key objectives for 2021 are:

Treat

- Maintain current programmes and expand selected core areas (rural Zimbabwe, Segou Mali, Gondar Ethiopia)
- Develop projects to include Community Training and Education
- Identify new Outreach projects

Train

- Provide a SPANA Veterinary Curriculum alongside the portal for virtual training
- Provide veterinary training in laboratory medicine, and project management
- Develop a Community Training curriculum with support materials for Humane Education Officers and Community Training Officers
- Provide a virtual congress inclusive of Education and Community Training

Teach

- Develop Education strategy to encompass Humane Education Officer evolution and Community Training
- Provide virtual International Certificate in Humane Education (ICHE) training support and incorporate into country curriculum
- Expansion of current outreaches to partnership level (i.e. Namibia)

Emergency response

- Support emergency response projects
- Develop disaster risk reduction or preparedness
- Include Donkey Skin trade as a direct action

Impact and evaluation

- Develop organisational Theory of Change model, incorporate log frame and milestones (Outcome and Impact reporting)
- Develop exit and transition strategy
- Develop international data sharing to Office 365, with Power Bi for analytics
- Provide ¼ pipeline, dashboard and Key Performance Indicator information

Fundraising and Marketing

- Maximise income for SPANA's vital work worldwide through a fully-integrated fundraising and marketing strategy, that aims to build supporter commitment, loyalty and giving to SPANA as part of a donor journey.
- Expand our legacy marketing programme by piloting a digital acquisition campaign aimed at securing legacy pledges from potential/new supporters
- Develop our social media channels as fundraising and marketing tools for SPANA, with pilot activities aimed at acquiring new donors
- Work to develop our position as the voice of working animals through our PR and communications programme

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Finance, Human Resources and Information Technology

- Move the charity into new premises that are more suitable for the new way of working
- Complete the second phase of the upgrade to our financial system
- Upgrade our telephone system
- Update our appraisal and staff performance monitoring systems

FINANCIAL

Financial review

Voluntary donations, excluding legacies, increased by seven per cent in 2020 to £3,765,359 (2019: £3,524,944). Legacy income was £5,541,710 and was impacted by a change in accounting policy (2019: £3,882,511 as re-stated), with a further estimated value of notified legacies standing at £3.6 million in total, yet to be received. As a proportion of total income, legacies contributed 55 per cent (2019: 49 per cent as re-stated). Other income of £251,173 (2019: £nil) was received in the year from the Government's furlough scheme.

The fundraising and marketing objectives for the year were to increase income from a comprehensive fundraising programme, reach a wider audience, recruit new donors and maintain high levels of supporter care; all these objectives were exceeded despite the adverse conditions affecting the sector.

Direct charitable expenditure was £5,205,709 in 2020 (2019: £6,388,233). This reflects the limits on our veterinary, training and teaching activities caused by the Covid-19 crisis and accompanying local lockdowns.

The operating surplus for the year was £2,057,373 (2019: deficit £1,889,176 as re-stated). The charity planned for an operating deficit as part of its plans to increase the number of countries in which we operate. The use of planned operating deficits is also reflected in our reserves policy, which aims to effectively manage free reserves held by the charity at sustainable levels.

Net assets at the year-end stood at £11,025,934. This sum included Restricted Funds of £309,017 and a Designated Fund of £1,283,009. The General Fund during the year, which is now £9,433,908, is available for financing working capital and future operations of the charity.

SPANAs subsidiary, SPANA Trading Limited, made a valuable contribution to the charity's funds through the sale of Christmas cards, merchandise and gifts. Details on the financial performance of SPANA Trading Limited can be found in note 8(d).

The Society for the Protection of Animals Abroad (Australia) Limited, which was established in order to promote the charity's fundraising programmes in that country, made a profit in its fourth year of operation. Details of this subsidiary can be found in note 8(f).

SPANAs charitable activities in Jordan are carried out by two subsidiaries. However, following a review of our operations in Jordan, the decision was made to liquidate these subsidiaries and to perform our charitable work through partners. The process to liquidate the subsidiaries will be completed in 2021.

The outbreak of the Covid-19 pandemic had an immediate effect on the finances of the charity, with the value of our investments falling in value by £1m in March 2020. However, our investments subsequently recovered from these initial losses and the unrealised loss stood at £208,866 at the end of the year.

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In response to the crisis, and its expected impact on the charity-giving market, the charity's Senior Management Team launched a strategic review aimed at implementing cost-saving measures. The Trustees also led on a restructure of the organisation.

Reserves policy

SPANA holds reserves so that it can continue to fund its operations and deliver its charitable objectives if income is impacted by unforeseen events. The reserves are divided into restricted and unrestricted funds.

Total funds in 2020 were £11,025,934 (2019: £9,186,725 as re-stated). SPANA's funds comprise both restricted and unrestricted reserves.

Restricted reserves at 31 December 2020 were £309,017 and are the unspent monies raised for a specific purpose and which can only be used for that purpose; full details are shown in Note 12.

Total unrestricted reserves on 31 December were £10,716,917 and are those available for general spending. Within total unrestricted funds are designated funds totalling £1,283,009. Designated funds represent the net book value of the charity's land and building which is not easily realisable. Remaining free reserves at 31 December 2020 were £9,433,908, representing 57 weeks forward expenditure against a reserves target of 26 weeks. SPANA's intention was to use these excess reserves to restructure operations and programmes in line with the five-year strategic plan so that free reserves fall within the target range by the end of 2022.

Following the continued impact of Covid-19, these plans have been reassessed. Revised forecasts have been prepared and the charity plans to reduce costs over the forecast period using only £1,650,000 of the available free reserves balance by the end of 2022, thereby reducing free reserves to approximately £5.1m, which represents 41 weeks of planned forward expenditure.

The trustees will continue to monitor the reserves position, including free reserves, which is one of the key performance indicators reviewed by the trustees.

Going concern

The ongoing pandemic has had a significant operational and financial impact on the charity and its activities in the UK and abroad.

Our activities have continued, though with some restrictions, throughout the crisis and action has been taken to ensure the safety of our employees and those we work with through remote working and social distancing. Key risks surrounding the pandemic have been incorporated into our risk management framework and are monitored regularly by the trustees and senior management team.

Our response to the crisis has included:

- Placing staff on the government's coronavirus job retention scheme.
- Removing all non-essential discretionary spend
- Restructuring operations and activities to reduce the overall cost base in the UK and within overseas projects.

A revised forecast has been prepared which considers expected financial performance up to December 2022. This exercise has considered sensitivities and scenario planning over key assumptions including fundraising income, staff costs and available reserves.

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Forecasts show that planned deficits are expected to recur until 2022 with the charity breaking even in the period thereafter. Financial performance and cash flow have continued to be monitored regularly with a focus on liquidity and available free reserves being of central importance. As part of this oversight, there is ongoing assessment of fundraising and investment performance and the cash position to ensure SPANA retains sufficient headroom to fund day-to-day activities. Should performance fall below expectation, additional cost savings and contingencies have been identified to ensure the organisation can continue as a going concern.

After consideration of the revised forecasts, sensitivity and scenario planning and the current level of available free reserves, trustees are satisfied that there are no material uncertainties around SPANA's ability to continue as a going concern and it remains appropriate to prepare the accounts on that basis.

Investment powers, policy and performance

Monies not immediately required for SPANA's charitable purposes are invested into assets and for a term as the trustees think fit and suitable in the context of all relevant circumstances of the charity.

The charity's excess funds are currently invested in cash and marketable securities. The Council has adopted an investment policy that is medium risk, investing in both fixed interest funds and equities, and to this end has also issued a statement of the charity's investment policy, the terms of reference for the investment managers, and a statement of the charity's ethical policy.

SPANA's investment policy is predicated on the trustees' obligation to safeguard its assets. Within that requirement, the Investment Managers have authority to invest in order to maximise the return to SPANA. However, in doing this, they are directed by SPANA to screen investments from an ethical standpoint in an effort to ensure that investments are not made with companies whose performance might, for instance, be affected by unethical business practices or negative environmental practices.

The Council considers that the performance of its investment portfolio was in line with its policies and overall global stock market conditions in 2020 and against a suitable benchmark for this policy.

Principal risks and uncertainties

The Council has established a risk management framework for the assessment of major risks to which the charity is exposed. During 2019, the format of the risk register was updated, and new procedures were developed to ensure that risks are identified, monitored and subject to ongoing review and oversight. For each major risk that is identified, a member of the senior management team is assigned responsibility for identifying the steps needed to manage or mitigate the risk. All identified risks are reviewed by the senior management team on a quarterly basis to ensure that any new risks are identified and that appropriate actions proposed to mitigate or manage risks are being undertaken.

The risks are also reviewed and assessed by the trustees annually and more frequent updates where material changes are identified. In addition, the Finance & Audit Committee reviews the risk register every quarter.

The most significant risk that has been identified is the impact of the Covid-19 virus on the financial and operational resilience of the charity. The Council has agreed to a revised budget to minimise the financial impact, while management have taken actions to ensure the safety of our staff.

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In light of the emergence and spread of Covid-19, SPANA is monitoring the situation closely to assess the potential impact on its operations. Management believes that there will be potential impact in areas around the business including:

- reduced income
- fall in the value of our investments
- cancellation of scheduled events and travel by UK based staff
- disruption of the services offered abroad.

When the initial impact of Covid-19 became apparent, our first priorities were to ensure that all our UK based staff:

- who were working overseas were repatriated
- were able to work effectively from home.

Communications were maintained with our overseas operations to make sure that their staff were being protected and that SPANA complied with any local restrictions and measures.

As the crisis deepened, actions were taken to stabilise our finances, which included the creation of a new budget and utilising the Government's job retention scheme, furloughing some staff members. These measures ensured that SPANA had sufficient cash to continue operating, albeit at a reduced level as a result of an expected fall in income.

As stated in the Going Concern section, detailed financial planning has been performed to ensure that SPANA has sufficient reserves to continue to operate in the medium term. This planning identified a number of actions that needed to be taken, which include a restructure that unfortunately resulted in some redundancies, along with a reduced level of funding for our overseas operations.

Other major risks that the senior management team have identified include the following:

Effective control over country operations

The risk is that the appropriate systems and controls are not in place to understand and manage in-country activities. Fraud, financial mismanagement, nepotism, bribery, and off strategy or inappropriate activities taking place are some of the possible risks, which could lead to missing or unaccounted funds and damage to SPANA's reputation where funds have been inappropriately spent.

Controls that exist to mitigate this risk include:

- A new standard operation manual is being developed
- Regular reviews by visiting London based staff
- New contracts for Country Directors that mandate adherence to policies and procedures.

Conduct (including safeguarding, bullying and whistleblowing concerns)

There is a risk that safeguarding, bullying, whistleblowing issues and any other inappropriate conduct or unwanted behaviour is happening across SPANA locations. With serious misconduct claims and legal cases, there is a risk that staff take stories to the media, resulting in reputational damage should this occur.

Controls that exist to mitigate this risk include:

- A Code of Conduct is in place that staff have signed up to, which sets out expected ways of working
- Safeguarding, bullying, harassment and whistleblowing procedures are in place
- All UK staff received training on the Code of Conduct in 2019.

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Travel to programme countries

Some SPANA staff have to travel to countries that have high levels of risk to visitors. Therefore, actions are required to ensure their safety at all times.

Controls that exist to mitigate this risk include:

- FCO travel advice checked regularly by travellers as part of pre-travel requirements
- Travel safety training programme completed in 2019 for staff who travel frequently
- Accessible local knowledge is available on current risks from our overseas partners.

Office at John Street

In February 2021, the Trustees received an offer on the charity's office in John Street. At present, the offer is being considered along with options for a new office. The sale of John Street provides the opportunity to obtain office space that better suits the needs of the charity, as well as increasing the charity's reserves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

SPANA is an organisation with clear objectives and a high international profile within the developing world. On a day-to-day basis, it is managed by the senior management team, which following the 2020 organisational restructure comprises the Chief Executive and the Directors of its three departments: Services; Finance, Human Resources and IT; and Fundraising and Marketing. The group consists of the charity, its subsidiaries in Jordan and Australia, a branch in Mali and SPANA Trading Limited, a UK trading subsidiary.

The subsidiaries in Australia and Jordan, along with the UK trading subsidiary, are wholly owned by the charity.

The Society for the Protection of Animals Abroad (Australia) Limited was established in February 2017 in order to promote the charity's fundraising programmes in that country, while the UK trading subsidiary sells merchandise on behalf of SPANA and gift aids its profits back to the charity.

SPANA restructured its operations in Jordan, which includes closing our two subsidiaries. One was closed in 2019 and the process of the remaining one being liquidated commenced in early 2020. No material adjustments have arisen as a result of these actions. In future, our work in Jordan will be operated through partner organisations.

Details of related party transactions are shown in note 16 of the accounts.

Governing document

SPANA is a voluntary organisation and a registered charity founded in England in 1923. It is a company limited by guarantee and not having a share capital. It is governed by its Memorandum and Articles of Association, managed by an elected Council and funded by voluntary donations from its members and supporters around the world, including the countries in which SPANA operates.

Charity

SPANA is a charitable company limited by guarantee, registered with the Charity Commission in England and Wales (registered number 209015).

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Public benefit

The trustees have referred to the Charity Commission's published guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, as required by the Charities Act 2011, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our objectives are to prevent unnecessary suffering to animals and neglect of their bodily needs.

The Council considers that strategies, aims and activities as described above are for the public benefit, which is fundamental in undertaking current activities, assessing future activities and measuring delivered outcomes.

The content of this report, as well as the charity's Annual Review and our website, provides detail of the activities undertaken by the charity for public benefit. These activities focus on our support for working animals and the communities they serve under the headings of Treat, Train and Teach.

Members

The number of members at 31 December 2020 is 114 (2019: 120) and their liability on a liquidation is limited to £1 each. All members have full voting rights under the charity's Articles of Association.

The trustees

SPANA's Council of trustees comprised 10 members of the charity on 31 December 2020 and nine members on 19 February 2021. It may have up to 14 members and not less than five members. The Council, which comprises trustees who must be members of the company, meet in formal sessions four times per annum and at that time consider and decide upon:

- The activities and the recommendations made by SPANA's four main committees, each of which also meet regularly, namely those addressing:
 - Finance and audit
 - Services
 - Fundraising and Marketing, and
 - People (formerly the Remuneration and succession planning committee).
- Progress and development of issues detailed within:
 - The 2018 to 2022 strategy document, which forms the basis of monitoring how the strategic direction of the charity is being maintained
 - The review of operational plans for 2018 to 2022
 - The risk register (see above).

Contractual and other operational issues that fall outside the routine management scope are dealt with on a day-to-day basis by the senior management team.

Appointment of trustees, induction and training

With regards to the operation of the Council itself, each position on the Council of trustees is identified according to the specialisation which its incumbent should have, in order to discharge the duties of the particular role. Once appointed, trustees complete an induction programme, including visits to the

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors) For the year ended 31 December 2020

countries where SPANA is operational, to acquire first-hand knowledge of SPANA's activities and the personnel involved. They are also invited to participate in such formal training and seminars as are appropriate (eg the legal dimension to being a trustee and the role of the trustee in the management of the charity's investments).

Appointment of members to the Council is through election by the membership.

The Council reviews regularly the balance of skills and experience required for the successful governance of the charity.

Key management personnel

Following the 2020 restructure, key management personnel are defined as the senior management team, which comprises: the Chief Executive; Director of Finance; Director of Fundraising and Marketing; and Director of Services. The directors are responsible for managing their respective departments.

The remuneration of the senior management team is reviewed by periodic benchmarking, carried out by an independent consultant, against equivalent positions in the charity and commercial sectors. This benchmarking is supervised independently of senior management by the People Committee.

The members of the senior management team are not directors of the charity under company law.

Overseas operations

With the exception of our activities in Australia and Jordan which are described above, SPANA operates through a network of local NGO's and partner organisations abroad, on a grant basis where we fund their activities that meet our charitable objects. The results of these partners' financial activities are therefore not included in the annual accounts.

Grant-making policy

SPANA operates through other partner organisations abroad. However, this is on annual grant basis where we fund their activities that meet our charitable objects.

SPANA works with partners who deliver our work abroad. The criteria for partner selection includes services that will deliver projects that meet our charitable objects and are consistent with our five-year strategy.

Before a formal annual grant agreement is signed, all potential grantees are subject to a due diligence process based upon an assessment framework. A signed grant agreement is put in place with all partners, which covers joint ways of working, delivery criteria and reporting requirements. The results of these partners' financial activities are not included in the annual accounts.

Charity Governance Code

The Charity Governance Code sets out the principles and recommended practice for good governance within the sector. The Charity Commission states that the code '...represents a standard of good

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors) For the year ended 31 December 2020

governance practice to which all charities should aspire. We encourage all charities to read, follow and apply it proportionately to their circumstances.'

SPANA has reviewed its governance arrangements and is satisfied that these are consistent with the principles set out in the code. The Trustees are aware that the code was updated in December 2020 and they will monitor compliance with the updated code in 2021.

Safeguarding and whistleblowing

SPANA has always placed a high degree of importance on safeguarding issues and, in 2019, we launched a major review of all aspects of safeguarding, both in the United Kingdom and in the countries in which we operate abroad. Following the review, in 2019 we embarked on delivering a training programme to our staff members abroad about safeguarding and the role that they have to play to ensure that safeguarding remains a key focus of everyone who works for SPANA.

Fundraising and marketing

SPANA's fundraising and marketing department comprises four core teams:

- The Major Gifts team is responsible for our legacies, trusts and foundations, major donors and corporate fundraising programmes;
- The Donor Marketing & Digital Fundraising is responsible for our individual giving programme, which encompasses a comprehensive range of direct mail, retail and digital activities;
- The Supporter Care team is responsible for supporter engagement (including enquiry handling and response management), database management and community fundraising;
- The Communications and Brand team is responsible for PR, brand, digital communications, publications, content, celebrity engagement and internal communications.

The Fundraising and Marketing department's key strategic objective is to maximise awareness, support and net voluntary income for SPANA, while delivering a strong return on investment from our activities.

SPANA's fundraising and marketing strategy is delivered through a fully-integrated, multi-channel, values-based and insight-driven fundraising and marketing programme that aims to develop brand awareness, supporter satisfaction and donor loyalty in support of our income generation work. Our aim is to deliver ambitious but achievable targets, based on market insight and evidence, donor knowledge and data analysis.

As part of our strategy, all fundraising and marketing staff are committed to fully exercising SPANA's values in their work, acting collaboratively and with integrity and respect for our supporters at all times, while always striving for excellence. By acting with integrity and respect, we aim to build supporter satisfaction, trust and loyalty.

2020 was an exceptionally challenging year for SPANA's fundraising and marketing department, for several reasons. The outbreak of the Covid-19 pandemic created significant changes and uncertainty in the external charity fundraising market, with giving from areas such as events, trusts, community and corporate fundraising immediately declining. In response to the initial impact of the coronavirus

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pandemic, SPANA's fundraising budget was reduced by 27%, while the headcount of fundraising, marketing and communications staff decreased by 19% as part of an organisational restructure.

In the response to the Covid-19 crisis, the fundraising and marketing team strategically refocused our programme to ensure we could continue to maximise awareness, support and net income for the charity on a reduced budget. We also developed a Covid-19 crisis-themed strand, culminating in the summer appeal, which gave our donors several opportunities to support working animals whose owners and communities had been hard hit by the local pandemic. Our revised activity programme, coupled with our initial work to deepen donor loyalty and strategically align the organisation's fundraising and brand awareness-building activity, was instrumental to ensuring that fundraising and marketing delivered SPANA's best-ever year for voluntary income.

While income in such areas as events, trusts, community and corporate fundraising was adversely affected by the Covid-19 crisis, the exceptional performance of our legacies programme, our seasonal appeals, Happy Hooves retail programme and raffles more than compensated for the shortfall. Our fledgling Australian fundraising programme also continued to develop as planned, with income increasing by 30% despite a reduced budget and the combined impact of both the Covid-19 pandemic and the preceding Australian bush fires.

Our active UK donor base comprised 38,297 supporters and organisations in 2020, while our acquisition work (primarily driven by specialist TV advertising, mailings, inserts and digital advertising) secured 3,577 new and reactivated supporters. Our active global donor base comprised 6,212 donors – an 8% increase on 2019.

2020 was also a highly successful year for our awareness raising activities. Despite a 61% decrease in expenditure, the charity's social media audience grew to more than 360,000 followers by the end of 2020, while our PR activity generated 754 pieces of national and local coverage across titles including the Daily Mail, Daily Express, Daily Mirror, The Sun, The Independent, and MSN.com. Key drivers for coverage included SPANA's response to the Covid-19 crisis and our annual International Working Animal Day. The combined circulation figure of our PR coverage was an estimated 139.3 million.

Fundraising and marketing practices

SPANA works to ensure all elements of its fundraising and marketing programme (including activities performed on its behalf by third parties) fully comply with all statutory regulations. The charity is an organisational member of the UK's leading fundraising bodies, the Chartered Institute of Fundraising and the Fundraising Regulator, plus the influential communications organisation CharityComms. Our Australian fundraising programme is similarly regulated by the Fundraising Institute of Australia (FIA).

As part of its GDPR-compliant data protection policy, SPANA ensures all fundraising and marketing materials have a clear opt-out process (allowing supporters to choose not to receive further communication from the charity) and any concerns relating to members of the public our supporter care team talk to are recorded appropriately.

In addition to meeting all legal requirements, SPANA's fundraising and marketing programme is enhanced by its commitment to SPANA values, particularly the programme's focus on acting with integrity and treating our supporters and donors with respect. We are committed to providing the best - possible supporter care, while our fundraising programme deliberately excludes activities that might be intrusive or problematic for vulnerable people, such as door-to-door or face-to-face fundraising. SPANA fundraising and marketing staff are also encouraged to develop their skills and practices by attending external training courses and conferences.

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Due to the Covid-19 crisis, the charity was forced to move all our fundraising and marketing operations to a remote model, with all staff working from home. This required the team to outsource our phone handling and mail response from mid March 2020. While this was a significant operational challenge, overall this change was implemented successfully and this working model continued to run throughout the rest of the year.

All complaints about our fundraising and marketing programme are responded to individually and help inform our approach to future activities. In 2020, the charity recorded 179 fundraising complaints, which was down from the 233 received in 2019. The majority of these concerned mailing and fulfilment issues relating to orders made to our retail programme (53), while issues donating on our website was the second most common area of complaint (34). 40 complaints concerned aspects of our direct mail appeals, representing less than 0.1 per cent of the volume of direct mail appeals sent. All complaints were ultimately resolved by SPANA and none were escalated to the Charity Commission or any external source.

All third-party contractors working on behalf of SPANA are asked to fully adhere to all statutory regulations regarding fundraising, as well as SPANA's own best practice guidelines. The charity monitors fundraising activities conducted on its behalf by third parties through a variety of means. For example, the activity of our direct mail programme is monitored by members of SPANA staff who are included in our mailing lists and receive the same appeals as our supporters.

SPANA is unaware of any failure, either by the organisation or any third parties operating on its behalf, to comply with any fundraising or marketing regulations or standards during 2020.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors)
For the year ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

President

The Rt Hon The Lord de Mauley TD

Vice Presidents

Professor D Knottenbelt OBE, BVM&S, DVM, MRCVS
The Lady Slyn of Hadley SRN

Members of the Council (Board of Directors and Trustees)

Dr M L Hughes BSc (Hons) MBA PhD (Chair) (1) (3) – appointed as Chair 26 February 2021
Mr R Greenhalgh MA FRSA – resigned as Chair and Trustee 19 February 2021
Professor T R C Greet BVM&S MVM Cert EO DESTS Dip ECVS FRCVS – resigned as Trustee 23 June 2020
Ms O Johnson MCIPD (Vice Chair) – resigned as Vice Chair and Trustee 23 June 2020
Mr G R H Helmer BSc (Hons) FCA (Vice Chair – appointed 26 February 2021) (Hon Treasurer) (1)(3)
Ms M Blagescu MA (2) (3)
Dr J Boyd BSc (Hons) MSc PhD PGCHE FHEA MRSB (2)
Mr R Gethen Smith BEng (Hons) MA (4)
Ms M Liszewski BSc MSc (2)
Mr G Parker BSc (1)
Ms M Saghbini MA (4)
Miss S Shanks BVSc MPH MFPH MRCVS (2)
Ms H Winter BSc (5) - resigned 22 September 2020

The numbers above indicate which trustees are also members of the following committees:

- (1) Finance & Audit
- (2) Services
- (3) People
- (4) Fundraising and Marketing

Chief Executive:

Mr Geoffrey Dennis –
resigned 9 December 2020
Mr Paul Sylva (Acting) –
from 10 December 2020
Ms Linda Edwards (Designate) -
from August 2021

Company Secretary:

Mr Paul Sylva FCA FGA

Director of Services

Dr Ben Sturgeon BSc BVM&S Cert E.P.
Cert E.S.M. BAEDT MRCVS

Director of Fundraising and Marketing

David Bassom BSc (Hons) MFIA

Acting Director of Finance

Denise Locke FCCA

Company number:

558085

Charity number:

209015

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors)
For the year ended 31 December 2020

Registered name:

The Society for the Protection of Animals
Abroad

Also known as

SPANNA

Registered Office:

14 John Street
London WC1N 2EB

Website:

www.spana.org

Auditor:

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Investment Manager:

Smith & Williamson Investment Management LLP
25 Moorgate
London EC2R 6AY

Bankers:

CAF Bank Limited
P O Box 289
West Malling, Kent ME19 4TA

NatWest Bank plc
57 Victoria Street
London SW1H 0HN

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors)
For the year ended 31 December 2020

STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

The Council is responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council, as directors and trustees, to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law, the Council 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 company and the group and of its result for that period. In preparing these financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue to operate

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council is aware:

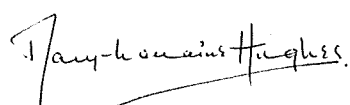
- there is no relevant audit information of which the charity's auditor is unaware
- each member of Council has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Auditor

A resolution to re-appoint Crowe U.K. LLP will be presented at the Annual General Meeting.

The trustees' annual report, which includes the strategic report, was approved on 18 May 2021 and signed on their behalf by:



Dr Mary-Lorraine Hughes
Chair

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors)
For the year ended 31 December 2020

Independent Auditor's Report to the Members of The Society for the Protection of Animals Abroad

Opinion

We have audited the financial statements of The Society for the Protection of Animals Abroad ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Consolidated and Society Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 December 2020 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors) For the year ended 31 December 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report of the Council (incorporating the Report of the Directors) For the year ended 31 December 2020

determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were compliance with the requirements of the Fundraising Regulator, Gambling Commission, veterinary service regulations and General Data Protection regulations. We also considered compliance with local legislation for the group's overseas operating segments.

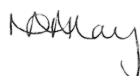
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation, legacy, investment and other income, authorisation and approval of payments to overseas branches, partners and other non-UK entities and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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

Use of our report

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



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 27th May 2021

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated statement of financial activities

(Incorporating income and expenditure account)

For the year ended 31 December 2020

	Notes	General Funds £	Restricted Funds	Total 2020 £	Total 2019 Restated £
Income from					
Donations	2(d)	3,655,412	109,947	3,765,359	3,524,944
Legacies	2(d)	5,541,710	-	5,541,710	3,882,511
Trusts	2(d)	114,821	117,278	232,099	331,715
Trading activities	3	86,391	-	86,391	55,095
Investment income	2(d)	140,655	-	140,655	167,640
Other income		251,173	-	251,173	-
Total income		9,790,162	227,225	10,017,387	7,961,905
Expenditure on					
Raising funds					
Cost of raising funds	5(a)	2,642,343	-	2,642,343	3,347,041
Fundraising trading: cost of goods sold		66,715	-	66,715	36,481
Investment management costs		45,247	-	45,247	79,326
		2,754,305	-	2,754,305	3,462,848
Charitable activities					
Veterinary activities	5(b),(c)	3,363,227	370,308	3,733,535	4,459,624
Educational activities	5(b),(c)	1,470,914	1,260	1,472,174	1,928,609
		4,834,141	371,568	5,205,709	6,388,233
Total expenditure		7,588,446	371,568	7,960,014	9,851,081
Operating (deficit)/surplus for the year.		2,201,716	(144,343)	2,057,373	(1,889,176)
Net gains/(losses) on investments		(218,164)	-	(218,164)	1,072,317
Sale of assets		-	-	-	181,260
Net gains/(losses) on forward foreign exchange contracts		-	-	-	-
Net income for the year		1,983,552	(144,343)	1,839,209	(635,599)
Net movement in funds		1,983,552	(144,343)	1,839,209	(635,599)
Reconciliation of funds					
Funds brought forward at 1 January 2020 as previously stated		9,720,033	453,360	10,173,393	10,032,887
Prior year adjustment		(986,668)	-	(986,668)	(210,563)
Funds brought forward at 1 January 2020 as restated		8,733,365	453,360	9,186,725	9,822,324
Funds carried forward at 31 December 2020		10,716,917	309,017	11,025,934	9,186,725

All the above amounts relate to continuing activities. All gains/losses in the year are shown above.

The notes on pages 29 to 47 form part of these financial statements.

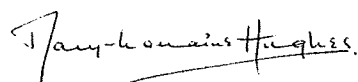
THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated balance sheets as at 31 December 2020

	Notes	Group		Society	
		2020	2019	2020	2019
		£	Restated £	£	Restated £
Fixed assets					
Tangible assets	7(a)	1,220,169	1,256,016	1,220,169	1,256,016
Intangible assets	7(b)	62,840	86,576	62,840	86,576
Investments	8(a)	6,380,948	6,494,404	6,380,949	6,494,405
		<u>7,663,957</u>	<u>7,836,996</u>	<u>7,663,958</u>	<u>7,836,997</u>
Current assets					
Stock		6,013	13,773	-	-
Debtors	9	604,012	643,359	1,087,687	1,023,979
Cash at bank and in hand		3,154,233	1,135,585	2,773,372	905,665
		<u>3,764,258</u>	<u>1,792,717</u>	<u>3,861,059</u>	<u>1,929,644</u>
Creditors: amounts due within one year	10	<u>(402,281)</u>	<u>(442,988)</u>	<u>(356,752)</u>	<u>(413,036)</u>
Net current assets		<u>3,361,977</u>	<u>1,349,729</u>	<u>3,504,307</u>	<u>1,516,608</u>
Net assets	13	<u>11,025,934</u>	<u>9,186,725</u>	<u>11,168,265</u>	<u>9,353,605</u>
Represented by:					
Unrestricted funds					
General fund		9,433,908	7,390,773	9,576,239	7,557,653
Designated funds	11	<u>1,283,009</u>	<u>1,342,592</u>	<u>1,283,009</u>	<u>1,342,592</u>
Total unrestricted funds		<u>10,716,917</u>	<u>8,733,365</u>	<u>10,859,248</u>	<u>8,900,245</u>
Restricted funds	12	<u>309,017</u>	<u>453,360</u>	<u>309,017</u>	<u>453,360</u>
Total funds		<u>11,025,934</u>	<u>9,186,725</u>	<u>11,168,265</u>	<u>9,353,605</u>

The Society made a profit of £1,814,660 (2019 loss of £571,707) both adjusted for a change in accounting policy during the year.

Approved by the Council and authorised for issue on 18 May 2021 and signed on its behalf by:



M-L Hughes
Chair



Gavin Helmer
Deputy Chair & Treasurer

The notes on pages 29 to 47 form part of these financial statements.

Small company provisions

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Company Number: 558085

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated statement of cash flows

For the year ended 31 December 2020

	2020	2019
	£	£
Cash flows form operating activities	1,978,345	(1,687,469)
Cash flow from investing activities		
Dividends & Interest from Investments	142,276	167,640
Proceeds from the sale of Tangible Assets	0	228,393
Purchase of Tangible Assets	(4,944)	(17,411)
Purchase of Intangible Assets	0	(95,483)
Proceeds from the Sale of Investments	0	1,500,000
Purchase of Investments	(97,029)	(88,161)
Net Cash provided by Investing Activities	<u>40,303</u>	<u>1,694,978</u>
Change in Cash & Equivalents in the Reporting Period	2,018,648	7,509
Cash & Equivalents at start of Reporting Period	1,135,585	1,128,076
Cash & Cash equivalents and Net Debt at end of Reporting Period	<u>3,154,233</u>	<u>1,135,585</u>
Check to BS		
Net Movement of Funds per the SOFA	1,839,209	140,506
Depreciation	64,528	46,308
(Gains)/losses on investments	210,485	(1,072,317)
Dividends & Interest from Investments	(142,276)	(167,640)
Gain on Sale of Fixed Assets	0	(181,260)
Decrease/(increase) in stocks	7,760	3,081
Decrease/(increase) in debtors	39,348	(634,034)
Increase/(decrease) in creditors	(40,709)	177,887
	<u>1,978,345</u>	<u>(1,687,469)</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

1 Company information

The Society is a registered charity and as such is a non-profit making organisation, limited by guarantee and therefore with no share capital. The number of members at 31 December 2020 is 114 (2019: 120) and their liability on a liquidation is limited to £1 each.

The Society is registered in England and Wales under number 558085 and its registered office is 14 John Street, London WC1N 2EB. The Society is a Public Benefit Entity registered with the Charity Commission under number 209015.

2 Accounting policies

(a) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

(b) Basis of accounting

The financial statements have been prepared on a line by line basis after eliminating intergroup transactions and balances. The results of the Society and its subsidiaries; their registered numbers are:

- The Society for the Protection of Animals Abroad (registered number 558085)
- SPANA Trading Limited (registered number 5701201)
- The Society for the Protection of Animals Abroad (Australia) Limited (ACN 617228109)
- Society for the Protection of Animals (registered in Jordan) which is no longer included in the consolidation as it was liquidated in 2019.
- The Society for the Protection of Animals Abroad/Jordan (registered in Jordan) is also no longer included in consolidation as the subsidiary is being liquidated and the accounts for 2020 are not available. The trustees are satisfied that the transactions and balances arising in the year are not material to the financial statements and results have been excluded on that basis.

SPANAs funds other entities and partners overseas, however these entities are not included in the consolidated results as SPANA doesn't have sufficient financial control.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and 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 (FRS102) - effective 1 January 2015.

2 Accounting policies (continued)

The functional currency of SPANA and its subsidiary entities is considered to be GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

(c) Going concern

The ongoing pandemic has had a significant operational and financial impact on the charity and its activities in the UK and abroad.

Our activities have continued, though with some restrictions, throughout the crisis and action has been taken to ensure the safety of our employees and those we work with through remote working and social distancing. Key risks surrounding the pandemic have been incorporated into our risk management framework and are monitored regularly by the trustees and senior management team.

Our response to the crisis included:

- Placing staff on the government's coronavirus job retention scheme
- Removing all non-essential discretionary spend
- Restructuring operations and activities to reduce the overall cost base in the UK and within overseas projects

A revised forecast has been prepared which considers expected performance up to December 2023. This exercise has considered sensitivities and scenario planning over key assumptions including fundraising income, staff costs and available reserves.

Forecasts show that planned deficits are expected to recur until 2023 with the charity breaking even in the period thereafter. Financial performance and cash flow continues to be monitored regularly with a focus on liquidity and available free reserves being of central importance. As part of this oversight, there is ongoing assessment of fundraising and investment performance and the cash position to ensure SPANA retains sufficient headroom to fund day to day activities. Should performance fall below expectation, additional cost savings and contingencies have been identified to ensure the organisation can continue as a going concern.

After consideration of the revised forecasts, sensitivity and scenario planning and the current level of available free reserves, trustees are satisfied that there are no material uncertainties around SPANA's ability to continue as a going concern and it remains appropriate to prepare the accounts on that basis.

(d) Incoming resources

Donations and Trust Income are recognised when there is sufficient evidence of entitlement, probable receipt and where the amount is measurable. Accruals are made on a monthly basis for related Gift Aid where applicable.

Legacies subject to a life interest by another party will not be recognised. Pecuniary legacies will be recognised when the legacy is received or where there is sufficient evidence that receipt is probable. Residuary legacies are recognised at the earlier of cash received or notification of an interim distribution or estate accounts having been approved by the executors. This represents a change in accounting policy where previously legacy income was recognised once notified and receipts were measurable and probable. This was done in order to remove the uncertainty inherent in the previous accounting policy due to the substantial lead times between notification and receipt of the legacy. Comparative information has been restated to reflect the change, the effects of which are shown in Note 17.

Investment income is accounted for on an accruals basis together with any income tax recoverable.

Government grants are recognised when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant, in connection to the job retention scheme, has been recognised in the period to which the underlying furloughed staff costs relate to. Included in other income is an amount of £251,173 in respect of the Coronavirus Job Retention Scheme.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

2 Accounting policies (continued)

(e) Resources expended

All UK expenditure is recognised on an accruals basis.

UK expenditure has been allocated to costs of generating funds and charitable activities when clearly identified, or is otherwise apportioned to these categories, on the basis of staff time and utilisation.

Costs of generating funds comprises fundraising and publicity costs, cost of goods sold for fundraising purposes, investment management fees and an apportionment of head office overheads including governance costs.

Expenditure on charitable activities is split between the two main activities of SPANA, veterinary and education. Training and emergency are included within these two activities. It includes funding for overseas operations (recognised when monies are transferred) and grants to outreach and emergency projects (which are recognised when they are approved), as shown in note 6. It also includes support costs, including apportioned head office overheads and governance costs, representing the necessary and prudent overseeing of operations to ensure the effective use of charitable funds in meeting the Society's objectives in overseas countries.

The Society makes small grants for outreach projects, usually less than £10,000, to fund discrete animal welfare or education projects which are either not in a SPANA core-country or in an area served by the core-country project. The grants are usually for one year with the possible extension to a second year depending on progress in the first year. Emergency grants are made for projects where animals' lives are at risk through drought or other disasters.

Governance costs as shown in note 6(c) are those necessary for the proper compliance with statutory and constitutional requirements.

(f) Financial assets and liabilities

Financial assets and financial liabilities are recognised when SPANA becomes a party to the contractual provisions of the instrument. Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost except for forward rate currency contracts which are subsequently measured at fair value with gains and losses recognised in the Statement of Financial Activities. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

(f) Financial assets and liabilities (continued)

The Society enters into forward rate currency contracts to manage its exposure to fluctuations in exchange rates throughout the year. These contracts are recognised at fair value with gains or losses recognised in the Statement of Financial Activities.

The only assets held at fair value are the investments as detailed in note 8.

(g) Depreciation

Tangible and intangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost of fixed assets, less residual values, over their expected useful lives, on a straight line basis, using the following periods:

	United Kingdom	Overseas
Freehold building	- over 50 years	- over 50 years
Furniture, fittings and equipment	- over 5 years	- over 5 years
Computers	- over 3 years	- over 5 years
Intangibles	- between 3-5 years	- between 3-5 years

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

2 Accounting policies (continued)

Depreciation

Land is not depreciated.

Assets supplied to overseas partners are not depreciated, but are shown as expenditure.

Assets, whose cost is more than £1,000, purchased by the Society are capitalised. The assets purchased by the Society's overseas subsidiary and branch are fully depreciated in the year of acquisition in view of uncertainty of conditions overseas.

(h) Investments

Listed investments are valued at the mid-market price ruling at the balance sheet date which gives rise to unrealised gains/losses which are included in the Group Statement of Financial Activities. Realised gains/losses arising on the disposal of investments during the year are separately disclosed in the Group Statement of Financial Activities. Investments in subsidiaries are initially included at cost (see note 9e for further details about the valuation of the subsidiaries in Australia and Jordan).

(i) Stocks

Stocks are stated at the lower of cost and net realisable value.

(j) Funds

General funds are unrestricted funds which include buildings and equipment necessary for the proper functioning of the charity and other funds available for use at the discretion of the Trustees in furtherance of the Society's objectives.

Designated funds are set aside at the discretion of the Trustees for specific purposes. They would otherwise form part of the other general funds.

Restricted funds are the funds which are subject to specific restrictions as imposed by the donor or nature of the appeal.

3 Activities for generating funds

	2020 £	2019 £
Sale of Merchandise	86,391	55,095

4 Legacies

The estimated value of residuary legacies, notified to SPANA prior to 31 December 2020 and expected to be received in future years, is £3.6 million (2019: £4.0 million). These residuary legacies are not included in the financial statements as the amount cannot be quantified with reasonable certainty. This figure excludes life interest legacies, where the amounts due cannot be quantified with reasonable certainty.

5 Analysis of resources expended

(a) Analysis of cost of raising funds

	2020 £	2019 £
Staff costs	914,342	894,071
Other direct costs	1,450,658	2,119,199
Governance costs	35,899	30,532
Other support costs	220,795	284,816
Depreciation	20,649	18,423
	2,642,343	3,347,041

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

5 Analysis of resources expended (continued)

(b) Charitable activities by country

	Treatment of sick animals	Education	2020 Total	2019 Total
	£	£	£	£
Botswana	24,503	6,798	31,301	327,374
Ethiopia	360,632	343,817	704,449	897,182
Jordan	97,307	-	97,307	384,357
Mali	584,077	205,558	789,635	552,950
Mauritania	957,612	302,550	1,260,162	1,005,040
Morocco	1,008,263	318,553	1,326,816	1,804,559
Myanmar	8,183	-	8,183	30,805
Tunisia	308,107	97,343	405,450	547,712
Zimbabwe	208,780	142,073	350,853	447,838
Outreach and Emergency	176,071	55,482	231,553	390,416
	3,733,535	1,472,174	5,205,709	6,388,233

Details of outreach and emergency programmes are available from the Society's website www.spana.org

(c) Charitable activities by type of expenditure

	Treatment of sick animals	Education	2020 Total	2019 Total
	£	£	£	£
Direct funding for overseas projects	1,961,444	618,077	2,579,521	3,463,148
Grants payable for outreach funding	176,071	55,482	231,553	390,416
Staff costs	1,257,220	628,610	1,885,830	1,844,022
Governance costs	54,559	27,884	82,443	76,286
Other support costs	284,241	142,121	426,362	614,361
	3,733,535	1,472,174	5,205,709	6,388,233

(d) The operating surplus/(deficit) for the year is stated after:

	2020	2019
	£	£
Audit fees	25,750	19,950
Auditor's fee for non audit services	8,340	6,114
Auditor's overseas affiliates (Pitcher Partners in Australia \$16,500)	9,317	8,761
Auditor's fees in relation to prior year	-	-
Trustees' expenses	-	4,135

6 Resources expended include:

(a) Staff costs and employees

	United Kingdom		Overseas	
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	2,308,236	2,233,619	-	123,529
Social Security costs	234,796	228,270	-	22,087
Pension costs (Note 14)	192,929	199,081	-	-
Other staff costs	38,053	133,002	-	-
	2,774,014	2,793,972	-	145,616
Compensation payments for loss of office	115,070			41,257

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

6 Resources expended include: (continued)

(b) Staff costs and employees

	No.	No.
Employees earning more than £60,000 p.a.		
£60,000 - £70,000	2	4
£70,000 - £80,000	2	2
£80,000 - £90,000	1	
£90,000 - £100,000	2	2
£100,000 - £110,000	-	1
£110,000 - £120,000	-	-
£120,000 - £130,000	-	-
£130,000 - £140,000	1	-
Pension contributions of £65,882 (2019: £70,937) were made for these employees.	65,882	70,937
Total remuneration and employee benefits of senior management team	<u>728,456</u>	<u>715,446</u>

The average monthly number of staff during the year was:

United Kingdom		Overseas	
2020	2019	2020	2019
No.		No.	
<u>51</u>	<u>51</u>	<u>-</u>	<u>25</u>

(c) Trustees' expenses and remuneration

Reimbursements to Trustees, and amounts paid on their behalf, were made to 0 (2019: 5) Trustees during the year for travel and other necessary costs incurred in the UK and overseas in connection with the work of the charity. Amounts paid on behalf of Trustees, including expenses reimbursed, during the year totalled £0 (2019: £4,135).

The Trustees received no remuneration for their services during the year (2019 : NIL).

The Trustees have not waived any expenses which they could have claimed (2019 : NIL).

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

7 Fixed assets

(a) Tangible Fixed Assets

Group and Society

	Freehold land and buildings	Computers	Furniture, fittings and equipment	Total
Cost:	£	£	£	£
1 January 2020	1,559,589	36,931	19,529	1,616,049
Additions	-	5,153	-	5,153
Disposals	-	-	(209)	(209)
31 December 2020	1,559,589	42,084	19,320	1,620,993
Depreciation:				
1 January 2020	339,500	15,660	4,872	360,032
Charge for the year	23,500	13,470	3,822	40,792
Disposals	-	-	-	0
31 December 2020	363,000	29,130	8,694	400,824
Net book value:				
31 December 2020	1,196,589	12,954	10,626	1,220,169
31 December 2019	1,220,089	21,270	14,657	1,256,016

(b) Intangible Fixed Assets

Group and Society

	Software & Systems	Total
Cost:	£	£
1 January 2020	95,483	95,483
Additions	-	-
31 December 2020	95,483	95,483
Depreciation:		
1 January 2020	8,907	8,907
Charge for the year	23,736	23,736
31 December 2020	32,643	32,643
Net book value:		
31 December 2020	62,840	62,840
31 December 2019	86,576	86,576

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

8 Investments

	Group		Society	
	2020	2019	2020	2019
	£	£	£	£
(a) Listed Investments (note 8b)	6,380,948	6,494,404	6,380,948	6,494,404
Investments in Subsidiary (note 8d, 8e, 8f)	-	-	1	1
	<u>6,380,948</u>	<u>6,494,404</u>	<u>6,380,949</u>	<u>6,494,405</u>

(b) Listed Investments	2020	2019
	£	£
Valuation at 1 January 2020	6,494,404	6,826,651
Funds withdrawn	-	(1,500,000)
Reinvested income	142,276	167,487
Management fees	(45,247)	(79,326)
Net investment gains/(losses) for the year	(210,485)	1,079,592
Valuation at 31 December 2020 (see (c) below)	<u>6,380,948</u>	<u>6,494,404</u>

(c) The valuation is made up of:	2020	2019
	£	£
Investments dealt on a recognised stock exchange:		
UK equities	2,054,051	2,923,883
UK fixed interest securities	601,923	1,201,817
Overseas equities	2,164,990	1,610,066
Cash	50,897	10,128
Alternative investments - hedge funds	1,509,087	748,510
	<u>6,380,948</u>	<u>6,494,404</u>

(d) The Society holds unlisted investments at a cost of £1 in the following subsidiary undertakings:

United Kingdom

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
SPANNA Trading Limited	England no 5701201	Merchandise sales	Ordinary £1	100%

The results of SPANNA Trading Limited, extracted from its audited financial statements, are summarised below:

	2020	2019
	£	£
Turnover	86,391	55,095
Administrative expenses	(66,716)	(54,481)
Profit on ordinary activities before and after taxation	19,675	614
Payment under Gift Aid	(19,675)	(614)
Retained profit for the year	-	-
Net assets	<u>1</u>	<u>1</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

8 Investments (continued)

(e) Jordan

The Society operates through two subsidiaries in Jordan:

The first, Society for the Protection of Animals was liquidated in 2019.

The summarised financial statements for this Jordan subsidiary are:

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
Society for the Protection of Animals	Jordan	Animal welfare and education	Capital of JOD50,000 (£47,170)	100%

The Society for the Protection of Animals was liquidated in 2019 and therefore there are no accounts for 2020. The trustees are satisfied that there are no abstractions and balances arising in the year for this company.

	2020 £	2019 £
Turnover	-	-
Charitable and administrative expenses	-	(2,991)
Surplus/(deficit) on ordinary activities	-	(2,991)
Surplus/(deficit) for the year	-	(2,991)
Net assets	-	-
Including cash (unspent funds from the SPANA UK)	-	-

The Society for the Protection of Animals Abroad/Jordan was established in 2015, however liquidation began in 2020 and is ongoing. Going forward, SPANA will deliver services in Jordan through partner organisations. The value of the investment in this subsidiary in Jordan in the consolidated financial statements is nil in line with our accounting policy defined in note 2(b).

The summarised financial statements for this Jordan subsidiary are:

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
The Society for the Protection of Animals	Jordan	Animal welfare and education	Capital of JOD5,000 (£5,711)	100%

The Society for the Protection of Animals/Jordan is being liquidated and the accounts for 2020 are not available. The trustees are satisfied that the abstractions and balances arising in the year are not material to the financial statements.

	2020 £	2019 £
Turnover	-	219,224
Charitable and administrative expenses	-	(254,197)
Surplus/(deficit) on ordinary activities	-	(34,973)
Surplus/(deficit) for the year	-	(34,973)
Net assets	-	-
Including cash (unspent funds from the SPANA UK)	-	-

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

8 Investments (continued)

(f) Australia

SPANAs has a subsidiary in Australia. The subsidiary is a company limited by guarantee and the value of the investment in this subsidiary in Australia in the consolidated financial statements is nil in line with our accounting policy defined in note 2 (b). The summarised financial statements for the Australian subsidiary are:

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
The Society for the Protection of Animals Abroad (Australia) Limited	Australia	Animal welfare and education	Capital of AUD10 (£6)	100%

The results of The Society for the Protection of Animals Abroad (Australia), extracted from its audited financial statements, are summarised below:

	2020	2019
	£	£
Turnover	300,543	229,705
Charitable and administrative expenses	(266,694)	(270,709)
Surplus/(deficit) on ordinary activities	33,849	(41,004)
Surplus/(deficit) for the year	33,849	(41,004)
Net assets	(142,334)	(167,497)
Including cash	293,126	229,386

9 Debtors

Group	2020	2019 Restated
	£	£
Gift Aid and recoverable taxes	50,821	183,353
Other debtors	410	16,078
Prepayments and accrued income	552,781	443,928
	604,012	643,359
Society	2020	2019 Restated
	£	£
Gift Aid and recoverable taxes	45,292	178,446
Other debtors	410	13,533
Prepayments and accrued income	552,781	443,928
Amount due from subsidiary undertakings	489,204	388,072
	1,087,687	1,023,979

10 Creditors: amounts falling due within one year

Group	2020	2019
	£	£
Trade creditors	112,428	185,541
Other taxes and Social Security	99,364	107,742
Other creditors and accruals	190,489	149,705
	402,281	442,988

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

10	Creditors: amounts falling due within one year (continued)	2020	2019
	Society	£	£
	Trade creditors	112,428	185,541
	Other taxes and Social Security	99,364	107,742
	Other creditors and accruals	144,960	119,753
		<u>356,752</u>	<u>413,036</u>

11 Reserves

	Balance 1 January 2020 £	Net incoming or (outgoing) resources £	Transfers £	Gains / (losses) £	Balance 31 December 2020 £
Restricted funds	453,360	(144,343)		-	309,017
Unrestricted Funds					
Designated funds					
Fixed assets	1,256,016	4,945	(40,792)	-	1,220,169
Intangible assets	86,576		(23,736)		62,840
	<u>1,342,592</u>	<u>4,945</u>	<u>(64,528)</u>	<u>-</u>	<u>1,283,009</u>
General Funds	7,390,773	2,196,771	64,528	(218,164)	9,433,908
Total unrestricted funds	<u>8,733,365</u>	<u>2,201,716</u>	<u>-</u>	<u>(218,164)</u>	<u>10,716,917</u>
Total reserves	<u>9,186,725</u>	<u>2,057,373</u>	<u>-</u>	<u>(218,164)</u>	<u>11,025,934</u>

A description of the reserves held at 31 December 2020 is:

Restricted funds are those where the donor has stipulated they be used for a specific purpose and there may be a time lag between receipt and when they are spent. For further details, see note 12. The **fixed assets** designated fund represents the net book value of assets held to allow the Society to carry out its work effectively. Because this reserve comprises fixed assets, it is not possible to use them elsewhere within the Society.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

12 Restricted funds	Balance 1 January 2020 £	Incoming resources £	Resources expended £	December 2020 £
Outreach Funding	26,737	2,333	(29,070)	-
Re-Hydration/Turjkana	46,897	88	(46,985)	-
Ethiopia - Treat horses with EZL	23,755	250	(17,365)	6,640
Mali Tetanus Appeal	35,378			35,378
Emergency response unit	33,947			33,947
Emergency Fund	14,929	8,378	(23,307)	0
Zimbabwe Reflectors	16,596	25	(13,951)	2,670
Zimbabwe	61,803	100,000	(161,803)	-
Minilabs	20,214			20,214
Mali Book	16,485			16,485
Treating eye injuries and diseases	58,596	1,844		60,440
Online Learning Portal	12,546		(1,260)	11,286
The Diana Hulme Education Fund	5,100	1,250		6,350
Ending Donkey Skins Trade	35,816	588	(7,519)	28,885
Mali Mobile Clinic		13,250	(13,250)	-
Ethiopia Gondar		62,500	(7,428)	55,072
Vet care for donkeys Mauritania		10,000	(10,000)	-
Vet care for donkeys in North Africa		-		-
X ray and ultrasound machines	7,120	-		7,120
Food for Caleche Horses		10,978	(8,009)	2,969
Zimbabwe CPD	15,000	-	(10,248)	4,752
Small Funds under £5,000	22,441	15,741	(21,373)	16,809
	453,360	227,225	(371,568)	309,017

The above restricted funds are subject to specific conditions imposed by the donor, the contract or the appeal made by SPANA for projects being undertaken.

The funds with a balance carried forward as at 31 December 2020 are to be used for the following purposes:

Outreach Funding	To support a range of outreach programs
Re-Hydration/Turkana	Emergency solar powered well in Turkana, Kenya
Ethiopia - Treat horses with EZL	Investigation into and treating epizootic lymphangitis
Mali Tetanus Appeal	Investigation into and vaccination against tetanus in Mali
Emergency response unit	Funding to establish emergency response unit
Emergency Fund	Funds raised for different activities which enable SPANA to intervene and save working animals from disaster
Zimbabwe Reflectors	Animal reflectors to prevent road accidents
Zimbabwe	Zimbabwe programmes
Minilabs	Provide basic laboratory facilities in mobile clinics
Mali Book	Production of educational materials in Mali
Treating eye injuries and diseases	Funding for eye pathology
Online Learning Portal	For online veterinary training
The Diana Hulme Education Fund	Memorial education fund
Ending donkey skins trade	To support work and advocacy on ending the trade in donkey skins
Ethiopia Gondar	Costs of running activities in Gondar
X ray and ultrasound machines	To purchase veterinary diagnostic equipment

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

13 Analysis of net assets - group

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Investments	6,380,948	-	6,380,948	6,494,404
Fixed assets	1,283,009	-	1,283,009	1,342,592
Current assets	3,455,241	309,017	3,764,258	1,792,717
Current liabilities	(402,281)	-	(402,281)	(442,988)
Total	10,716,917	309,017	11,025,934	9,186,725

14 Pension costs

The Society does not operate a company pension scheme. The pension costs (note 6(e)) represent contributions paid by the Society to employees' personal pension plans in the UK during the year. This complies with Stakeholder pension requirements. There are no pension schemes for overseas staff.

15 Contingent liabilities

Litigation

SPANA has received notification of a potential tribunal proceeding with a former employee. No provision has been made in these accounts as it is too early in the process to assess any potential value of the claim as the outcome is uncertain.

16 Transactions with related parties

	2020 £	2019 £
Donations received from trustees and senior management	11,689	25,659
SPANA Trading Limited		
Management fee charged by the Society to SPANA Trading Limited	-	18,000
Amounts due to Society	93,746	18,103
Profit from activities in SPANA Trading Limited	19,675	614
	113,421	36,717
SPANA Australia Limited		
Expenditure paid on behalf of SPANA Australia	-	34,993
Amounts due to Society	395,458	371,836
SPANA Jordan		
Expenditure paid on behalf of SPANA Jordan	-	-
Amounts due to Society	-	-
Value of funds sent to Jordan from UK	-	219,224
SPANA has part of its investment portfolio invested with BlackRock Asset Management. MS H Winter, one of the trustees (resigned 22 September 2020), was employed by BlackRock Investment Managers Limited and had no influence on the investment.	420,413	34,440

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

17 Change in accounting policies

In 2020, the charity has changed its accounting policy for the recognition of legacies, as detailed in Note 2.

The effects of the change are detailed below:

	2019 Group £	2019 Charity £
<i>Reconciliation of Legacy income (as shown on Consolidated statement of financial activities):</i>		
Legacy income (as previously stated)	4,658,616	
Legacy accrual 2018 - change in basis now recognised	210,563	
Legacy accrual 2019 - change in basis not recognised	(986,668)	
Legacy income (as restated)	<u>3,882,511</u>	
<i>Reconciliation of Funds brought forward at 1 January 2019 (as shown on Consolidated statement of financial activities):</i>		
Funds brought forward (as previously stated)	10,032,887	
Legacy accrual 2018 - change in basis	(210,563)	
Funds brought forward (as restated)	<u>9,822,324</u>	
<i>Reconciliation of Net movement in funds (as shown on Consolidated statement of financial activities):</i>		
Net movement in funds (as previously stated)	140,506	
Legacy accrual 2018 - change in basis now recognised	210,563	
Legacy accrual 2019 - change in basis not recognised	(986,668)	
Funds brought forward (as restated)	<u>(635,599)</u>	
<i>Reconciliation of Prepayments and accrued income (as shown on Note 9):</i>		
Prepayments and accrued income (as previously stated)	1,430,596	1,430,596
Legacy accrual 2019 - change in basis	(986,668)	(986,668)
Prepayments and accrued income (as restated)	<u>443,928</u>	<u>443,928</u>
<i>Reconciliation of Debtors (as shown on the Consolidated Balance Sheet):</i>		
Debtors (as previously stated)	1,630,027	2,010,647
Legacy accrual 2019 - change in basis	(986,668)	(986,668)
Debtors (as restated)	<u>643,359</u>	<u>1,023,979</u>
<i>Reconciliation of General Funds (as shown on the Consolidated balance sheet):</i>		
General Funds (as previously stated)	8,377,441	8,544,321
Legacy accrual 2019 - change in basis	(986,668)	(986,668)
General Funds (as restated)	<u>7,390,773</u>	<u>7,557,653</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

18 Consolidated statement of financial activities (Comparative for FRS102)

(Incorporating income and expenditure account)

For the year ended 31 December 2019

Restated

	Notes	General Funds	Restricted Funds	Total 2019
		£	£	£
Income from				
Donations		2,998,374	526,570	3,524,944
Legacies	2(d)	3,882,511	-	3,882,511
Trusts		331,715	-	331,715
Trading activities	3	55,095	-	55,095
Investment income		167,640	-	167,640
Total income		7,435,335	526,570	7,961,905
Expenditure on				
Raising funds				
Cost of generating voluntary income	5(a)	3,347,041	-	3,347,041
Fundraising trading: cost of goods sold		36,481	-	36,481
Investment management costs		79,326	-	79,326
		3,462,848	-	3,462,848
Charitable activities				
Veterinary activities	5(b),(c)	3,942,101	517,523	4,459,624
Educational activities	5(b),(c)	1,926,101	2,508	1,928,609
		5,868,202	520,031	6,388,233
Total expenditure		9,331,050	520,031	9,851,081
Operating surplus/(deficit) for the year		(1,895,715)	6,539	(1,889,176)
(Gains)/losses on investments				
Net gains on investments		1,072,317		1,072,317
Sale of assets		181,260		181,260
Net gains on forward foreign exchange contracts		-		-
Net income for the year		(642,138)	6,539	(635,599)
Net movement in funds		(642,138)	6,539	(635,599)
Funds brought forward at 1 January 2019:		9,375,503	446,821	9,822,324
Funds carried forward at 31 December 2019		8,733,365	453,360	9,186,725

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

19 Prior Year Analysis of net assets - group

Restated

	Unrestricted funds £	Restricted funds £	Total 2019 £
Investments	6,494,404	-	6,494,404
Fixed assets	1,342,592	-	1,342,592
Current assets	1,339,357	453,360	1,792,717
Current liabilities	(442,988)	-	(442,988)
Total	<u>8,733,365</u>	<u>453,360</u>	<u>9,186,725</u>

20 Prior Year Reserves

Restated

	Balance 1 January 2019 £	Net incoming or (outgoing) resources £	Transfers £	Gains / (losses) £	Balance 31 December 2019 £
Restricted funds	446,821	6,539	-	-	453,360
Unrestricted Funds					
Designated funds					
Fixed assets	1,350,778	-	(276,022)	181,260	1,256,016
Intangible assets			86,576		86,576
	<u>1,350,778</u>	<u>-</u>	<u>(189,446)</u>	<u>181,260</u>	<u>1,342,592</u>
Revaluation reserve					
General Funds	8,024,725	(1,895,715)	189,446	1,072,317	7,390,773
Total unrestricted funds	<u>9,375,503</u>	<u>(1,895,715)</u>	<u>-</u>	<u>1,253,577</u>	<u>8,733,365</u>
Total reserves	<u>9,822,324</u>	<u>(1,889,176)</u>	<u>-</u>	<u>1,253,577</u>	<u>9,186,725</u>

A description of the reserves held at 31 December 2019 is:

Restricted funds are those where the donor has stipulated they be used for a specific purpose and there may be a time lag between receipt and when they are spent. For further details, see note 12. The **fixed assets** designated fund represents the net book value of assets held to allow the Society to carry out its work effectively. Because this reserve comprises fixed assets, it is not possible to use them elsewhere within the Society.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2020

Prior Year Restricted funds (continued)	Balance 1 January 2019 £	Incoming resources £	Resources expended £	Balance 31 December 2019 £
Outreach Funding	69,266	1,759	(44,288)	26,737
Re-Hydration/Turkana	46,797	100	0	46,897
Ethiopia - Treat horses with EZL	42,546		(18,791)	23,755
Mali Tetanus Appeal	35,378			35,378
Emergency response unit	33,947			33,947
Emergency Fund	30,258	3,657	(18,986)	14,929
Zimbabwe Reflectors	30,041	455	(13,900)	16,596
Zimbabwe	0	150,000	(88,197)	61,803
Minilabs	20,214			20,214
Mali Book	18,993		(2,508)	16,485
Treating eye injuries and diseases	15,141	43,455		58,596
Online Learning Portal	13,296		(750)	12,546
Ethiopia Animal Handling	8,500		(8,500)	-
Vet Congress 2019	7,810	705	(5,609)	2,906
India Camels	7,720		(7,720)	-
Mali Bamako Rubbish Dumps	5,868	1,300	(7,168)	-
The Diana Hulme Education Fund	5,100			5,100
Namibia CSC	5,000		(2,500)	2,500
Elephant Mobile Clinic Myanmar	20	246	(266)	-
Ending Donkey Skins Trade	0	49,816	(14,000)	35,816
Tanzania	0	25,785	(25,785)	-
Wounds & Tetanus	0	5,790	(5,790)	0
Mali Mobile Clinic	0	9,184	(9,184)	0
Ethiopia Gondar	0	26,500	(26,500)	-
Mauritania Boghe	0	40,602	(40,602)	-
Vet care for donkeys Mauritania	0	60,000	(60,000)	-
Vet care for donkeys in North Africa	0	40,000	(40,000)	-
X ray and ultrasound machines	0	26,220	(19,100)	7,120
Bits	0	5,375	(5,375)	(0)
Zimbabwe CPD		15,000		15,000
Small Funds under £5,000	50,926	20,621	(54,512)	17,035
	446,821	526,570	(520,031)	453,360

The above restricted funds are subject to specific conditions imposed by the donor, the contract or the

The funds with a balance carried forward as at 31 December 2019 are to be used for the following purposes:

Outreach Funding	To support a range of outreach programs
Re-Hydration/Turkana	Emergency solar powered well in Turkana, Kenya
Ethiopia - Treat horses with EZL	Investigation into and treating epizootic lymphangitis
Mali Tetanus Appeal	Investigation into and vaccination against tetanus in Mali
Emergency response unit	Funding to establish emergency response unit

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements
For the year ended 31 December 2020

Prior Year Restricted funds (continued)

Emergency Fund	Funds raised for different activities which enable SPANA to intervene and save working animals from disaster
Zimbabwe Reflectors	Animal reflectors to prevent road accidents
Zimbabwe	Zimbabwe programmes
Minilabs	Provide basic laboratory facilities in mobile clinics
Mali Book	Production of educational materials in Mali
Treating eye injuries and diseases	Funding for eye pathology
Inline Learning Portal	For online veterinary training
Ethiopia Animal Handling	Running costs of the Animal Handling centre in Ethiopia
Vet Congress 2019	To support the annual veterinary training conference
India Camels	Running cost for camel clinic
Mali Bamako Rubbish Dumps	Costs of supporting animals on the rubbish dumps
The Diana Hulme Education Fund	Memorial education fund
Namibia CSC	Running cost for Clinical Skills Centre in Namibia
Elephant Mobile Clinic Myanmar	Running cost for Myanmar mobile clinic

