

Financial Statements For The Year Ended 31 March 2006

for

Animals Asia Foundation

Charity registration number: 1086903  
Company registration number : 4185603

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# Animals Asia Foundation

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Animals Asia Foundation

Company Information  
For The Year Ended 31 March 2006

**DIRECTORS and TRUSTEES:** B Chiao  
J Robinson  
G M Cochrane  
J S Warham

**SECRETARY:** EPS Secretaries Limited

**REGISTERED OFFICE:** Lacon House  
Theobalds Road  
London  
WC1X 8R

**REGISTERED NUMBER:** 4185603 (England and Wales)

**CHARITY REGISTER NUMBER:** 1086903

**AUDITORS:** Knight Evans Limited  
11 Church Street  
Godalming  
Surrey  
GU7 1EQ

**BANKERS:** The Co-operative Bank Plc  
Kings Valley  
Yew Road  
Stockport  
SK4 2JU

**SOLICITORS:** Nabarro Nathanson  
Lacon House  
Theobald Road  
London  
WC1X 8RW

## Animals Asia Foundation

### Report of the Trustees For The Year Ended 31 March 2006

The Trustees, who are also the directors of the Charity for the purposes of the Companies Acts present their report with the financial statements of the company for the year ended 31 March 2006.

#### **OBJECTS OF THE CHARITY, PRINCIPAL ACTIVITIES AND ORGANISATION OF OUR WORK**

The Charity is constituted a company limited by guarantee, and is therefore governed the memorandum and articles of association.

The object and principal activity of the Charity in the year under review were those of promoting animal welfare, and of providing relief of suffering to animals in need of protection predominantly in Asia.

The charity is organised so that the trustees meet regularly to manage its affairs. There is one full time administrator, who both manages the day to day administration of the charity and organises fundraising initiatives. We are also grateful to volunteer workers who are involved in various fundraising activities.

#### **DEVELOPMENTS ACTIVITIES AND ACHIEVMENTS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

The trustees are most encouraged by the performance in the year.

#### **FUTURE DEVELOPMENTS**

We will continue our work in promoting animal welfare and in particular continue co-operating with the Government of The People's Republic of China and other organisations in our aim of eliminating bear farming in China.

#### **TRANSACTIONS AND FINANCIAL POSITION**

The income before any remittance to Hong Kong was £572,824 (2005 - £542,488) and reserves at the Balance Sheet date amounted to £90,532 (2005 - £207,200).

#### **TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY**

Details of movements in fixed assets are set out in note 5 on page 9.

#### **INVESTMENT POLICY AND RETURNS**

Under the memorandum and articles of association, the Charity has the power to make any investment, which the Trustees see fit. As the funds are only retained for short periods before being remitted to the Hong Kong head office, these funds are simply held on deposit with the company's bankers.

#### **DIRECTORS AND TRUSTEES**

The Trustees are also the directors of the charity. The Trustees who are named on page 1 served throughout the year under report.

#### **RISK MANAGEMENT**

The Trustees actively and regularly review the major risks, which the charity faces. It is believed that maintaining around the current levels combined with an annual review of the controls over key financial systems should provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

### STATEMENT OF TRUSTEES/DIRECTORS' RESPONSIBILITIES

Company law requires the trustee/directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


### HONORARY AUDITORS

A resolution to re-appoint Knight Evans Limited as honorary auditors for the ensuing year will be proposed in accordance with Section 385.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### ON BEHALF OF THE BOARD:

  
.....  
J S Warham - Director and Trustee

Date : 18 January 2007

Report of the Independent Auditors to the Members of  
Animals Asia Foundation

We have audited the financial statements of Animals Asia Foundation for the year ended 31 March 2006 on pages five to nine. These financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2000) issued in October 2000, under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Trustees/Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2006 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Knight Evans Limited  
11 Church Street  
Godalming  
Surrey  
GU7 1EQ

Date: ..... 26/1/2007 .....

Animals Asia Foundation

Statement of Financial Activities  
For The Year Ended 31 March 2006  
Summary of Income and Expenditure

		Year Ended 31.3.06	Year Ended 31.3.05
	Notes	£	£
<b>INCOMING RESOURCES</b>			
Donations and gifts		570,321	540,879
Investment income		1,551	1,073
Foreign exchange gain		952	536
<b>TOTAL INCOME</b>		<b>572,824</b>	<b>542,488</b>
<b>RESOURCES EXPENDED</b>			
<b>COST OF GENERATING FUNDS</b>			
Administrative expenses	4	95,947	61,077
Fundraising costs		21,279	13,462
		<b>117,226</b>	<b>74,539</b>
<b>CHARITABLE EXPENDITURE</b>			
Transferred to Hong Kong		571,956	313,729
Veterinary supplies		310	1,507
		<b>572,266</b>	<b>315,236</b>
<b>TOTAL EXPENDITURE</b>		<b>689,492</b>	<b>389,775</b>
<b>(DEFICIT)/ NET INCOME FOR THE YEAR</b>		<b>(116,668)</b>	<b>152,713</b>

The Charity has no recognised gains or losses other than the results for the period as set out above. All the activities of the Charity are classed as continuing.

The notes on pages 7 to 9 form part of these financial statements.

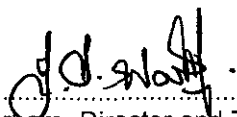
Animals Asia Foundation

Balance Sheet  
31 March 2006

		2006		2005	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		6,030		5,320
<b>CURRENT ASSETS</b>					
Debtors	6	566		301	
Cash		86,171		203,185	
		-----		-----	
		86,737		203,486	
<b>CREDITORS</b>					
Amounts falling due within one year	7	2,235		1,606	
		-----		-----	
<b>NET CURRENT ASSETS</b>			84,502		201,880
			-----		-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			90,532		207,200
			=====		=====
<b>RESERVES</b>					
Profit and loss account	8		90,532		207,200
			-----		-----
			90,532		207,200
			=====		=====

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**



.....  
J S Warham- Director and Trustee

Approved by the Board on ...<sup>18</sup>.....January 2007

The notes on pages 7 to 9 form part of these financial statements



Notes to the Financial Statements  
For The Year Ended 31 March 2006

1. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements are prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Incoming resources**

Voluntary income and donations are included in incoming resources when they are received, except when the donors specify that they must be used in future accounting periods or where the donor has imposed conditions that have not been fulfilled at the Balance Sheet date. On these latter occasions the income is treated as deferred. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs, except when these costs are minimal.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc                      - 25% on a straight line basis

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Foreign currency donations are included in incoming resources in the amounts credited to the Sterling Bank Account.

**Resources expended**

Expenditure which is attributable to specific activities has been included in the appropriate cost category. Where costs are attributable to more than one activity, they have been apportioned across the categories on a basis consistent with the use of these resources

2. **STAFF COSTS**

	Year Ended 31.3.06 £	Year Ended 31.3.05 £
Wages and salaries	48,486	23,960
Social security costs	3,316	2,023
	-----	-----
	51,802	25,983
	=====	=====

Animals Asia Foundation

Notes to the Financial Statements  
For The Year Ended 31 March 2006

2. **STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

Year Ended	Year Ended
31.3.06	31.3.05
2.5	1.5
=====	=====

No remuneration is paid to the Director/Trustees. No expenses were reimbursed to them.

As indicated above, no employee received remuneration of more than £50,000 and no payments were made in respect of employee pensions.

3. **DEFICIT/NET INCOME**

Deficit (2005: Net Income) is stated after charging:

	Year Ended	Year Ended
	31.3.06	31.3.05
	£	£
Depreciation - owned assets	1,647	1,091
	=====	=====

4. **ADMINISTRATIVE EXPENSES**

	Year Ended	Year Ended
	31.3.06	31.3.05
	£	£
Establishment costs	59,224	30,215
Communications	4,977	3,810
Equipment	640	1,026
Post & stationery	9,553	13,653
Travelling	15,628	8,917
Bank charges	901	512
Handling charges	18	36
Sundry expenses	2,475	1,817
Legal expenses	884	-
Depreciation of tangible fixed assets	1,647	1,091
	-----	-----
	95,947	61,077
	=====	=====

Animals Asia Foundation

Notes to the Financial Statements  
For The Year Ended 31 March 2006

**5. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST:</b>	
At 1 April 2005	7,252
Additions in year	<u>2,357</u>
At 31 March 2006	<u>9,609</u>
	-----
<b>DEPRECIATION:</b>	
At 1 April 2005	1,932
Charge for the year	<u>1,647</u>
	-----
At 31 March 2006	<u>3,579</u>
<b>NET BOOK VALUE:</b>	
At 31 March 2006	6,030
	=====
At 31 March 2005	5,320
	=====

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005
	£	£
Other debtors	566	301
	=====	=====

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005
	£	£
Other creditors	2,235	1,606
	=====	=====

**8. RESERVES**

	2005	2004
	£	£
Unrestricted funds		
General reserve		
At 1 April	207,200	54,487
(Deficit)/Surplus for the year	<u>(116,668)</u>	<u>152,713</u>
	-----	-----
At 31 March	<u>90,532</u>	<u>207,200</u>
	=====	=====

**9. RELATED PARTY DISCLOSURES**

The charity raises funds and remits surplus funds periodically to the head office of Animals Asia Foundation in Hong Kong, where the funds are put to practical good use. The transactions between these charities during the year were as follows:-

	2006	2005
	£	£
Transfer from UK to Hong Kong including veterinary supplies	572,266	315,236

Detailed Financial Statements

For The Year Ended 31 March 2006

for

Animals Asia Foundation

Animals Asia Foundation  
Statement of Financial Activities  
For The Year Ended 31 March 2005

	Notes	Year ended 31.3.06		Year ended 31.3.05	
		£	£	£	£
<b>INCOMING RESOURCES</b>	1		570,321		540,879
Charitable expenditure	2		572,266		315,236
			(1,945)		225,643
<b>COST OF GENERATING FUNDS</b>					
Establishment costs	3	59,224		30,215	
Administrative costs	4	57,101		43,812	
Finance costs	5	901		512	
			117,226		74,539
<b>SURPLUS / (DEFICIT)</b>			(119,171)		151,104
Other Income	6		2,503		1,609
<b>(DEFICIT)/NET SURPLUS</b>			(116,668)		152,713
			=====		=====

Animals Asia Foundation

Statement of Financial Activities  
For The Year Ended 31 March 2005

	Year Ended 31.3.06	Year Ended 31.3.05
	£	£
1. <b>INCOMING RESOURCES</b>		
Donations & gifts	570,321	540,879
	=====	=====
2. <b>CHARITABLE EXPENDITURE</b>		
Veterinary supplies	310	1,507
Transferred to Hong Kong	571,956	313,729
	-----	-----
	572,266	315,236
	=====	=====
3. <b>ESTABLISHMENT COSTS</b>		
Wages	48,486	23,960
Social security	3,316	2,023
Rent & utilities	6,481	3,250
Insurance	941	982
	-----	-----
	59,224	30,215
	=====	=====
4. <b>ADMINISTRATIVE EXPENSES</b>		
Communications	4,977	3,810
Equipment	640	1,026
Post and stationery	9,553	13,653
Fundraising expenses	21,279	13,462
Travelling	15,628	8,917
Sundry expenses	2,475	1,817
Handling charges	18	36
Legal and professional fees	884	-
Depreciation of tangible fixed assets	1,647	1,091
	-----	-----
	57,101	43,812
	=====	=====
5. <b>FINANCE COSTS</b>		
Bank charges	901	512
	=====	=====
6. <b>OTHER INCOME</b>		
Deposit account interest	1,551	1,073
Foreign exchange gain	952	536
	-----	-----
	2,503	1,609
	=====	=====