

FOUR PAWS UK

Annual Report and Financial Statements

31 December 2023

**Company Registration Number
5848230 (England and Wales)**

**Charity Registration Number
1118102**

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Reference and administrative information

Board of Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Josef Pfabigan Gerald Dick (resigned 31 March 2024) Luciana D'Abramo Alexandra Mandoki (appointed 1 April 2024)
Principal Staff	Sonul Badiani-Hammet Director UK
Company Secretary	Sonul Badiani-Hammet
Address	1st Floor, Can Mezzanine 7-14 Great Dover Street London SE1 4YR
Company registration number	5848230
Charity registration number	1118102
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Manchester City Office Business Centre Business Banking Leicester LE87 2BB HSBC Business Banking City of London Commercial Centre 60 Queen Victoria Street London EC4N 4TR

The Trustees present their report and the financial statements for the year ended 31 December 2023, which also constitutes a directors' report.

The accounts have been prepared in accordance with the accounting policies set out on pages 31 to 34 of the attached accounts and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Governing document

The organisation is a charitable company limited by guarantee (Company Registration Number 5848230), incorporated on 15 June 2006 and registered as a charity on 26 February 2007. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Directors and Trustees

The directors of the company are also charity Trustees as defined by the Charities Act 2011. Under the requirement of the Memorandum and Articles of Association, the directors are elected to serve for a fixed term not exceeding three years, renewable by appointment by a resolution of the Directors. The list of below details the names of Trustees who were in place during the year.

Due to the nature of the charity's work Trustees need to possess a clear, demonstrable affinity for the objectives of the charity: to end animal suffering. Other than this requirement, Trustees are selected from all walks of life to maintain a broad mix of skills within the organisation's management.

Trustee	Appointed /resigned
Josef Pfabigan	Appointed on 5 May 2008
Gerald Dick	Appointed on 25 March 2020 / resigned 31 March 2024
Alexandra Mandoki	Appointed 1 April 2024)
Luciana D'Abramo	Appointed on 30 March 2021

Trustee induction and training

In the Trustee induction, new Trustees are provided with a copy of the Governance Manual as well as a copy of The Essential Trustee. They are required to meet with the Board Representatives and others to learn about the work and how FOUR PAWS operates.

From time to time, the Board invites specialists to make presentations to the Board on matters of importance, such as good governance, to ensure that the Trustees are kept abreast of best practice.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Structure and management

The Trustees met as a group four times during the year to 31 December 2023. Their principal responsibilities include determining the overall strategy, policies and direction and are also responsible for the governance of the charity. Day-to-day operations are delegated to the organisation's staff, overseen by the Director UK. For the year ended 31 December 2023 this consisted of an average of 33 members of staff.

Related parties

FOUR PAWS UK is part of the wider FOUR PAWS International network with offices in Europe, Africa, Asia, Australia and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Risk management and internal controls

The Trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and operating as intended.

Our risks are identified and managed in line with the risk management strategy and the corporate risk register is reviewed by the Trustee Board at each of their quarterly meetings. In addition, the senior management ensures that day to day risk management processes are embedded across the organisation through the effective implementation of policies and procedures.

Risks are assessed based on their likelihood and potential impact, along with the mitigation strategies in place to manage them.

Principal risks and uncertainties

The Trustee Board considers the following to be the key risks that FOUR PAWS needs to focus on:

- 1. Sustainable funding** – a serious reduction in voluntary income could result in a reduced ability to support existing and new projects, including FOUR PAWS sanctuaries that provide permanent species appropriate shelter for rescued animals. Inadequate funding would also have a detrimental impact on driving campaigns that bring awareness of animal cruelty issues to the general public.

We continue to identify new ways of generating income to diversify our funding sources as part of our current and longer-term planning for the future.

We also continue to set our budgets with a view to focusing on efficiency savings and controlling costs.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

2. **Significant impact of changes to the regulatory and legislative environment including fundraising** – the charity sector has seen increased regulation in recent years, in particular with fundraising practices.

We monitor our operations to ensure that we remain fully compliant and are able to continue our fundraising activities within the new regulations.

3. **Loss of reputation with the general public and donors** – as an international organisation, our reputation is dependent on good practice. A critical impact on our reputation and brand could lead to a significant reduction in our fundraising income.

We monitor our communications across the organisation to ensure a consistent message is delivered. We also implement a process of due diligence to ensure that external projects with which we are associated, reflect our values and protect our reputation.

4. **Appropriate financial reserves** – we need to maintain our reserves at a level which will enable the organisation to be responsive to any changes that may arise from new project requirements or a shortfall in fundraising income.

We will continue to review our reserves to ensure they are appropriate to meet our future planning needs and to support our risk management.

5. **Data Protection** – we pay close attention to data protection risks across all our activities to reflect our concern for our donors' and supporters' data.

Public benefit

Under the Charities Act 2011, charity Trustees have a duty to explain in their Trustees' annual report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the Trustees.

The advancement of animal welfare is specified as an admissible charitable purpose and is taken to include any purpose directed towards the prevention or suppression of cruelty to animals or the prevention or relief of suffering by animals. Examples of the sorts of charitable purpose falling within this description include:

- ◆ charities promoting kindness and to prevent or suppress cruelty to animals,
- ◆ animal sanctuaries,
- ◆ the provision of veterinary care and treatment,
- ◆ charities concerned with the care and re-homing of animals that are abandoned, mistreated or lost; and

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Public benefit (continued)

- ♦ feral animal control; e.g. neutering.

In accordance with the requirements of the Charities Act 2011, the Trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning FOUR PAWS activities. The sections which follow demonstrate how FOUR PAWS met its charitable purpose in 2023 and its principal achievements under its respective strategic priority areas of work.

OBJECTIVES AND ACTIVITIES

Objects

The organisation's key objective is to achieve significant impact for animals under human influence, so that:

Wild Animals live in the wild without human influence. If reintroduction to the wild is not possible and living under human influence is not avoidable, keeping conditions are meeting species appropriate needs.

Companion Animals have a good quality of life in accordance with their own species/ breed specific needs and receive lifetime care and guardianship.

Farm Animals have a life worth living and receive lifetime care in keeping conditions according to their social and physical needs. The human diet will focus more and more on plant-based food.

Animals affected in man-made and/or natural disasters are rescued and cared for. Human and animal welfare is ensured by increased resilience.

Staff

FOUR PAWS aims to pay salaries which are fair, competitive within the charity sector and proportionate to the complexity of each role. All roles are evaluated based on agreed, organisation wide criteria that determine the grade and salary for each role.

The salary of the highest paid employee was no more than two times the median salary of the charity, excluding settlement payments.

All staff receive ongoing performance management and an annual appraisal which highlights how they have contributed to the achievement of our objectives and identifies any personal development areas they may have.

Discussion and information sharing are actively encouraged across the FOUR PAWS international network and through use of MS Teams, which enables us to proactively collaborate.

OBJECTIVES AND ACTIVITIES (continued)

Key management personnel

Key management personnel are defined as the Trustees and the following staff members:

- ◆ Director (UK)
- ◆ Head of Finance and Operations
- ◆ Head of Programmes
- ◆ Head of Communications; and
- ◆ Head of Fundraising.

Their pay is set in line with the procedure relevant for all staff discussed above. The UK Director pay is set and approved by the Board of Trustees.

Volunteers

We did not attend face-to-face fundraising events during 2023, as a result, no volunteers were engaged during the year.

Equality and Diversity

It is the policy of FOUR PAWS to respect the diversity of all of its employees and volunteers and treat them fairly and equally, regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, culture, nationality, ethnic origin, religious belief or age.

Environmental action and sustainability

FOUR PAWS is committed to minimising the impact of its activities on the environment. We achieve this by evaluating our operations and ensuring that they are as efficient as possible. We actively promote recycling internally and virtual communication technology to minimise travel. We meet all environmental legislation that relates to the charity.

Fundraising

Growing our income through fundraising is vital to enabling us to raise awareness, campaign to relieve the suffering of animals in need and to promote humane behaviour towards animals.

We are committed to working to a best practice framework and do everything possible to meet the needs of potential supporters and protect vulnerable people. Our policy on Vulnerable Persons outlines the steps we have built into our donor care and fundraising training and procedures, to ensure that our fundraising activities always meet or exceed best practice standards in relation to treating vulnerable persons fairly. We are registered with the Fundraising Regulator and confirm that we have complied with the Code of Fundraising Practice and all relevant data protection laws. We have not identified any instances of non-compliance during the year.

OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

As part of our fundraising activities, FOUR PAWS engages with professional third parties to act on its behalf, for example to produce and distribute direct mailings. To ensure that the fundraising activities of third parties are compliant with regulation and the charity's own internal standards, FOUR PAWS approves all third-party communication prior to distribution and has set clear guidelines in the agreements made with such parties.

We aim to respond to all complaints individually and in a timely manner. All complaints inform and influence our approach to fundraising. We confirm that during 2023 there were no notification of complaint to the Advertising Standards Authority (ASA) received.

We are always conscious of minimising the costs of our fundraising and benchmark our different fundraising channels to ensure they remain competitive. We work hard to ensure we deliver value for money in all our charitable activities, working closely with our programs and campaign teams.

Grant making policy

FOUR PAWS UK gives grants in line with its charitable and strategic objectives to partners in the FOUR PAWS Network and to other animal conservation organisations. These grants are approved by the Trustees. Some grants are made to support long running programmes such as the bear and big cat sanctuaries, the outcomes of which are reviewed at regular periods.

ACHIEVEMENTS AND PERFORMANCE IN 2023

Companion animals

FOUR PAWS companion animal programme seeks to address the suffering of companion animals. This programme is targeted towards three goals for each welfare issue experienced by companion animals during their life stages:

- ◆ **Responsible breeding and selling:** To drive public sector and legislative change to achieve better standards of animal welfare in the breeding and selling of companion animals,
- ◆ **Responsible ownership:** To put responsible pet ownership at the heart of society and adoption as the prerequisite for acquiring a pet; and
- ◆ **Responsible stray animal care:** To achieve responsible stray animal care including the effective prevention and humane management of stray animals.

Background

Classified ad sites have become the main sales channel for ruthless puppy breeders and traders, who use these sites to sell sick, underage and potentially mistreated animals to unwitting buyers. For several years, FOUR PAWS has investigated cases of the illegal puppy trade and called on classified ad sites to address anonymous trading, encouraging the introduction of mandatory seller identification (the Model Solution).

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Background (continued)

Puppy purchasing boomed during the COVID-19 pandemic, and with the cost-of-living crisis more animals than ever are finding their way into rescues and shelters through abandonment. FOUR PAWS has a vast range of advice on our website for companion animal care.

The trade in dogs and cats for their meat (DCMT) is responsible for inflicting horrific cruelty on an estimated 30 million animals in Southeast Asia each year, and the number is growing. FOUR PAWS UK believes that it can help end this barbaric trade by mobilising supporters through education and through political and corporate change. By educating the public about this major animal welfare concern, FOUR PAWS UK hopes to raise awareness and funds to support the campaign, as well as influence embassies and the tourism industry to support the call for an end to the trade.

Impact and outcomes

In the past year, FOUR PAWS UK has collected hundreds of reports of sick and dead puppies from the public, has had these reports assessed by legal experts and passed on relevant reports to the appropriate authorities for potential action.

This year, the Government unfortunately dropped the Animal Welfare (Kept Animals) Bill which would have tackled puppy smuggling, a key issue that we have worked on for five years. However, at the start of the new 2023-2024 Parliamentary session, Selaine Saxby MP introduced the Animal Welfare (Import of Dogs, Cats and Ferrets) Bill, which we are now advocating to contain similar legal provisions to the previously tabled Animal Welfare (Kept Animals) Bill.

We also published a report outlining the extent of the illegal puppy trade in the UK and exposed the activity of illegal breeders online, as well as cases of illegal puppy smuggling. This report also helped to raise awareness of the risks associated with buying a puppy online, providing much needed advice to those looking to add a dog to their home.

For the DCMT campaign, we successfully engaged with British embassies in target countries to help raise awareness of the issue and communicated with key Government stakeholders in Southeast Asia who ultimately attended FOUR PAWS policy events to help us influence legislative change.

Key Activities (Incl. cooperations) 2023

Compared to last year, FOUR PAWS UK has received fewer reports from the online puppy trade reporting tool, totalling 416 this year, alongside an additional 21 via email. Of these, 6 have been assessed by legal experts, and 32 have been escalated to relevant authorities for potential prosecution. We have confirmation that 16 are currently under investigation. As usual, most authorities do not disclose the outcomes of these investigations.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Key activities (incl. cooperations) 2023 (continued)

Over 1000 supporters were mobilised to write to the Prime Minister regarding their concerns about the Kept Animals Bill, which addressed puppy smuggling amongst other key animal welfare issues. We also co-hosted a successful parliamentary drop-in event, directly engaging with over 40 cross-party MPs on the issue of puppy smuggling.

FOUR PAWS UK responded to an Environment, Food and Rural Affairs Committee (EFRA) inquiry about pet welfare and abuse, with specific questions about puppy breeding and licencing. This evidence was published on the Committee's website. Consultation responses on licencing activities involving animals and dog welfare in Scotland were also submitted by the organisation.

Autumn saw the launch of a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto. Over 6000 emails were sent to MPs across all parties, reminding them that #AnimalsMatter.

We have continued to promote the Cute. Quick. Sick. campaign (CQS) on our channels, and we have secured over 795 sign ups to access our free puppy guide, taking 244 supporters on a comprehensive digital journey to learn more about the risks of the trade, and our other work in companion animals, culminating in a fundraising proposition.

In October we also published a report outlining the extent of the illegal puppy trade in the UK and exposed the activity of illegal breeders online, as well as exposing footage and incidents of illegal puppy smuggling. We presented the results of this report at the All-Party Parliamentary Dog Advisory Welfare Group (APDAWG) in Parliament, chaired by celebrity vet Dr Marc Abraham who also wrote the foreword for our report.

FOUR PAWS UK has continued to raise awareness of the issue of the DCMT with both supporters and the media. In July, we asked supporters to write to the UK Ambassador of Vietnam and urge him to appoint a permanent representative to the Companion Animals Working Group, a subsidiary of the Vietnam One Health Partnership for Zoonoses Control. Almost 9,000 supporters wrote to the Ambassador. This was followed by a demonstration outside Tower Bridge to celebrate reaching over two million global signatures for the campaign.

Outlook 2024

FOUR PAWS UK will continue to educate the public on responsible pet ownership and the dangers of online adverts selling puppies. We will launch a public mobilisation campaign, specifically calling on Meta to better enforce their own community guidelines around puppy sales, where we have evidence of sellers abusing these guidelines on their platforms.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Companion animals (continued)

Outlook 2024 (continued)

Since the Government's disappointing decision to drop the Kept Animals Bill, we were thrilled to see a new Private Members Bill introduced that will address puppy smuggling in the next Parliamentary session, so we will support the passage of this Bill at every stage as it progresses through the Parliamentary process. We will also continue to communicate about this issue with the public, and push MPs and the Government to prioritise legislative time for this Bill.

We will continue to support the DCMT campaign by engaging with relevant UK Ambassadors to raise awareness of the trade, and particularly its link to zoonotic diseases and pandemics, and with the public to raise awareness and funds to support the campaign.

Farmed animals and nutrition

Background

FOUR PAWS has continued working on addressing animal welfare in farmed animal welfare policy, public procurement, and national food policy, as well as in international trade policy. Our research has shown both a lack of legal requirements for animal welfare in public procurement processes and core animal welfare standards in trade policy.

In England, the Government Buying Standards must be applied by the central Government procurers directly or through their catering contractors. However, local authorities and schools are only encouraged to apply these standards if within budget, so there is no legal framework that prescribes standards for meals within the UK education sector. In addition, there is a lack of transparency when it comes to the amount of taxpayers' money allotted to public procurement processes and sourcing low welfare food for public institutions. It is also unclear how authorities are considering food in climate action plans, and how or whether they are promoting meat reduction as a solution to climate change.

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare in farming systems. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to make stronger policies for animals, for example by exemplifying the benefits of improving animal welfare to reduce the environmental damage caused by industrial agriculture, advocating for an end to the caged keeping of farmed animals and a ban on live animal transport and pushing for labelling of animal food products.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Background (continued)

Brexit has increased the danger to existing animal welfare legislation, with a new farming subsidy scheme potentially being diluted in favour of deregulation and the Genetic Technology (Precision Breeding) Act having been rushed through Parliament - something previously banned when we were part of the EU. Furthermore, the Government passed the Retained EU Law (Revocation and Reform) Act which sets out a filtering process in a revocation schedule, to ascertain if retained EU regulation should be carried over, reformed, or dropped. This is extremely concerning given that approximately 80% of our animal welfare laws are derived from EU law, including hard won legislation such as the ban on battery hens and the use of growth promoters on farmed animals.

The Government have also made no progress, nor published the promised consultations, on the caged keeping of farmed animals as outlined in the Government's 2021 Action Plan for Animals.

FOUR PAWS was founded on the campaign to end the farming and sale of animals for fur. Since then, it has become expert on the issue of animal welfare in the textile industry and created change for millions of animals. With the introduction of the Wool with a Butt and Wear it Kind campaigns, FOUR PAWS UK has tried to bring the combined experience and different textile issues under the umbrella of Wear it Kind (WIK), with four key focus areas: down feathers, fine wools (including mulesed wool), exotic leather and fur.

Impact and outcomes

FOUR PAWS UK has continued to engage on national farming policy including pushing for a ban on cages for farmed animals and a ban on live exports, advocating for core animal welfare standards in UK trade policy, and feeding into consultations on both food policy and trade. FOUR PAWS UK worked with the Government, DEFRA (Department for Environment, Food & Rural Affairs) officials and with MPs across all parties to try and progress the Animal Welfare (Kept Animals) Bill, that included a ban on live exports, but this was dropped by the Government in June. Following campaigning for the legal provisions to be included in the new Parliamentary session, a Government Bill was announced in the King's Speech to end live exports of farmed animals – the Animal Welfare (Livestock Exports) Bill, and the Bill is now making its way through Parliament.

As a member of the Eating Better coalition, which is calling for 50% meat reduction by 2030 in the UK, as well as "better" meat consumption and high welfare products being consumed, FOUR PAWS UK has joined a public procurement task force and engaged with local authorities and the Government on the Make Food Kinder campaign, attempting to influence the national food strategy and Government Buying Standards for food and catering services. In addition, we have begun to engage with local authority planning applications for factory farms to ensure no new intensive farms are permitted nationwide and mobilised over 6,000 supporters to join these calls.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Impact and outcomes (continued)

FOUR PAWS UK has been engaging with the UK Government on the UN pandemic treaty report, including by attending expert roundtables at various stages in the negotiations, and has been communicating with supporters to raise awareness of the issue of pandemics with supporters.

FOUR PAWS UK has engaged with 20 fashion brands, receiving several verbal and published commitments that they will review their animal welfare policies and seek to adopt our recommendations. Our Animal Welfare in Fashion report shows twelve UK brands have followed our guidance and made considerable progress since the previous iteration of our report, including major names like Missguided, Primark, Monsoon, River Island, New Look and Next. One brand joined the Fur Free Retailer Program, and three brands signed our brand letter of intent against mulesing.

Key activities (incl. cooperations) 2023

Throughout 2023, we mobilised supporters to send over 4,000 emails to their MPs calling for an end to the caged keeping of farmed animals.

In the Autumn, over 1,000 supporters were mobilised to writing to the Prime Minister regarding their concerns about the Kept Animals Bill, which addressed live exports amongst other key animal welfare issues. We also co-hosted a successful parliamentary drop-in event, directly engaging with over 40 cross-party MPs on the issue of live exports. We then went on to see an additional 2,000 emails sent to MPs asking them to support the Second Reading of the Animal Welfare (Livestock Exports) Bill in December.

As part of the Eating Better food procurement task force, the Scottish Food Coalition, and the Trade and Animal Coalition (TAWC), FOUR PAWS UK has fed into several consultations and calls for evidence from the Government:

- ◆ 2 on trade deals
- ◆ 1 devolved assembly food policy
- ◆ 1 select committee review of DEFRA

In the Autumn, we launched a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto, which saw over 6,000 emails sent to MPs across all parties, reminding them that #AnimalsMatter. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs, and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

This year we responded to, and mobilised supporters against a new planning application to build 20 new poultry sheds and new buildings in connection with pig finishing, in West Norfolk with 6,000 supporters taking action. We have also opposed a new environmental permit application for the conversion of 200,000 turkey farm into an intensive duck farm that would house 1.3 million ducks instead.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Key activities (incl. cooperations) 2023 (continued)

To support the global textiles campaign, we launched a new report on the sustainability of animal-derived fashion. This report was an innovative, data driven exposé into the full cost of fashion to the planet and was shared widely by the Fashion and Sustainability All-Party Parliamentary Group (APPG). In June, we were thrilled to see Nike finally commit to going mulesing free, after mobilising over 10,000 people to write to them with their concerns. We also secured 5,000 pledges to Wear it Kind and a further 25,000 signatures for our petition to end mulesing.

Outlook 2024

FOUR PAWS UK will continue to raise awareness with the public and engage with the Government and political stakeholders on farmed animal welfare policy in 2023. Since the Government's disappointing decision to drop the Kept Animals Bill, we were thrilled to see a new single issue Government Bill introduced that will address livestock exports in the next Parliamentary session, so we will support the passage of this Bill at every stage as it progresses through the Parliamentary process.

FOUR PAWS UK will continue to push for a consultation on the caged keeping of farmed animals, call for core animal welfare standards in UK trade policy, ensure the safe passage of the Animal Welfare (Livestock Exports) Bill through Parliament, and support calls for animal welfare labelling schemes. We will also continue to work with partners on:

- ◆ the Scottish Food Coalition to support the successful implementation of the Good Food Nation (Scotland) Act 2002 and feed into consultations on the Scottish food plans;
- ◆ the TAWC to respond to new Free Trade Agreements to ensure they consider the impact on animal welfare standards in the UK;
- ◆ the Eating Better Alliance to address animal welfare in food procurement, the rise of 'mega farms' across the UK and help drive forward a strategy to address the rise in chicken farms;
- ◆ the Plant-Based Food Alliance to work with Government to support initiatives that encourage meat reduction;
- ◆ the Wildlife and Countryside Link coalition to collaborate on animal welfare legislation and formulate a strategy to end factory farming that will address animal welfare, climate mitigation, pollution, and environmental protection goals.

We believe that collaboration is key to securing better animal welfare and meat reduction goals in national and devolved food, agriculture, and trade policy. We will also attend party conferences and continue efforts to secure commitments for animal welfare policies in all political party manifestos ahead of the next general election. In May, we will co-host an event to engage with all parties on animal welfare, under the theme of #AnimalsMatter.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Farmed animals and nutrition (continued)

Outlook 2024 (continued)

FOUR PAWS UK will continue to communicate about the Pandemic Treaty across our channels and work with the Government as negotiations on the pandemic instrument come to a head and support the launch of a new global climate industry action campaign later in the year. We will continue to mobilise the public to respond to planning applications for new factory farms to help prevent a rise in intensive farming nationwide.

FOUR PAWS UK will continue to engage with brands to improve their animal welfare policies and we will also support the launch of a global investigation into the practice of mulesing, an exposé into the impact of supermarket fashion on animal welfare and potentially begin engaging with fashion schools across the UK.

Wild animals

Background

As a nation of animal lovers, the Government has committed to improving the standard of animal welfare of wild animals in captivity and those impacted by human activity. FOUR PAWS UK strives to provide the best evidence and expertise to decision makers in order to challenge and improve policies for animals including by advocating to ban the keeping of primates as pets, for improved zoo animal welfare, to ban the import of hunting trophies and the import and sale of fur, and to readdress our relationship with animals and end high risk practices in the wildlife trade as part of pandemic prevention.

Historically the UK office has supported the work of the sanctuary department to end bear farming for bile in Hanoi and supported to work of FOUR PAWS International's big cat trade campaign, as well as promoting animal-friendly travel via our own #TravelKind campaign.

Impact and outcomes

This year, the Government dropped the Animal Welfare (Kept Animals) Bill, which would have brought about a ban on the keeping of primates as pets. We fed extensively into consultations on this topic, and it was later announced that this will now be addressed in secondary legislation.

Also, this year, we supported the passage of Henry Smith MP's Private Members Bill, the Hunting Trophies (Import Prohibition) Bill, which sought to ban the import of hunting trophies into the UK from species listed in existing Wildlife Trade Regulations, except if excluded by the Government, and from any other species to be set out in regulations. We held drop-in events in Parliament with coalition partners to brief MPs and Peers and supported the passage of this Bill at every stage. Despite the Bill attracting Government support, it fell in the House of Lords. In December, a new Private Members Bill was tabled by John Spellar MP to revive this issue and we are supporting this Bill through Parliament.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Impact and outcomes (continued)

In total, 15,000 emails were sent to MPs throughout the passage of the Hunting Trophies (Import Prohibition) Bill. To further highlight the importance of this Bill we also co-hosted various offline demonstrations on this topic, securing significant cross-party support. We also collaborated with comic book illustrators Rewriting Extinction to produce creative assets to further engage the public on the Bill once it had fallen in the House of Lords. This graphic received over 4,000 engagements across our social media channels, helping to raise additional public awareness and support for a ban on the import of hunting trophies.

In September, the Animals (Low-Welfare Activities Abroad) Act was passed, which will help to secure high animal welfare standards both here in this country and abroad, by prohibiting the sale and advertising of cruel experiences like elephant rides and animal shows.

Key activities (incl. cooperations) 2023

In January, we co-hosted a parliamentary reception to celebrate 20 years since the Fur Farming Act 2003 came into force which closed the last remaining fur farms in the UK for good. We used this anniversary to call on the Government to table legislation to ban the import and sale of fur to achieve a truly fur free Britain, and to take the first step of publishing the summary responses from the 2021 call for evidence on this issue. We launched a new report on the UK fur trade, a cross-party MP letter of support and a government e-petition, which secured almost 70,000 signatures and triggered a debate on the issue in June. This debate demonstrated cross-party support for an import and sales ban, and saw the Government promise to continue to build the evidence base on fur, and as part of this experts from the Government's Animal Welfare Committee (AWC) will 'consider the issue of responsible sourcing in the fur industry, including the animal welfare standards and safeguards that apply to fur imported into this country' as part of their 2023/2024 workplan.

Throughout the year we have also mobilised over 4,000 supporters to engage with their MPs on the need for a fur free Britain, and a further 2,000 to write to DEFRA asking them to publish the overdue responses to their 2021 Call for Evidence on the UK fur trade conducted over two years ago. Following a partnership with comic book illustrators Rewriting Extinction, we produced a creative asset to further engage the public on the issue which secured over 11,000 engagements on social media. We also partnered with a poet, Tom Foolery, to produce a beautiful campaign film, which secured almost 80,000 views. These creative assets helped us to continue to raise public awareness on the need to secure a fur free Britain.

FOUR PAWS UK responded to several calls for evidence and consultations on new legislative proposals around captive primate standards of care, as well as devolved biodiversity framework strategies.

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Key activities (incl. cooperations) 2023 (continued)

In the Autumn, over 1,000 supporters were mobilised into writing to the Prime Minister regarding their concerns about the Kept Animals Bill. Despite the Government's decision to drop the Bill in June this year, it was assured that key legislation, such as banning the keeping of primates as pets, would be addressed in Secondary legislation under the Animal Welfare Act 2006.

Also in the Autumn, we launched a supporter action asking all MPs to ensure animal welfare policy improvements are included in their political party's manifesto, which saw over 6,000 emails sent to MPs across all parties, reminding them that #AnimalsMatter. We also organised a coalition stand at the Labour Party and Conservative Party conferences where we engaged with the Government, MPs, and Councillors on animal welfare policy issues under the umbrella messaging of #AnimalsMatter.

On social media, messaging around animal-friendly travel continues to be shared, with over 5,488 supporters taking the oath to #TravelKind to date.

We also celebrated the launch of our roadmap to closing private keeping establishments for tigers and other big cats at CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) Conference of Parties 19 and raised awareness of the #RuthlessTrade of tigers across Europe.

Outlook 2024

Following the disappointing decision to drop the Kept Animals Bill, we will closely monitor the Government's progress on securing a ban on the keeping of primates as pets in Secondary legislation by 2026.

We will continue to work with MPs and the Government to advocate for the safe passage to Royal Assent of John Spellar MP's Hunting Trophies (Import Prohibition) Bill.

To continue our work to secure a fur free Britain, we will publish and launch a new report on the detrimental impact of fur on the environment and expose the greenwashing attempt by the industry that claim high welfare fur is a sustainable fashion option. We will also look to research in more detail the fur trade within the UK, exploring where fur is going to once imported and, if possible, finding out who is directly profiting from this trade. Using this research, we will continue to call on MPs and the Government to ban the import and sale of fur to end our complicity in the cruel global trade.

We will continue to raise awareness of:

- ◆ the environmental, pandemic health risks and animal welfare issues associated with the fur trade,
- ◆ the pandemic risk associated with the wildlife trade to secure animal welfare wording in the UN pandemic treaty,

ACHIEVEMENTS AND PERFORMANCE IN 2023 (continued)

Wild animals (continued)

Outlook 2024 (continued)

- ◆ the big cat trade in South Africa and the need for CITES to better address the wildlife trade and its associated pandemic risk; and
- ◆ the farming of bears for bile in Hanoi.

Additionally, we will mobilise our supporters to take action to help secure stronger political and corporate policies for animal welfare. We will also attend party conferences and attempt to gain commitments for animal welfare policies in political party manifestos ahead of the next general election. Post election, we will engage with all newly elected MPs on our key animal welfare priorities.

FINANCIAL REVIEW

FOUR PAWS UK had another successful year and continued to be supported by our generous donors. With strained global supply chains contributing to cost of living challenges, and continued inflationary pressure, we have witnessed an impact on the disposable income of our donors and supporters. Our total income for the year was £4.42m, an increase of £0.037m against 2022, representing a 0.8% increase. The total expenditure for the year was £4.36m, an increase of £0.463m against 2022.

Through our continued investment in our DRTV advertising, we recruited new donors and increased our regular giving income by 9% to bring in £1.58m to support the diversification and future sustainability of our income streams. Legacy income increased by £0.407m to £1.46m due in-part to an exceptionally large individual donation.

Our Gift Aid income for the year was £0.248m, a decrease of £0.168m against 2022 following the prior-year exercise performed to repair gift aid declarations that had not been included in previous submission to HMRC (including gift aid for prior years).

Income from our Major Donors remain consistent during the year by contributing £0.352m to our total income (2022 £0.354m).

The impact of the cost-of-living crisis and the effect of delays experienced in some regional postal services earlier in the year contributed to the 31% fall in income from our direct mail cash appeals. This brought in £0.37m (2022 £0.53m).

Total net surplus decreased by £0.426m. This reflected in part by the increase in our grant payment to VIER PFOTEN International, to support the FOUR PAWS global mission to REVEAL, RESCUE, and PROTECT by funding sanctuaries, projects, and campaigns.

The year finished with a net surplus of £0.059m, compared to £0.486m in 2022.

We are showing unrestricted funds of £1.9m at 31 December 2023 (2022 £1.83m). Restricted funds balance was £27k (2022 £33k).

FINANCIAL REVIEW (continued)

Investment powers and policy

As required in its Memorandum, FOUR PAWS UK has the power to invest monies not immediately required for its purposes in or upon such investments that may be thought fit. All surplus funds are held in interest bearing accounts. Our priority continues to be the security and availability of our funds and we hold these with UK institutions with strong credit ratings.

Reserves policy

FOUR PAWS UK may hold the following categories of financial reserves:

- ◆ unrestricted reserves – funds generated by donors who do not stipulate how the income should be spent; and
- ◆ restricted reserves – funds to be applied towards the specific purpose(s) intended by the donors.

The Trustees' policy is to ensure that unrestricted funds are expended as soon as possible, while guaranteeing that resources are used effectively.

It is also the Trustees' intention to hold sufficient reserves to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency so that the charity can continue to operate at any time, provide funding to partners and also ensure the continuity of committed programme work.

Each year the Trustees consider the appropriate level of unrestricted reserves. They review FOUR PAWS UK's requirements and consider the likelihood of these financial contingencies and the impact they might have. The target level of these reserves was reviewed during 2023 and has been maintained at 6 month's operating costs.

The unrestricted reserves at 31st December 2023 stood at £1.9m (2022 £1.83m) an increase of £0.66m against the previous year. After excluding the net book value of the tangible fixed assets, the free reserves are £1.9m. This has exceeded the target set by the Trustees. We will use the surplus funds from this year to further support FOUR PAWS UK campaign and project activities during 2024.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant areas of judgement that affect items in the accounts are detailed in the accounting policy regarding critical accounting estimates and areas of judgement.

FINANCIAL REVIEW (continued)

Assessment of going concern (continued)

As set out in the accounting policies under "going concern" and in the plans for future periods section below, the Trustees have considered the wider financial uncertainties and taken together with understanding further current global economic insecurities. Due to the escalating geo-political and inflationary consideration and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

PLANS FOR FUTURE PERIODS

FOUR PAWS, as part of the wider FOUR PAWS International network for animal welfare, has signed up to a long-term strategic direction to 2025, which lays out the core activities that are covered by our organisational signature **REVEAL-RESCUE-PROTECT**:

REVEALING means:

- ◆ Exposing poor living conditions, animal abuse, and the perpetrators through investigations, making individual suffering visible in order to tell the story of abuse and reach the hearts of people.
- ◆ Raising awareness through communication, campaigns, and educational work to create empathy. We change the perception of animals and consumer behaviour towards animal-friendly shopping choices.
- ◆ We identify pressure points to shift power in favour of animal welfare. We change industry and legislation – moving the one to take the other one forward. The solutions we offer are sustainable and based on ethical considerations as well as the Precautionary Principle.

RESCUING means:

- ◆ Identifying situations where animals are in urgent need and saving them in order to end their suffering. Our rescue missions include First Aid, Medical Help, and Food and Water Provision.
- ◆ Taking action by identifying drivers of change, campaigning to end the suffering, and changing consumer behaviour.

PROTECTING means:

- ◆ Building and managing sanctuaries so that we can provide species-appropriate environments for our rescue animals. FOUR PAWS sanctuaries serve as educational hubs to raise awareness for animal welfare and species-specific needs.
- ◆ Providing stray animal care to help protect them from inhumane treatment and living conditions and co-operating with shelters to provide care for animals in need and if possible, to find them responsible homes.

PLANS FOR FUTURE PERIODS (continued)

- ◆ Defining, implementing, monitoring, and further developing our animal welfare quality standards according to the latest scientific knowledge. This applies to all our facilities, campaigns, missions, and projects.
- ◆ Creating sustainable change by campaigning for industry commitments and legislative changes to protect animals during every stage of their lives.
- ◆ Driving change for more animal-friendly consumer behaviour.
- ◆ Safety of staff, visitors, and animals is of the utmost priority in our animal welfare projects and activities.

FOUR PAWS 38

In December 2023 we launched a new project called FOUR PAWS 38, which involves a comprehensive review of our global strategy and our organisational structure, to ensure that we are fit for purpose to deliver our ambitious plans to create systemic change and improve the lives of animals. FOUR PAWS 38 is a two-year project due to be completed by the end of 2024. From 2025 onwards, we will be implementing our new global strategy, which will progress the organisation to 2038.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of FOUR PAWS UK for the purposes of company law) are responsible for preparing the Trustees' report and 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 year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP)
- ◆ make judgements and estimates that are reasonable and prudent
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

By order of the Trustees:



Chair of Trustees

Josef Pfabigan

22/04/2024

Independent auditor's report to the members of FOUR PAWS UK

Opinion

We have audited the financial statements of FOUR PAWS UK (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies, and the notes to the financial statements. 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 2023 and of 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 auditor's 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charitable parent company'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. The other information comprises the information included in the annual report and financial statements, 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.

Other information (continued)

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.

Opinions 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, which is also the directors' report 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 Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 the 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.

Responsibilities of Trustees (continued)

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.

How the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the 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), the Companies Act 2006, the Charities Act 2011, The Code of Fundraising Practice and data regulations (GPDR); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

- ◆ Making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

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

Independent auditor's report 31 December 2023

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.

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 24 April 2024

Statement of financial activities (including income and expenditure account) Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Income and expenditure							
Income from:							
Donations and legacies	1	4,240,339	162,643	4,402,982	4,136,258	243,555	4,379,813
Investments							
Interest receivable		14,441	—	14,441	625	—	625
Total income		4,254,780	162,643	4,417,423	4,136,883	243,555	4,380,438
Expenditure on:							
Raising funds		1,278,590	—	1,278,590	1,291,022	—	1,291,022
Charitable activities							
Advocacy for animal welfare and raising awareness		1,796,849	—	1,796,849	1,386,915	—	1,386,915
Wild animal programs and campaigns		178,398	67,943	246,341	197,358	144,071	341,429
Companion animals programs and campaigns		864,761	100,743	965,504	706,124	71,895	778,019
Farm animals programs and campaigns		70,229	—	70,229	97,184	—	97,184
Total expenditure	2	4,188,827	168,686	4,357,513	3,678,603	215,966	3,894,569
Net income (expenditure) and net movement in funds	3	65,953	(6,043)	59,910	458,280	27,589	485,869
Reconciliation of funds:							
Total funds brought forward		1,838,790	33,097	1,871,887	1,380,510	5,508	1,386,018
Total funds carried forward	11,12	1,904,743	27,054	1,931,797	1,838,790	33,097	1,871,887

The charitable company's activities during the above two financial periods derived from continuing operations.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	6				
Tangible assets	7		<u>15,031</u>		<u>21,070</u>
			<u>15,031</u>		<u>21,070</u>
Current assets					
Debtors	8	427,493		366,958	
Cash at bank and in hand		<u>1,664,031</u>		<u>1,594,926</u>	
		<u>2,091,524</u>		<u>1,961,884</u>	
Creditors: amounts falling due within one year	9	<u>(174,154)</u>		<u>(109,980)</u>	
Net current assets			<u>1,917,370</u>		<u>1,851,904</u>
Creditors: amounts falling due after more than one year	10		(604)		(1,087)
Net assets			<u>1,931,797</u>		<u>1,871,887</u>
The funds of the charity	11				
Unrestricted funds			1,904,743		1,838,790
Restricted funds			<u>27,054</u>		<u>33,097</u>
			<u>1,931,797</u>		<u>1,871,887</u>

The notes on pages 35 to 45 form part of the financial statements.

Approved and authorised for issue by the Board on and signed on its behalf by:



Josef Pfabigan

Chair of Trustees

Company registration number 5848230 (England and Wales);

22 April 2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash inflow from operating activities	A	73,677	563,816
Cash outflow from investing activities	B	(4,572)	(14,117)
Increase in cash and cash equivalents	C	69,105	549,699

Notes to the statement of cash flows for the year to 31 December 2023

A. Reconciliation of net income to net cash inflow from operating activities

	2023 £	2022 £
Net income	59,910	485,869
Depreciation charge	10,611	8,816
Loss on disposal of fixed assets	—	452
(Increase) decrease in debtors	(60,535)	37,124
Increase in creditors	63,691	31,555
Net cash inflow from operating activities	73,677	563,816

B. Cash flows from investing activities

	2023 £	2022 £
Investing activities		
Payments to acquire tangible fixed assets	(4,572)	(14,117)
Cash outflow from investing activities	(4,572)	(14,117)

C. Analysis of changes in cash (net debt)

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,594,926	69,105	1,664,031

Principal accounting policies 31 December 2023

The principal accounting policies, adopted judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below:

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with 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) (Charities FRS 102 SORP 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The principal items in the financial statements where judgements or estimates have been made in respect to:

- ◆ the allocation of direct mailing campaigns expenditure between fundraising or charitable activities; and
- ◆ estimating the future income and expenditure flows to enable the Trustees to assess the charity's financial position.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Trustees acknowledge and recognise the potential impact of the current economic climate and the financial effect of this on our donors, supporters, partners and other stakeholders. We saw significant income from legacy donations during the year and this was further enhanced with continued positive returns from our digital investment integrating fundraising and campaigns enhance supporter engagement and minimise attrition.

During 2023 we have increased our unrestricted reserves in alignment with our Reserves Policy and the annual budgets have been prepared on a realistic basis in consideration of the potential impact of continued economic challenges. We have reviewed our forecasts for 2024 and 2025 for all income streams and currently do not anticipate that the overall financial position of the charity will be adversely affected, or its financial solvency threatened.

Principal accounting policies 31 December 2023

Going concern (continued)

The Trustees have considered the wider financial uncertainties as the UK economy slows. The risk review also considered the current global economic insecurities due to the geo-political and prior year energy crises, and how these may impact donors' propensity to give and any subsequent potential effect on the charity. The Trustees have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity is entitled to the receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Gifts in Kind are included in the statement of financial activities as the donated service is used by the charity.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- ◆ Costs of raising funds comprise the costs incurred in fundraising. Fundraising costs include the cost of producing publications and of printing and mailing fundraising material, as well as the staff cost in these areas and an appropriate allocation of central office costs.
- ◆ Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities, and an appropriate allocation of support costs. A proportion of literature is allocated to charitable activities if it fulfils the following educational criteria:
 - ◇ It is targeted at beneficiaries or others who can use the information to further FOUR PAWS charitable objectives;
 - ◇ It is information on which the recipient can act in an informed manner to further FOUR PAWS purposes; and

Expenditure and the basis of apportioning costs (continued)

- ◊ Be related to other educational activities or objectives undertaken by the charity.

In order to carry out the primary purpose of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment. Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of direct allocated costs.

All expenditure is inclusive of irrecoverable VAT.

Governance costs relate to the costs strategic planning, external audit, any legal advice for the charity's Trustees and all costs of complying with constitutional and statutory requirements.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three from the date of acquisition.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Creditors have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds comprise monies raised, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Principal accounting policies 31 December 2023

Pension costs

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the year. Employer contributions to the scheme are currently a maximum of 5.95% of pensionable salary.

The charity's staging date for auto-enrolment was 1 January 2017.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates that are in use are as follows:

Asset category:	Annual rate:
Office equipment	5-year straight line
Computer equipment	3-year straight line
Fixtures and fittings	5-year straight line

Only assets costing £300 or above are capitalised.

Finance leases

Assets obtained under finance leases are capitalised in the balance sheet. These are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged as an expense in the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Notes to the financial statements 31 December 2023

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Voluntary income						
Donations	2,504,722	162,843	2,667,365	2,667,305	243,555	2,910,860
Gift aid	247,712	—	247,712	415,797	—	415,797
Legacies	1,460,497	—	1,460,497	1,053,156	—	1,053,156
Grants	27,408	—	27,408	—	—	—
2023 Total funds	4,240,339	162,843	4,402,982	4,136,258	243,555	4,379,813

2 Expenditure

	Direct costs £	Grants £	Support costs £	Total costs 2023 £
Charitable activities				
Advocacy for animal welfare and raising awareness	978,230	447,000	371,619	1,796,849
Wild animals programs and campaigns	156,521	67,943	21,877	246,341
Companion animals programs and campaigns	733,364	100,743	131,397	965,504
Farm animals programs and campaigns	50,894	—	19,335	70,229
	1,919,009	615,686	544,228	3,078,923
Raising funds				
Staff costs	433,229	—	—	433,229
Investment in donor acquisition	376,302	—	—	376,302
Other	333,453	—	135,606	469,059
	1,142,984	—	135,606	1,278,590
Total expenditure	3,061,993	615,686	679,834	4,357,513

	Direct costs £	Grants £	Support costs £	Total costs 2022 £
Charitable activities				
Advocacy for animal welfare and raising awareness	809,956	250,000	326,959	1,386,915
Wild animals programs and campaigns	167,729	144,071	29,629	341,429
Companion animals programs and campaigns	570,067	71,895	136,057	778,019
Farm animals programs and campaigns	69,236	—	27,949	97,185
	1,616,988	465,966	520,594	2,603,548
Raising funds				
Staff costs	351,986	—	—	351,986
Investment in donor acquisition	391,221	—	—	391,221
Other	431,876	—	115,938	547,814
	1,175,083	—	115,938	1,291,021
Total expenditure	2,792,071	465,966	636,532	3,894,569

2 Expenditure (continued)

Analysis of support costs

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2023 £
Staff costs	67,954	58,159	9,306	43,601	3,026	182,046
Premises costs	25,151	1,667	100	559	142	27,619
Governance	10,773	9,220	1,475	6,912	480	28,860
Other costs	31,728	302,573	10,996	80,325	15,687	441,309
	135,606	371,619	21,877	131,397	19,335	679,834

	Raising funds £	Advocacy and raising awareness £	Wild animals £	Companion animals £	Farm animals £	Total costs 2022 £
Staff costs	51,549	35,532	7,358	25,008	3,037	122,484
Premises costs	28,616	1,666	100	559	142	31,083
Governance	4,642	3,200	663	2,252	274	11,031
Other costs	31,132	286,561	21,508	108,238	24,495	471,934
	115,939	326,959	29,629	136,057	27,948	636,532

Staff costs are allocated based on time spent on an activity and premises and other costs are allocated based on staff head count and the proportion of directly allocated costs.

3 Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	10,611	8,816
Auditors' remuneration:		
.. Statutory audit services		
.. Current year	18,000	11,000
.. Prior year	3,380	—

4 Employee and key management remuneration

Summary

Staff costs during the year were as follows:

	2023 £	2022 £
Salaries and wages	1,628,734	1,217,466
Social security costs	188,634	135,973
Other pension costs	58,694	47,274
Termination costs	55,886	—
	1,931,948	1,400,713

4 Employee and key management remuneration (continued)

The average number of employees who earned £60,000 per annum or more (including termination payments but excluding pension contributions) during the year was as follows:

	2023 No.	2022 No.
£60,001 - £70,000	5	—
£70,001 - £80,000	—	2
£90,001 - £100,000	—	1
£130,001 - £140,000	1	—

Staff numbers

The average number of employees during the year, calculated on an average headcount and full-time equivalent basis, was as follows:

	Headcount		Full time equivalent	
	2023	2022	2023	2022
Average number of employees				
Charitable activities, campaigns and publicity	17	9	18	10
Fundraising	9	9	9	9
Managing and administration	2	2	2	2
Leadership and governance	5	5	5	5
	33	25	34	26

The charity operates a defined contribution stakeholder pension scheme operated by Standard Life Insurance. Staff are auto enrolled when they are first employed.

	2023 £	2022 £
The costs of the scheme to the charity for the year	58,694	47,274
	58,694	47,274

None of the Trustees received any remuneration in respect of their services during the year (2022 - £nil). During the year, no out of pocket travelling expenses were reimbursed to Trustees (2022 – no amounts were reimbursed to Trustees).

Key management personnel

Key management personnel are defined as the Trustees and the five members of the senior management team.

The total employee benefits of the key management personnel of the charity were £367,023 (2022 – £341,552).

5 Taxation

FOUR PAWS UK is a registered charity and therefore is not liable to income tax or corporation on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 31 December 2023

6 Intangible fixed assets

	Donor database £	Total 2023 £
Valuation		
At 1 January 2023 and 31 December 2023	551,751	551,751
Amortisation		
At 1 January 2023 and 31 December 2023	551,751	551,751
Net book values		
At 1 January 2023 and 31 December 2023	—	—

The database was revalued internally on 31 December 2014, using the net present value of future cash flows. The historical cost of the database is £506,833.

7 Tangible fixed assets

	Office equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	3,674	51,824	2,799	58,297
Additions	615	3,957	—	4,572
Disposals	—	(10,401)	—	(10,401)
At 31 December 2023	4,289	45,380	2,799	52,468
Depreciation				
At 1 January 2023	2,587	32,964	1,676	37,227
Charge for the year	596	9,632	383	10,611
Disposals	—	(10,401)	—	(10,401)
At 31 December 2023	3,183	32,195	2,059	37,437
Net book value				
At 31 December 2023	1,106	13,185	740	15,031
At 31 December 2022	1,087	18,860	1,123	21,070

8 Debtors and prepayments

	2023 £	2022 £
Other debtors	16,037	16,156
Prepayments and accrued income	411,456	350,802
	427,493	366,958

Notes to the financial statements 31 December 2023

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	31,511	63,553
Accruals	41,900	46,427
Grants payable	100,743	
	174,154	109,980

10 Creditors: amounts falling after more than one year

	2023 £	2022 £
Finance lease commitments	604	1,087
	604	1,087

11 Movements in funds

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	At 31 December 2023 £
Restricted funds				
FELIDA	5,508	—	(5,508)	—
Ukraine	23	—	(23)	—
Ukraine from CAT GALLERY	8,069	—	(8,069)	—
Ukraine from RSPCA branches	9,497	—	(9,497)	—
Stray Animal Care, Europe, USAVA partnership work	—	10,000	(10,000)	—
Lions Rock Sanctuary, SA	10,000	—	(10,000)	—
Stray Animal Care, Europe	—	4,846	(4,846)	—
Support for Bears	—	10,000	(10,000)	—
Vietnamese Dog House	—	10,000	(10,000)	—
Cats Protection Grant - Project Kishka, Ukraine	—	100,743	(100,743)	—
Sanctuaries - Patrons	—	27,054	—	27,054
	33,097	162,643	(168,686)	27,054
Unrestricted funds				
General funds	1,838,790	4,254,780	(4,188,827)	1,904,743
	1,838,790	4,254,780	(4,188,827)	1,904,743
Total funds	1,871,887	4,417,423	(4,357,513)	1,931,797

11 Movements in funds (continued)

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	At 31 December 2022 £
<i>Restricted funds</i>				
<i>Argentina Tiger rescue</i>	—	5,000	(5,000)	—
<i>Vietnam Bile Bears rescue</i>	—	41,895	(41,895)	—
<i>Romania Adoption campaign</i>	—	10,000	(10,000)	—
<i>New pool for bear Mark at BS Arbesbach</i>	—	15,000	(15,000)	—
<i>FELIDA</i>	5,508	—	—	5,508
<i>Ukraine</i>	—	94,094	(94,071)	23
<i>Ukraine Stray cats</i>	—	10,000	(10,000)	—
<i>Ukraine from CAT GALLERY</i>	—	8,069	—	8,069
<i>Ukraine from RSPCA branches</i>	—	9,497	—	9,497
<i>UKR/ROM SAC projects £5k each</i>	—	10,000	(10,000)	—
<i>Ukraine Stray Animal Care work and UPAW</i>	—	25,000	(25,000)	—
<i>Lions Rock Sanctuary, SA</i>	—	10,000	—	10,000
<i>Stray Animal Care, Europe</i>	—	5,000	(5,000)	—
	<u>5,508</u>	<u>243,555</u>	<u>(215,966)</u>	<u>33,097</u>
<i>Unrestricted funds</i>				
<i>General funds</i>	<u>1,380,510</u>	<u>4,136,883</u>	<u>(3,678,603)</u>	<u>1,838,790</u>
	<u>1,380,510</u>	<u>4,136,883</u>	<u>(3,678,603)</u>	<u>1,838,790</u>
<i>Total funds</i>	<u>1,386,018</u>	<u>4,380,438</u>	<u>(3,894,569)</u>	<u>1,871,887</u>

FELIDA (2022)

FOUR PAWS International offers a species-appropriate and animal-friendly home, a safe-haven, to rescued wild animals that were abused, neglected, or discarded and were forced to live under poor conditions in private captivity, circuses, and zoos. FELIDA is FOUR PAWS specialist care and rehabilitation centre for rescued big cats. Donation were given to assist in the treatment of rescued lions from private keeping in Romania. Two of them, Simba and Elza will continue to stay at FELIDA because they need special care and intensive supervision and can enjoy their long-term home.

Ukraine, Ukraine SAC work and UPAW (2022)

In 2022 the Russian war on Ukraine started with millions of people forced to flee their homes, many taking with them only what they could carry. Pets were often left behind with a heavy heart. FOUR PAWS has been active in the country since 2012 with a stray animal care programme and support for shelters, working with other local partners. As the number of stray animals on the embattled streets of Ukraine rose, we were there to help. Initially helping with food and shelter for refugees and their pets at key border points, we soon followed by delivering much needed food and care to abandoned pets and injured strays. Additionally, vital food supplies were also delivered to Kiev Zoo and other animal sanctuaries, and bears were rescued by our Bear Sanctuary Domazhyr in Lviv.

11 Movements in funds (continued)

Ukraine, Ukraine SAC work and UPAW (2022) (continued)

Food for animals became increasingly scarce so, together with Animal ID and Dogs Trust Worldwide, we established UPAW (Ukrainian Pet Association Worldwide) providing a much-needed platform for all those caring for animals to request food and veterinary supplies. Since the beginning of the war UPAW has delivered over 300 tons of food to over 12,000 dogs and 9,000 cats in need all over Ukraine.

Ukraine, help for animals (2022)

In 2022 the Russian war on Ukraine started with millions of people fleeing their homes. Many taking with them, only what they could carry. Often pets were left behind with a heavy heart. FOUR PAWS has been active in the country since 2012 with a stray animal care programme and support for shelters, working with other local partners. As the number of stray animals in the embattled streets of Ukraine rose we were there to help. Initially helping with food and shelter for refugees and their pets at key border points, soon followed by delivering much needed food and care to abandoned pets and injured strays. Also vital food supplies to Kiev zoo and other animal sanctuaries. Even rescuing bears through our Bear Sanctuary Domazhyr in Lviv.

Lions Rock Sanctuary, SA (2022)

Our big cat sanctuary LIONSROCK was founded in 2008. Today, many of our rescued lions are more than 15 years old, and with age come joint issues, weakness, and fatigue so the animals' needs adapted conditions. Instead of huge enclosures, rocks to climb on, and steep slopes, the aging inhabitants need a flat, clearly structured environment. Platforms that many animals use to enjoy a sunbath now need flat ramps to be accessible. There are also many feeding costs associated with the 200 Big cats that we care for there. The generous gift received from one of our individual supporters goes towards these care costs.

USAVA collaboration Ukrainian Small Animal Veterinary Association (2023)

Although many Ukrainians fled the country since the Russian invasion, plenty of people also stayed behind. Either because they have no other choice, or because they do not want to leave their country, their home. Veterinarians stayed behind to continue their much-needed work for animals in need. They continue their work in wartime, under difficult conditions, when there may be no water, no electricity, and when there are more animals in need than ever before. This is a huge challenge – the Ukrainian Small Animal Veterinary Association (USAVA) is an umbrella organization, uniting many small animal veterinary practices in Ukraine. At the end of 2022 and 2023, with funding from FOUR PAWS and a grant from Animal Friends Insurance USAVA contracted 3 private veterinary clinics in 3 cities most affected by the current war.

11 Movements in funds (continued)

Stray Animal Care, Europe (2023)

FOUR PAWS veterinary and care teams, deliver Stray Animal Care programs in Romania, Bulgaria, and Ukraine. In close collaboration with our Community Engagement unit, they humanely reduce the number of animals on the streets through spaying, neutering, and release programmes and improve their quality of life. Our corporate donor Kong company dog toys, encourage play, satisfying dogs' instinctual needs and strengthening the bond between dog and pet parent.

Support for Bears (2023)

FOUR PAWS focuses on the welfare of brown bears in Europe and Asian black bears in Vietnam. We also rescue bears from crisis regions and disaster areas. We have a number of species-appropriate Bear sanctuaries based in Europe and Southeast Asia, and for the bears we rescue and place into those sanctuaries we will care for them for the remainder of their life.

We have also worked in collaboration with local authorities to treat bears in their care, neuter to prevent breeding and provide advice on how to improve wellbeing.

Construction of new doghouse at Paws for Compassion / Paws International Clinic, Vietnam (2023)

Paws for Compassion (PFC) is one of two organisations FOUR PAWS partners within Vietnam. PFC was founded in Đà Nẵng, Vietnam by two animal enthusiasts and educators, who saw the need for animal education in the region. The organization seeks to inform and educate individuals about animal cruelty taking place within their communities. The program is aimed at young people, with the intent of informing them about humane Paws for Compassion serves the community by providing a safe haven, medical treatment, and rehabilitation to help stray dogs and cats before finding them loving forever homes. The organization also works with the veterinary industry to improve companion animal care.

FOUR PAWS runs the Cats Matter Too program in partnership with Paws for Compassion, aimed at improving the situation for cats living in Central Vietnam. Under the programme, activities include education workshops, foster training, rescue activities, and spay/neuter, vaccination & medical treatment services. The programme does not cover the rescue and care of dogs and therefore additional funding was sought to help PFC with the construction of a new dog house, where dogs can be cared for until they are adopted.

An available plot of land for construction provided the opportunity for PFC to design the new dog house to exactly meet requirements, ensuring it is a safe, secure environment for the dogs. The plan allowed PFC to fence and smooth out the ground from the entrance of the house, so the doors would be opened and allowing the dogs to head straight out. Many of the resident dogs enjoy being outdoors but in the case of handicapped or other dogs with mobility issues, there was a need for someone to always be there to prevent them dragging themselves and potentially causing injury due to the uneven surface. This space provides for a larger disabled dog area, giving them more opportunity to be outside without having to be in their wheelchairs. With the generous donation, it means they can relax and get fresh air.

11 Movements in funds (continued)

Cats Protection Grant - Project Kishka, Ukraine (2023)

FOUR PAWS has been helping 'homeless pets' in Ukraine for over a decade, with the first stray animal care activities being carried out by our local veterinary team in Ukraine and mobile clinic in 2012, in response to the mass brutal culling of stray dogs (which was legally allowed at the time) in preparation for the UEFA football championship in Kyiv. Following this, we continued our work to help stray animals across the country and support municipalities with humane stray animal care projects.

In 2022 Russia invaded Ukraine and whilst our work was briefly interrupted, we were subsequently able to refocus and adapt the way we worked to ensure we could continue helping thousands of stray animals in Ukraine. This has been achieved both through strategic partnerships locally and our dedicated teams in Ukraine who have continued to work through extremely difficult circumstances. Our work has meant that throughout the war we have provided life-saving work for strays, abandoned pet dogs and cats; support for refugees and their pets; as well as provide help to animal shelters in Ukraine which are struggling to take care of their animals due to high intake numbers, low adoption rates and lack of food and medical supplies.

While we aim to deliver sustainable and humane stray animal care programmes in Ukraine our focus during the war has had to be on delivering emergency relief. We have been providing emergency aid response to protect the animals within our established programmes but have also launched new projects to help the many companion animals in need.

Since the war, we have implemented projects to sterilize, vaccinate and treat dogs and cats in various ways. One of these projects is the unique Project Kishka, (Kishka means 'female cat' in Ukrainian). Launched in October 2022 this project is fully dedicated to helping the stray cats of Ukraine.

Before the war, many Communal Enterprises (municipal entities responsible for stray dog management) throughout Ukraine carried out mass-sterilisation projects for stray dogs. Since the war began, NGO's have taken on these programmes and without a focus on stray cats, numbers have increased. With these increasing cat populations, it is important to not only manage and stabilise numbers but also to help cats impacted by war. With a clear gap in programmatic work with a cat focus; Project Kishka was created to address this.

FOUR PAWS works in cooperation with existing projects of the Communal Enterprises, using their premises and infrastructure. Local veterinarians are recruited, trained and supervised by FOUR PAWS experienced veterinarian, overseeing the quality and coordination of the project. Project Kishka is carried out in different locations in Ukraine simultaneously and costs for the project, such as training, salaries, medication and equipment, are covered by FOUR PAWS and a generous grant received from Cats Protection.

11 Movements in funds (continued)

Sanctuaries – Patrons (2023)

FOUR PAWS sanctuaries offer a safe-haven for rescued animals, providing more than 150 bears and over 130 big cats a life-long home in a near-natural habitat. Patrons support enables FOUR PAWS to provide sanctuary and safety to animals and ensures that all our animals have the care and supplies they need, from urgent emergency care to everyday needs such as food, ponds and enrichment.

FOUR PAWS are constantly working to improve the quality of life for animals in our care. By enhancing current enclosures, expanding access to natural habitats and the sanctuaries' overall capacity. Through the generosity of our Patrons their gifts are being distributed amongst our sanctuaries where the need is greatest.

12 Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2023 £
Tangible assets	—	15,031	15,031
Current assets	27,054	2,064,470	2,091,524
Current liabilities	—	(174,154)	(174,154)
Liabilities due in more than one year	—	(604)	(604)
	<u>27,054</u>	<u>1,904,743</u>	<u>1,931,797</u>

	Restricted £	Unrestricted £	Total 2022 £
Tangible assets	—	21,070	21,070
Current assets	33,097	1,928,787	1,961,884
Current liabilities	—	(109,980)	(109,980)
Liabilities due in more than one year	—	(1,087)	(1,087)
	<u>33,097</u>	<u>1,838,790</u>	<u>1,871,887</u>

13 Transactions with Trustees and related party transactions

None of the Trustees received any payments in 2023 (2022 – none) as reimbursements for travel costs.

No other remunerations or expenses were paid to the Trustees or persons related to them. FOUR PAWS is part of the wider VIER PFOTEN International network with offices in Europe, Africa, Australia, and North America. Every FOUR PAWS office is constituted and registered as a legal entity in the local country as required and has a licence to use the FOUR PAWS trademark. The offices carry out a range of animal welfare and fundraising activities united under one global FOUR PAWS strategy. Individual country strategies and plans are developed in consultation with and approved by the Trustees of FOUR PAWS UK.

Three of the UK Trustees are also in key management positions at VIER PFOTEN International: Josef Pfabigan (Chief Executive Officer), Luciana D'Abramo (Chief Development Officer) (appointed to FOUR PAWS on 30 March 2021) and Gerald Dick (Chief Marketing Officer).

Notes to the financial statements 31 December 2023

13 Transactions with Trustees and related party transactions (continued)

FOUR PAWS UK's IT support / network is provided by VIER PFOTEN International. We also report on HR issues to Personnel at VIER PFOTEN International.

During the year payments totalling £619,405 (2022: £468,511) were made to VIER PFOTEN International and grants of £27,408 were received (2022: £nil). At the year end, £31,743 was owed to VIER PFOTEN (2022: £nil).

There were no other related party transactions in the year to 31 December 2023.