Registered number: 04185603
Charity number: 1086903

ANIMALS ASIA FOUNDATION

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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COMPANIES HOUSE

Bishop Fleming

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 8
Independent Auditors' Report on the Financial Statements	9 - 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 30

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2019

Trustees	B Chiao J Robinson J S Warham
Company registered number	04185603
Charity registered number	1086903
Registered office	Office 17 Mary Seacole Road The Millfields Plymouth PL1 3JY
Company secretary	Miss L Simpson
UK Director	*Miss J Dunsford*

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their annual report together with the audited financial statements of the company for the 1 January 2019 to 31 December 2019. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the company are to promote animal welfare for the benefit of the public by activities including:

- Providing and assisting in the provision of relief of suffering to animals in need of care and protection, and preventing cruelty to animals in Asia and elsewhere; and
- Educating the public in matter concerning animal welfare.

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

b. Strategies for achieving objectives

The objects of the company are to promote animal welfare for the benefit of the public by activities including:

- By funding 3 main programmes which are; Ending Bear Bile Farming, Cat and Dog Welfare and Captive Animal Welfare which are delivered and managed by our partner Charity in Asia, in particular, in China and Vietnam; and
- Educating the public in matters concerning animal welfare.

c. Activities undertaken to achieve objectives

Through our work we are providing support for many people both in the UK and elsewhere who have a deep respect for animals and wildlife. Our education activities with young people and adults in the UK and those we help fund in China and Vietnam are beneficial to those directly involved and their wider communities. We are also very fortunate to have a growing active supporter base which is instrumental in raising awareness of our work.

d. Volunteers

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers. Over 200 people volunteer regularly across our support group network, our shop in Weston-Super-Mare and our Plymouth office. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Objectives and activities (continued)

e. Related party relationships

Animals Asia works very closely with other animal charities in Asia. Donations from the UK charity are donated to Animals Asia Hong Kong who carry out the all the charitable activities.

Achievements and performance

a. Review of activities

.Animals Asia works year-round to improve the lives of animals in Asia. From rescuing bears from the bile trade to stopping the cat and dog meat industry and fighting for the welfare of animals in captivity, the work we carry out on behalf of supporters never ends.

At our sanctuaries:

Animals Asia rescued 10 abused moon bears in 2019 and brought them to sanctuary in Vietnam. These beautiful bears are cubs Sugar and Spice and adult bears Scooby, Phuong, Lily, Sweet Pea, Amy, Valerie, Tuan and Phoenix who all began cruelty free lives under Animals Asia's care.

Our vet teams conducted 27 surgeries on our rescued bears in China and Vietnam, including 19 minor operations such as minor wound repair and eye removal and 8 major surgeries such as hernia repair and forelimb amputation.

In 2019, our Vietnam veterinary team completed 129 health checks on the bears, 42 of which required dental treatments. Our China bears had 159 health checks under anesthesia in 2019 – 90 at our Chengdu facility and 69 at our Nanning rescue site. As a result, these bears are able to live active, pain-free lives despite the horrendous cruelty they have suffered.

In Vietnam, there were 12 lucky bears who were treated by a visiting veterinary dental specialist who donated four days of his time to perform extractions, root canals, fillings, and other oral surgeries on bears with exceptional dental needs. In China, a veterinary ophthalmologist donated her time to check the eyes of 14 bears over several days in both Chengdu and Nanning.

One of our supporters, conservation artist Ekaterina Sky, travelled to Vietnam to donate her services to paint a gorgeous rainbow mural of a moon bear on a once-dull plain yellow wall at our Vietnam sanctuary. The stunning and colourful addition now greets visitors at our gates.

The kitchen, vet nurses and bear workers at both our China and Vietnam sanctuaries prepared thousands of doses of medications to keep the bears pain-free and able to enjoy life – all hidden in bananas, honey, fruit shakes and marshmallows.

In 2019, about 21 stray cats and dogs wandered into our China Bear Rescue Centre in Chengdu. Lucky and smart animals, all of them were cared for and seen by our veterinary staff, vaccinated and neutered before going to their new forever homes.

Captive Animal Welfare:

We continued to fund and operate our ground-breaking ethical elephant tours – the only such tours in Vietnam - in partnership with the Olsen Animal Trust and Yok Don National Park. We rescued two more elephants, bringing the park's total to six who are no longer forced to give elephant rides to tourists while chained. They now get to roam the forest freely as elephants should while tourists observe them behaving naturally, rather than riding on their backs.

Achievements and performance (continued)

We continued to care for "Gold," the baby elephant we helped to rescue four years ago through our partners at Vietnam's Dak Lak Elephant Conservation Centre. Rescued when only two months old, he is now a handsome juvenile bull elephant with a whole fenced-in forest to roam alongside his adopted brother, "Jun," who also was rescued and offered a forever home at the Centre.

Due to our ongoing campaign to oppose the Do Son Buffalo Fighting Festival, for the first time the festival was not broadcast on national TV and only half the number of buffaloes will be used in future events as compared with previous years. We ran an art competition depicting the cruelty at the festival and sent the top 15 entries to relevant officials and festival organisers. We plan to keep the pressure on until all of these gentle, innocent animals are safe.

Two macaques, a male "Lit" and female "Tet," were rescued in Vietnam and placed in the care of our partners at a shelter we co-manage in Yok Don National Park where they can be sure to receive the enrichment they need to live happy lives.

Our vet teams — considered world experts in pain management — delivered veterinary skills training to vet and vet students throughout China and Vietnam. As part of this effort, we asked our trainees in China to take a survey before they began their training. The results showed just how much they need Animals Asia's support. Among the findings, we learned that there was zero understanding of pain management for animals suffering from long-term chronic pain, enabling us to adjust our training to ensure any skills or knowledge gaps are filled.

Cat and Dog Welfare:

In 2019, our stellar Cat and Dog Welfare team funded humane population control projects throughout China, leading to 292 stray cats being neutered and more than 50 cats finding new forever homes.

Animals Asia funded trap, neuter, release (TNR) projects for 12 NGOs in Guangxi, where volunteers trapped, neutered, vaccinated and de-wormed cats and orchestrated home adoptions for them or returned them to their colonies.

Animals Asia also collaborated with Beijing NGO Lucky Cat to present two stray cat TNR training courses — one in Fujian and the other in Hebei.

Through our TNR work in 2019, Animals Asia helped 320 volunteers from 37 NGOs receive in-depth training on humane population control for cats. We also donated vaccines and helped to de-sex more than 1,200 cats.

Throughout 2019, Animals Asia's pioneering therapy programme, Dr. Dog, continued to bring love and comfort to 9,395 people on 257 visits to hospitals, senior homes and centers for people with disabilities. Our companion programme, Professor Paws, visited 6,762 students in schools as part of 99 activities. Our Cat and Dog Welfare teams held 70 public education events for more than 4,400 people.

In 2019, our educational film "Cat and Dog Welfare Around Us" has been seen in 27 Chinese cities, reaching 15,282 people.

In 2019, we held our 7th China Companion Animal Symposium at which NGOs from more than 50 Chinese cities were in attendance. Presented by Animals Asia and held every two to three years, this gathering is where many animal welfare groups meet to discuss issues impacting their work and how to overcome challenges. To date, around 1,000 representatives from NGOs across China have attended these symposiums.

Through our anonymous reporting program, in 2019 three restaurants were forced to close and 23 received warnings from authorities based on reports of restaurants selling dog meat without the required documentation.

Achievements and performance (continued)

Public Education/ Raising Awareness:

Animals Asia continued to organise numerous free health checks for local communities in Vietnam, where traditional medicine doctors advised on alternatives to bear bile and prescribed bottles of herbal medicine.

Animals Asia continued to tend to our traditional medicine gardens growing over 5,000 plants of herbal alternatives to bear bile in Vietnam.

Animals Asia hosted thousands of visitors including the general public, students and teachers from local schools, government officials and celebrities such as Maggie Q at our Vietnam Bear Rescue Centre and China Bear Rescue Centre to learn about the plight of the moon bear and the importance of moon bear protection.

Animals Asia continued to partner with and support other NGOs such as Dog Meat Free Indonesia, Asia for Animals, Asian Canine Protection Alliance, China Cetacean Alliance, Scorpion and FLIGHT to take direct action to rescue animals and to raise awareness about animal cruelty impacting Asia's at-risk animals such as dogs, cats, wild and captive animals, marine animals and birds. Our partner, FLIGHT, for example, has intercepted smuggling operations of thousands of protected species of Indonesian wild birds that were destined for sale at the Jakarta markets and released them back to the wild. In the two years since the NGO was established, it's already rescued and released more than 10,000 birds back to the wild.

Today there are more than 200 animal welfare groups throughout China (in 2006 there were just 30) and with the support of our donors, Animals Asia is proudly able to fund or mentor 60% of them.

Financial review

a. Fundraising activities and income generation

Animals Asia UK income grew slightly in 2019 to just under £2.6m but the wider return on investment is not fully demonstrated in the UK accounts. At the beginning of 2017, the UK charity merged with the European arm and the UK team deployed its resources across both areas. No additional costs were incurred, but the European income grew and the UK income was sustained, showing modest growth with essentially half the resources.

The model proved so successful that the Munich office was recently closed, saving the global organisation significant funds.

The charity continues to implement cost saving changes which maximise return on investment for the global Foundation and we expect to see further growth in the years ahead.

b. Investment policy and performance

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

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. This has included considerations of the impact of COVID-19, further details of which are provided below. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review (continued)

d. Reserves policy

We closed the year 2019 with a free reserves balance of £78,093 providing around 2 months reserves. Our aim at Animals Asia UK is to strike the fine balance between demonstrating a prudent level of security which will sustain the charity in the event of difficult circumstances, whilst also ensuring we do not hold on to funds unnecessarily. Our goal is to increase our reserves to between 3 and 6 months over the coming years to achieve this aim.

e. Principal funding

Animals Asia UK generates around one third of its income from individual regular and one off gifts supported by our global marketing team. We also receive income from our fundraising volunteers and major donors, and also legacy gifts which are vital to sustaining our programme work but are impossible to plan around meaning we can't rely on, or plan against, this income.

Structure, governance and management

a. Constitution

Animals Asia Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

Trustees are recruited based on their skills, experience, empathy and understanding of the charity and how these satisfy the needs of the charity. The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Organisational structure and decision-making policies

The Board of Trustees govern our business and as at 1st January 2019 there were three Trustees. The Board determined its role at its conception in 2001 and continues to periodically review its position. We see our function as ensuring good governance of the company and to this end we focus on matters of policy and strategy, the approval of plans, monitoring of progress and financial controls. The day to day operational responsibility is delegated to the Director.

d. Policies adopted for the induction and training of Trustees

All Trustees are fully inducted by the charity on its aims and objectives and the role they have in developing the charity. The Trustees have all received the Charities Commission guidance on the Roles and Responsibilities of charity Trustees and further training is arranged where this is beneficial.

e. Pay policy for key management personnel

Animals Asia employees are offered fair pay in accordance with their skills, experience and contribution to the development of the organization. In keeping with the wider charity sector, our pay structure is lower than public or private sector market rates for similar roles. Whilst we offer fair pay, we are at the lower salary quartiles for charitable pay.

Structure, governance and management (continued)

f. Risk management

The Trustees actively and regularly review any major risks that the company faces. It is believed that maintaining the current levels of reserves 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 potential operational and business risks faced by the company and confirm that they have established systems to mitigate any significant risks.

Future developments

There has been a significant focus over the last few years on either maintaining or reducing our global fundraising costs. This has been achieved, but it has also held back the growth in income.

We have exciting opportunities immediately ahead and are within touching distance of achieving part of our founding vision of ending bear bile farming in Vietnam. To achieve this, we need to build more sanctuary capacity and that will require us to increase income significantly and quickly. It is possible, but only if we invest in fundraising to increase our donor base reach more supporters. It may mean our short term return on investment is reduced, but crucially our net income will increase and that is the most important metric. Over the mid to longer term, it will actually improve our ROI too.

As always, the UK work in a highly collaborative way with our global team many of whom are actually based in the UK, but serve the global foundation. Over the next 3 – 5 years, we expect to see significant growth in sustainable and unrestricted income although our fundraising portfolio might change, with less focus on events and more investment in monthly gifts. ??We have some extraordinary talent in the team, including some recent young graduates who we are investing in with an eye on tomorrow. We are passionate at Animals Asia about building great career paths for our staff and we understand Animals Asia IS its people – retaining our talent is a critical part of our strategy and we are proud we have very low staff turnover.

No good organisation ever stands still and Animals Asia is no different. We are excited about the future and are set for growth.

COVID - 19

Following the announcement of the Covid-19 crisis, we knew our greatest threat was uncertainty and we responded swiftly with a revised forecast predicting we could see a global drop in income to as low as $10m, with a UK drop in as much as 20 – 25%. We implemented an emergency strategy based on this scenario, cutting any costs not pertaining to short term survival including a delay to capex around our Vietnam appeal, a moratorium on the hiring of new or replacement employees and any operational savings we could make without impacting the welfare of the animals in our care.

It has been a challenging and frugal year but, so far, we do appear to be weathering the Covid storm and look set to at least maintain, if not increase our UK income in 2020. As therefore close what has been an incredibly difficult fundraising year in a strong position, with solid foundations laid for the year ahead. We anticipate further challenges as we move into a delicate economy in 2021, but with our pressing need in Vietnam and an incredibly loyal supporter base in the UK, we have cause for confidence and hope.

We implemented a non-contact fundraising strategy which has served us well and will be the foundation of our continued focus as we close 2020 and move into a new year and new fundraising climate.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 27 October 2020 and signed on their behalf by:

J Robinson

Dr J Robinson
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION

Opinion

We have audited the financial statements of Animals Asia Foundation (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our Auditors' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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.

Auditors' responsibilities for the audit of the financial statements

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

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANIMALS ASIA FOUNDATION (CONTINUED)

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

William Hanbury FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

28 October 2020

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	3	**623,330**	**1,914,293**	**2,537,623**	2,238,528
Other trading activities	4	**-**	**53,500**	**53,500**	91,312
Other income	5	**-**	**1,664**	**1,664**	(1,079)
Total income		**623,330**	**1,969,457**	**2,592,787**	2,328,761
Expenditure on:					
Raising funds	6	**-**	**499,431**	**499,431**	461,160
Charitable activities:	7				
Payments to Hong Kong		**623,330**	**1,480,395**	**2,103,725**	2,083,031
Public awareness and education		**-**	**105,214**	**105,214**	101,981
Other charitable activities		**-**	**8,070**	**8,070**	9,900
Other expenditure	8	**-**	**7,853**	**7,853**	9,850
Total expenditure		**623,330**	**2,100,963**	**2,724,293**	2,665,922
Net movement in funds		**-**	**(131,506)**	**(131,506)**	(337,161)
Reconciliation of funds:					
Total funds brought forward		**-**	**443,290**	**443,290**	780,451
Net movement in funds		**-**	**(131,506)**	**(131,506)**	(337,161)
Total funds carried forward		**-**	**311,784**	**311,784**	443,290

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

The notes on pages 15 to 30 form part of these financial statements.

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:04185603

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	13		**8,371**		12,596
			8,371		12,596
Current assets					
Stocks	14	**526**		969	
Debtors	15	**173,048**		406,137	
Cash at bank and in hand		**184,785**		107,143	
		358,359		514,249	
Creditors: amounts falling due within one year	16	**(54,946)**		(83,555)	
Net current assets			**303,413**		430,694
Total net assets			**311,784**		443,290
Charity funds					
Restricted funds	18		**-**		-
Unrestricted funds	18		**311,784**		443,290
Total funds			**311,784**		443,290

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 27 October 2020 and signed on their behalf by:

DJ Robinson

D J Robinson
Trustee

The notes on pages 15 to 30 form part of these financial statements.

ANIMALS ASIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Net cash used in operating activities	**78,771**	9,490
Cash flows from investing activities		
Purchase of tangible fixed assets	**(1,129)**	(11,542)
Net cash used in investing activities	**(1,129)**	**(11,542)**
Change in cash and cash equivalents in the year	**77,642**	**(2,052)**
Cash and cash equivalents at the beginning of the year	**107,143**	109,195
Cash and cash equivalents at the end of the year	**184,785**	107,143

The notes on pages 15 to 30 form part of these financial statements

1. *General information*

Animals Asia Foundation is a company limited by guarantee and is a consitituted under a memorandum and articles of association dated 5 April 2001. The company is also a registered charity. The principal office is 17 Mary Seacole Road, The Millfields, Plymouth, PL1 3JY.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Animals Asia Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at fair value unless otherwise stated in the relevant accounting policy.

2.2 GOING CONCERN

The financial statements have been prepared on a going concern basis. The Trustees have assessed this basis with reference to Covid-19 and have deemed it to be reasonable.

2.3 INCOME

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

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

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

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

2. Accounting policies (continued)

2.4 EXPENDITURE (continued)

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

All expenditure is inclusive of irrecoverable VAT.

2.5 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%	Straight line
Office equipment	-	25%	Straight line

2.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 DEBTORS

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

2.9 CASH AT BANK AND IN HAND

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

2. Accounting policies (continued)

2.10 LIABILITIES AND PROVISIONS

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

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

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

2.11 FINANCIAL INSTRUMENTS

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

2.12 PENSIONS

2.13 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Income from donations and legacies

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	623,330	1,295,143	**1,918,473**	1,672,531
Legacies	-	418,695	**418,695**	397,390
Gift aid	-	200,455	**200,455**	168,607
	623,330	1,914,293	**2,537,623**	2,238,528
Total 2018	554,867	1,683,661	2,238,528	

4. Income from trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Trading income	53,500	**53,500**	91,312
Total 2018	91,312	91,312	

5. Other incoming resources

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Foreign exchange gains/(losses)	1,219	**1,219**	(1,079)
Compensation received	445	**445**	-
Total 2019	1,664	**1,664**	(1,079)
Total 2018	(1,079)	(1,079)	

6. Expenditure on raising funds

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fundrasing and promotions	175,679	**175,679**	140,623
Establishment expenses	41,436	**41,436**	41,748
Legal and professional fees	15,020	**15,020**	12,435
Bank and handling charges	20,874	**20,874**	23,249
Sundry expenses	7,490	**7,490**	13,681
Travelling	12,639	**12,639**	15,653
Printing postage and stationery	25,561	**25,561**	15,685
Wages and salaries	164,637	**164,637**	167,606
National Insurance	24,825	**24,825**	15,980
Costs of raising voluntary income - pension costs	5,935	**5,935**	5,808
Depreciation	4,239	**4,239**	3,788
Total 2019	498,335	**498,335**	456,256
Total 2018	456,256	456,256	

Other trading expenses

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Expenditure on fundraising	1,096	**1,096**	4,905
Total 2018	4,905	4,905	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2019 £	Unrestricted funds 2019 £	**Total funds 2019 £**	Total funds 2018 £
Direct costs	623,330	1,593,679	**2,217,009**	2,194,912
Total 2018	554,867	1,640,045	2,194,912	

Summary by expenditure type

	Staff costs 2019 £	Other costs 2019 £	**Total funds 2019 £**	Total funds 2018 £
Direct costs	105,214	2,111,795	**2,217,009**	2,194,912
Total 2018	101,981	2,092,931	2,194,912	

8. Other expenditure

	Unrestricted funds 2019 £	**Total funds 2019 £**	Total funds 2018 £
Realised exchange losses	7,853	**7,853**	9,850
Total 2018	9,850	9,850	

9. Analysis of charitable expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs	2,208,939	8,070	**2,217,009**	2,194,912
Total 2018	2,185,012	9,900	2,194,912	

Analysis of direct costs

	Activities 2019 £	Total funds 2019 £	Total funds 2018 £
Public awareness and education	105,214	**105,214**	101,981
Programme payments to Hong Kong	2,103,725	**2,103,725**	2,083,031
	2,208,939	**2,208,939**	2,185,012
Total 2018	2,185,012	2,185,012	

Analysis of support costs

	Activities 2019 £	Total funds 2019 £	Total funds 2018 £
Governance costs	8,070	**8,070**	9,900
Total 2018	9,900	9,900	

10. Auditors' remuneration

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual accounts	**8,070**	8,035
Fees payable to the company's auditor in respect of:		
All non-audit services not included above	**-**	1,865

11. Staff costs

	2019 £	2018 £
Wages and salaries	**269,851**	269,587
Social security costs	**24,825**	15,980
Operating costs of defined benefit pension schemes	**5,935**	5,808
	300,611	291,375

The average number of persons employed by the company during the year was as follows:

	2019 No.	2018 No.
	12	12

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	**1**	1

In January 2019, the UK office merged with the European offices to improve efficiences, splitting the UK resources across both markets. This included splitting the employment time of the Director, the Head of Supporter Care and the Supporter Care team in Plymouth. All costs sit within the UK market.

Remuneration and benefits received by key management personnel totalled £72,939 (2018: 71,113).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 December 2019, no Trustee expenses have been incurred (2018 - £NIL).

13. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2019	**11,625**	**4,513**	**19,130**	**35,268**
Additions	**-**	**-**	**1,129**	**1,129**
At 31 December 2019	**11,625**	**4,513**	**20,259**	**36,397**
Depreciation				
At 1 January 2019	**11,625**	**2,267**	**8,780**	**22,672**
Charge for the year	**-**	**1,116**	**4,238**	**5,354**
At 31 December 2019	**11,625**	**3,383**	**13,018**	**28,026**
Net book value				
At 31 December 2019	**-**	**1,130**	**7,241**	**8,371**
At 31 December 2018	-	2,246	10,350	12,596

14. Stocks

	2019 £	2018 £
Finished goods and goods for resale	**526**	969

15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	**16,507**	16,447
Amounts owed by Hong Kong and other Animal Asias'	**3,320**	58,021
Other debtors	**1,695**	1,696
Prepayments and accrued income	**151,526**	329,973
	173,048	406,137

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to Animal Asia Germany and Italy (2018)	**11,504**	30,939
Other taxation and social security	**22,540**	16,511
Other creditors	**8,226**	17,748
Accruals and deferred income	**12,676**	18,357
	54,946	83,555

17. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	**184,785**	107,143

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
Unrestricted funds					
Designated funds					
Designated Funds	372,872	-	(372,872)	233,691	233,691
General funds					
General Funds	70,418	1,969,457	(1,728,091)	(233,691)	78,093
Total Unrestricted funds	443,290	1,969,457	(2,100,963)	-	311,784
Restricted funds					
End Bear Bile Farming	-	284,964	(284,964)	-	-
Nanning Bear Farn	-	165,967	(165,967)	-	-
Cat and Dog Welfare	-	69,911	(69,911)	-	-
Captive Animal Welfare	-	98,188	(98,188)	-	-
Vietnam Campaign	-	4,300	(4,300)	-	-
	-	623,330	(623,330)	-	-
Total of funds	443,290	2,592,787	(2,724,293)	-	311,784

18. Statement of funds (continued)

DESIGNATED FUNDS

These funds have been designated by the trustees towards future programme payments to Hong Kong.

RESTRICTED FUNDS

End Bear Bile Farming - Animals Asia works to end the barbaric bear bile trade, which sees over 10,000 bears, mainly moon bears but also sun bears and brown bears, kept on bile farms in China, and around 1,000 bears in Vietnam. In 2017, the Vietnamese Government signed an agreement with Animals Asia to bring bear bile farming to an end by 2022.

Peace by Piece: Nanning Bear Farm - Peace by Piece is Animals Asia's landmark campaign, as part of our overall End Bear Bile Farming programme, launched in April 2014 to help rescue and rehabilitate previously exploited moon bears in Nanning, China.

Cat and Dog Welfare - Animals Asia works to end the trade in dogs and cats for food in China. We support over 150 local organisations across China, financially and through skill sharing, to improve the welfare of companion animals and promote humane population management.

Captive Animal Welfare - Animals Asia campaigns for an end to abusive animal practices in zoos and safari parks in China, and works closely with governing authorities to improve animal management and increase awareness of the welfare needs of captive animals.

Vietnam Campaign - Animal Asia is in the process of building two new sanctuaries in Vietnam to re-home moon bears who have been rescued from bear bile farms. The charity has plans to build one sanctuary in the stunning Pu Mat National Park and a further sanctuary in the Yok Don National park.

A transfer had been made from designated general funds to general funds to help with the day to day running costs of the Charity.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
Designated funds					
Designated Funds	715,366	-	(715,367)	372,873	372,872
General funds					
General Funds	65,085	1,764,044	(1,385,838)	(372,873)	70,418
Total Unrestricted funds	780,451	1,764,044	(2,101,205)	-	443,290
End Bear Bile Farming	-	204,719	(204,719)	-	-
Nanning Bear Farn	-	164,767	(164,767)	-	-
Cat and Dog Welfare	-	60,379	(60,379)	-	-
Captive Animal Welfare	-	125,002	(125,002)	-	-
	-	554,867	(554,867)	-	-
Total of funds	780,451	2,318,911	(2,656,072)	-	443,290

19. Summary of funds

Summary of funds - current year

	Balance at 1 January 2019 £	**Income £**	**Expenditure £**	**Transfers in/out £**	**Balance at 31 December 2019 £**
Designated funds	**372,872**	**-**	**(372,872)**	**233,691**	**233,691**
General funds	**70,418**	**1,969,457**	**(1,728,091)**	**(233,691)**	**78,093**
Restricted funds	**-**	**623,330**	**(623,330)**	**-**	**-**
	443,290	**2,592,787**	**(2,724,293)**	**-**	**311,784**

19. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
Designated funds	715,366	-	(715,367)	372,873	372,872
General funds	65,085	1,764,044	(1,385,838)	(372,873)	70,418
Restricted funds	-	554,867	(554,867)	-	-
	780,451	2,318,911	(2,656,072)	-	443,290

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	8,371	**8,371**
Current assets	358,359	**358,359**
Creditors due within one year	(54,946)	**(54,946)**
Total	311,784	**311,784**

Analysis of net assets between funds - prior year

	Endowment funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	12,596	12,596
Current assets	(21,542)	535,790	514,248
Creditors due within one year	21,542	(105,097)	(83,555)
Total	-	443,289	443,289

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	**(131,506)**	(337,161)
Adjustments for:		
Depreciation charges	**5,354**	4,904
Decrease/(increase) in stocks	**443**	(384)
Decrease in debtors	**233,089**	267,607
Increase/(decrease) in creditors	**(28,609)**	74,524
Net cash provided by operating activities	**78,771**	9,490

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	**184,785**	107,143
Total cash and cash equivalents	**184,785**	107,143

23. Analysis of changes in net debt

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	**107,143**	**77,642**	**184,785**
	107,143	**77,642**	**184,785**

24. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £5,935 (2018: £5,808). Contributions totalling £nil (2018: £nil) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 December 2019 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	**3,283**	3,111
Later than 1 year and not later than 5 years	**1,951**	1,956
	5,234	5,067

26. Related party transactions

During the year the charity made donations of £2,045,704 (2018: £2,083,031) to Animals Asia Hong Kong, en entity with which the charity works closely. At the year end Animals Asia Hong Kong owed Animals Aisia UK £nil (2018: £58,021), this amount is included in debtors at the year end.

Included within debtors is £3,320 due from Animal Asia Italy (2018: due to £3,623).

Included within creditors is £11,504 (2018: £27,316) due to Animal Asia Germany.

27. Legacies Held in Trust

The Charity is beneficiary to multiple legacies for which they are entitled to a residuary of the balance held in trust. At the balance sheet date, the amount receivable cannot be reliably measued, and therefore no income has been recognised in the Statement of Financial Activities for the year.

The Charity is also a joint beneficiary with 12 other charities of the estate of the late P Woods. Currently there is a life tennant who receives the income from the estate. At the 3 May 2018 the estate was valued at £718,895, subject to a reconcilliation of the income paid to the life tenant for the year ended 5 April 2018.

The Chairty is also joint beneficiary to the estate of the late M McNeil. Currently there is a life tennant who receives the income from the estate. As of the 1 May 2019 the Chairty's share of the residual interest was valued at £35,000.