



Annual report and accounts 2016

World Animal Protection is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. World Animal Protection is governed by its Articles of Association.

Charity registration number 1081849
Company registration number 4029540
Registered office
222 Gray's Inn Road,
London WC1X 8HB

About the cover:

Puppies brought to a rabies vaccination drive, overseen by our Africa team, in Makueni county, Kenya.

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A message from our Chair and Chief executive

We welcome you to our 2016 annual report, which includes our strategic report as well as our trustees' and directors' report.

In 2016 we became bolder and more challenging in our determination to move the world for millions of animals, and are delighted to report that this new approach has been responsible for some momentous successes. One of the most notable was mobilising more than half a million people to convince TripAdvisor, the world's largest travel site, to stop endorsing and promoting cruel wildlife venues.

Through this achievement and others, we have succeeded in positioning ourselves and our supporters at the forefront of the animal welfare and protection movement. We are a change organisation creating better lives for animals on a huge scale. Supported by our strong digital presence and influence in the media, we are mobilising thousands upon thousands of champions for animals.

We are determined to open the eyes of the world to the plight of farm animals which has traditionally attracted less support than the challenges faced by wild or pet animals. Yet the suffering of farm animals takes place on a truly industrial scale, measurable in the billions.

During the year, we powerfully campaigned to improve conditions for chickens reared for meat. We galvanised more than 300,000 people to petition fast food giants and supermarkets to improve conditions in their supply chains. We also gained the support of several leading organisations in our mission to improve farm animal welfare and were awarded a substantial grant as a result.

Our work to give the world's dogs better lives - to save them from the persecution and cruel culls so often carried out in the name of rabies - achieved a great milestone in Kenya in June 2016, when we carried out our millionth rabies vaccination in projects around the world.

This was a critical year in driving international policy to protect animals. Our recommendations regarding the importance of recognising animal welfare in the implementation of the United Nation's Sendai Framework for Disaster Risk Reduction were adopted – an unprecedented achievement for us.

We also celebrated another enormous step forward when our policy team succeeded in having animal welfare and its connection with ending human hunger incorporated into the United Nation's Sustainable Development Goals.

To increase our impact and influence to protect more animals than ever before, and make best use of our funds, we changed the way we work during 2016. This included removing the regional management layer across our organisation. Such a change places us closer to the front line of animal protection and even closer to our country offices where we raise our funds and deliver much of our work.

We're ensuring that our programmes leadership reflects the global needs of animals. Another key change was the transfer of our disaster management operations hub and leadership from London out into the field, to our Costa Rica base. Our intention is to improve our response rates – moving towards having people on the ground protecting animals within just two days of a disaster occurring. This is an exciting chapter for our disaster teams who operate with incredible passion and professionalism in bringing relief to millions of animals and owners in need.

We hope you enjoy reading about our successes and how you have helped us move the world to protect animals. What we do would not be possible without you. Thank you for your support.

Paul Baldwin
Chair



Steve McIvor
Chief executive



Moving the world in numbers

In 2016 our supporters helped us...

Create better lives for more than **100 million** animals

Give our **1 millionth** rabies vaccination for dogs

Save more than **606,000** animals from disasters in **10** countries

Reveal the world's **10** cruellest wildlife attractions in our 'Checking out of cruelty' report

Move more than **558,000** people to ask TripAdvisor to stop selling tours to cruel wildlife attractions

Attract more than **68,000** new Boto Guardians, bringing the total to more than **292,000**

Support projects in **6** countries to remove ghost fishing gear from their seas and shores

Convince 70 tour operators to stop offering tours to places offering elephant rides and shows, bringing our total since 2015 to **158**

Inspire more than **300,000** people to ask high profile fast food retailers to give chickens better lives

Our strategic report

Our vision is of...

A world where animals live free from suffering

To make our vision a reality...

We move the world to protect animals using our theory of change which comprises



Educating and mobilising



Lobbying and advocating



Catalysing sustainable solutions to protect animals

To most effectively deliver our vision, we focus on the issues and activities where we can have the biggest impact on reducing the scale, duration and intensity of animal suffering, through our four priority programmes.



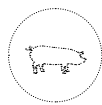
Animals in communities

We will convince the governments of 25 countries to adopt humane and ethical dog population management policies and practices. These will improve the lives of at least 50 million dogs



Animals in disasters

We will directly benefit the lives of at least 5 million animals through our disaster response and improve the lives of a further 270 million animals by working with target governments to change policy and practice.



Animals in farming

By 2020, we will transform the lives of at least 1 billion farm animals and secure commitments from 4 global retail brands and 12 national chicken retailers to source higher welfare chicken



Animals in the wild

We will directly save at least 100,000 wild animals from being traded and used for entertainment, as luxury pets or products, and as traditional medicines. We will also save 1 million marine animals.



Protecting animals in communities

"The absolute highlight of our involvement with the local Olympic committee was their decision to manage all animals – wild and domestic – humanely and to put a lot of money and effort into it. I would like this project to be an example to other big events around the world like the World Cup."

Rosangela Ribeiro
Veterinary programmes manager



Image previous page:

Two boys from Makueni county, Kenya, bringing their puppies to be vaccinated against rabies.

Worldwide, dogs make huge contributions to people's health and wellbeing, security and livelihoods. Yet 490 million are at risk from great cruelty and suffering; and an estimated 10 million are inhumanely killed because of rabies or other perceived conflicts with communities every year. Electrocutation, shooting, gassing, poisoning and beating are just some of the intensely cruel methods used to control their numbers. But we are working to change all this. Using our science-based and sustainable techniques, and by working with governments and local people, we will give 50 million dogs better lives by 2020.

We promised that in 2016 we would...

Mobilise at least 10 governments worldwide to commit to stop culling dogs in favour of humane dog population management and vaccination programmes. We said we would do this to protect the welfare of both dogs and people in their countries and help end the cruelty of culling.

Work with our local partners in Sierra Leone, the Philippines, Kenya, Brazil and Romania to develop education programmes on dog bite prevention and responsible dog ownership.

Influence individuals, governments, institutions and communities around the globe to take action to improve the lives of 50 million dogs by 2020

So during the year we...

Worked with 10 governments on seeking to commit them to ending (inhumane) culling, and made satisfactory progress with all of them. For example, in Sierra Leone we have established a coalition comprising national and local government representation that will be responsible for introducing humane dog population management in the country; while the government of China acknowledged our no culling approach to eliminate rabies.

Continued our vaccination work and celebrated our millionth rabies vaccination for dogs in June, in Kenya. Vaccinations have been given to dogs in seven countries, including China, Bangladesh, the Philippines and Indonesia, since 2011.

Handed over our rabies vaccination work in Zanzibar to the islands' government. Our vaccination programme has virtually eliminated rabies from the region and created better lives for dogs and people. The government now has the capacity and resources needed to give regular vaccinations themselves and so keep the islands' dogs rabies-free.

Vaccinated more than 79,000 dogs in Kenya as part of our rabies prevention work in the country. We also trained 59 teachers, four senior education officers and four veterinary and livestock officers in Makueni county on dog bite prevention, rabies elimination and responsible dog ownership.

This work is key to fulfilling the Kenyan government's national strategy to eliminate rabies from the country by 2030 and to show that it can be done without culling. The Makueni example will be used in other Kenyan counties to meet this 2030 target.



Our successes also included...

Introducing our Better Lives for Dogs campaign in Freetown, Sierra Leone. This was to establish firm foundations for our long-term project in the country, which has the densest stray dog population in Africa. Freetown has one of the highest rates of death from rabies in the world. The introduction included vaccinating 1,013 dogs against rabies and promoting our humane dog population management work on three television and five radio programmes on World Rabies Day, 4 October. The responsible dog ownership and rabies awareness events and activities we held in three areas of Freetown also encouraged more than 10,000 people to give dogs better lives.

Convincing the city of Constanta in Romania to stop catching and killing stray dogs. Constanta's local authority promised to introduce a humane dog management programme after receiving our rapid response petition, signed by more than 60,000 people.

Gaining Romanian government approval for 'Let's learn about animals', our national responsible dog ownership education programme. Our experts trained teachers, local authority representatives and non-government workers to roll out the programme to hundreds of thousands of children aged six to 11 years old.

Inspiring and working with the organisers of the Rio Olympics to protect wild and domestic animals around all Olympic sites. With our training and support, local authority and Olympic staff were trained in humane animal handling. More than 200 cats and dogs were rescued and given veterinary care and treatment. Sixty-three wild animals, including capybaras, marmosets and alligators, were rescued and released after straying into Olympic areas.



In 2017 we will...

Continue our pilot project in Makueni county while the Kenyan government uses it as an example to extend the rabies elimination programme to Kenya's 46 other counties.

- **Launching** the second stage of the Makueni project which will protect 120,000 dogs from rabies and the inhumane culling that occurs in its name.
- **Training** local teachers to deliver responsible dog ownership lessons to pupils within Makueni schools and communities.

Convince Sierra Leone's government to draft a humane and holistic national dog management strategy. This will aim to end the threat of inhumane culling, eliminate rabies and control the numbers, health and welfare of the country's dog population.

- **Launching** a pilot dog population management project in Constituency 109 of Freetown, based on the model used in Makueni county, Kenya. This will directly protect 3,000 dogs from inhumane culling in the constituency during the year and a further 100,000 Freetown dogs by the end of July 2018.

Work in Serbia with our local partner ORCA to convince the national government to set up a stakeholder committee to design a national dog population management action plan.

- **Organising** a national conference on dog population management in Serbia to involve politicians and other relevant stakeholders on the issue.

Explore the most effective ways to end the inhumane culling of dogs on a global scale and begin engagement with new international stakeholders by the end of 2017.

- **Maintaining** our relationship with the World Health Organization and continuing to push for dog population management to be integrated into rabies elimination programmes. This will assist in driving forward the United Nations (UN) Sustainable Development Goal of eliminating dog-mediated rabies by 2030.
- **Exploring** ways to work with the International Olympic Committee to put policies in place to end the inhumane culling of dogs for global events and city clean-ups.





Protecting animals in disasters

“We are going to seek reputed veterinarians in their country that will want to volunteer when a disaster strikes home. They will spearhead our work; assessing the situation, analysing the need; and start to treat the animals before we can get there.”

Gerardo Huertas
Programme director for animals in disasters



Image previous page:
Supporting families:
Mrs Soronzonbol was
given emergency aid to
protect her animals.

When disasters devastate animal lives inflicting severe injury, disease and death, we move quickly to protect them and reduce their suffering. We help governments and the world's most vulnerable communities recover, rebuild and prepare to protect themselves and their animals from future catastrophes.

We are the only animal protection organisation with full-time staff dedicated to disaster response, management and preparation. We have more than 50 years' experience in these vital areas.

We promised that in 2016 we would...

Continue to work with international humanitarian and development organisations, including the International Federation of Red Cross and Red Crescent Societies (IFRC) and the UN, to ensure global progress in preventing the deaths and suffering of animals during disasters.

Urge the Mexican and Kenyan governments to include animal welfare in their national emergency plans, and work with the Indian government to include it in their national disaster management plan.

Take our lifesaving aid to where it was needed most and work towards our aim of saving 5 million animals from suffering by 2020.

So during the year we...

Saved more than 606,000 animals from suffering in 10 disasters in 10 countries. An additional 265,700 animals were helped indirectly through our training, funding and equipment. Since 2015 we have directly and indirectly assisted 2.3 million animals. Our aim is to save 5 million by 2020.

Achieved a world first by convincing the international community that animals matter in disasters. In November, as part of the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030, UN member states agreed with our recommendations to measure the global impact of disasters. This means that, for the first time ever, countries are expected to reduce the risks animals face from disasters and show the benefits of protecting them in hard figures.

Collaborated with the IFRC in two areas. We ran our best practice in animal management training course in the Philippines for 22 IFRC livelihoods officers working specifically in disaster response. We expect these officers will share their new animal welfare knowledge with many communities and that hundreds of animals will be better protected as a result. In Tabasco, Mexico, the Mexican Red Cross continued to implement our solutions – including poultry racks – to help local people in six communities protect their chickens from floods. This impoverished rural area is often flooded for up to six months of the year, which causes great suffering for animals and people. The racks raise the chickens off the ground, protecting them from the flood waters.

Celebrated when India's prime minister released the National Disaster Management Authority's national disaster management plan, which included elements of animal protection and welfare. This success is one of the results of our 10 years of working in the country. During 2016, as part of our local disaster preparedness work, we also organised a drill exercise to protect animals from floods in Nabhoi, a flood-prone village in Gujarat. Around 1,000 community members, 450 animals and a range of emergency services took part.



Continued to work with the governments of Mexico and Kenya to encourage them to include animal welfare in their national emergency plans. Thanks to our influence, Mexico's Center for Disaster Prevention (CENAPRED) has created an intergovernmental group that is working to include animal protection in the National Civil Defence System operating manual. Information regarding disaster preparation that CENAPRED shares with the public now always includes the importance of animal protection. We also worked with CENAPRED in August to organise a volcanic eruption drill in Mexico's Puebla state. More than 100 people participated including national and local government representatives.

In Kenya we supported the launch of the Animal Disaster Management Consortium for East Africa (ADMcea). This think tank, of which we are members, also includes representatives from the University of Nairobi; University of Mekelle; Wangari Maathai Institute for Peace and Environmental Studies; and the Intergovernmental Authority on Development. It aims to support and guide national and local governments to design and select effective projects to help communities become resilient and protect their animals from disasters.

And in Kenya's Makueni county, our pilot project in disaster risk reduction continued. More than 734,400 animals are better protected from disasters thanks to the disaster management education we have given their owners since February 2016. During the year we also conducted workshops to train newly graduated vets in community disaster management.

Our successes also included...

Protecting 250,000 Mongolian farm animals, including sheep, cattle and goats, from extreme freezing conditions in Mongolia. Herders were supplied with emergency shelter materials for more than 160,000 animals; 94,000 animals were also given milk and vitamins to make them stronger to survive the cold.

Vaccinating more than 100,000 animals against anthrax and Newcastle disease after Hurricane Matthew tore through Haiti in September. These highly contagious diseases cause great suffering, can kill infected animals and spread to people too.

Giving much-needed veterinary assistance and food to 97,850 cattle, pigs, poultry and pets suffering in Costa Rica in November, after Hurricane Otto swept through the region.

Bringing life-saving clean water and important minerals to 12,888 cattle in Chiang Mai province, Thailand. This area was affected by the worst drought in 10 years. The 40 water tanks and eight mineral block compression machines we provided in March were vital in helping the suffering animals survive the harsh conditions.

Equipping 30 local vets, paravets and livestock officers in the Philippines with our emergency veterinary kits in the aftermath of Typhoons Sarika and Haima during October. Through our training in the use of the kits, they treated more than 79,000 animals and protected them from disease.

Providing veterinary medicines and vitamins for the thousands of pets, farm animals and horses stranded in the floods that devastated Argentina's Villa Parancito region in April. This treatment protected them from the digestive and respiratory infections carried by stagnant flood water. During April we also worked with our local partners in Ecuador. With the Police Regional Canine Training Center and Rescate Animal Ecuador Foundation, we gave 20,550 earthquake-stricken animals food and veterinary care.



Protecting more than 11,000 animals in six villages affected by flooding in India's Golaghat district in Assam. And the mobile veterinary clinics and training in preventative care techniques that we supplied indirectly helped another 20,000 animals survive the floods.

Quenching the thirst of wild animals in drought-afflicted Ethiopia – saving them from dehydration and death. We did this by working with the Ethiopian Wildlife Conservation Authority to give them access to water in Yangudi Rassa National Park.

In 2017 we will...

Take our emergency relief and response work where it's needed the most, to directly and indirectly alleviate the suffering of an expected 700,000 animals during the year.

- **Delivering** direct aid (food, medicines and shelter).
- **Working** with our local partners and veterinary liaison officers – in-country veterinarians – who will be assessing the situation, analysing the need and treating animals before we get there.
- **Moving** towards helping animals after a disaster more quickly – from two weeks to two days.

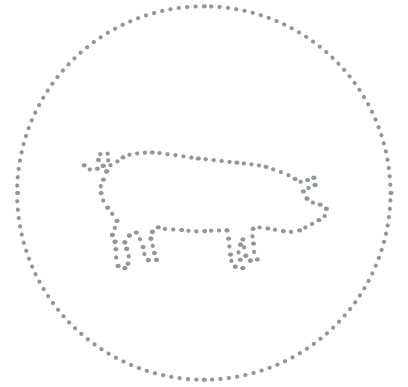
Work with global organisations, including the International Federation of Red Cross and Red Crescent Societies, in emergencies to develop and promote best practice procedures for animals.

- **Working** directly with national Red Cross and Red Crescent societies during response operations.
- **Collaborating** with the IFRC to help them include animals in community efforts.

Continue our work at UN level pressing for animals, their protection and welfare to be included in regional, national, local and personal disaster preparedness plans worldwide.

- **Working** specifically with the United Nations Office of Disaster Risk Reduction (UNISDR) to ensure that animal protection remains a key component of the Sendai implementation framework.
- **Developing** our work in Mexico, India and Kenya into compelling case studies. These will help us lobby for the implementation of the Sendai Framework in other countries by showing how animal protection can be included in disaster management plans. For example, we will have helped the Center for Disaster Prevention and the Animals in Disasters Policy Group in Mexico to include animal protection in their national disaster management operating manual by mid-2017. We expect to showcase this and the country's other animal protection efforts at the UNISDR Global Platform meeting in May.





Protecting animals in farming

"All three chicken farms to which we gained entry were claustrophobic, deafening and shocking in the level of suffering. The barns overwhelmed us with the clamour of the massed and miserable birds, the artificial roaring of the vents and fans, and the horrendous smell of the chickens' waste."

World Animal Protection investigator 2016



Image previous page:

A 19-day-old meat chicken being farmed commercially in Africa.

Tightly packed in their thousands into sheds, indoor pens and cages, billions of the world's intensively farmed animals never get the chance to behave naturally. Their natural needs – to explore, to perch, or simply turn around – are largely ignored, causing them physical and psychological suffering. Some have been bred to grow at such a rate that their body cannot even support its own weight.

Our work with farmers, retailers, consumers and governments is moving the world to give them better lives. We are showing how ending farm animal suffering can bring significant benefits to animals, people and business productivity

We promised that in 2016 we would...

Launch a global public campaign to persuade major food brands to commit by 2020 to transforming the lives of 10 billion chickens. In the campaign's first year we said we would mobilise more than 100,000 people to put pressure on the brands.

Work with pig production companies in Latin America, China and Thailand to ensure that 50,000 sows would be given better lives by being reared in group housing instead of cages.

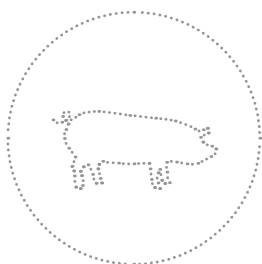
Influence key Food and Agriculture Organization and other UN decision-making platforms, such as the Committee for Food Security and the Global Agenda for Sustainable Livestock. We said we would urge them to include farm animal welfare in their recommendations for a healthy future for people and our planet.

So during the year we...

Challenged eight of the world's largest fast food retailers to improve the lives of chickens after our investigations revealed the shocking conditions in which the animals are raised. In response to our campaign McDonald's committed to being cage-free for chickens. And we collected almost 100,000 signatures asking KFC, Burger King, Pizza Hut, Domino's, Starbucks, Nando's and Subway to do the same. Nearly 200,000 supporters also petitioned KFC to give the chickens better lives, calling for more space, enriched environments and natural light. Our campaign will continue throughout 2017 to convince them to improve the lives of chickens in their supply chain.

Worked with North American businesses like IKEA (US and Canada), Nestlé (US and Canada) and grocery members of the Retail Council of Canada (RCC) to only use cage-free eggs. IKEA sells more than 900 million breakfasts in North America every year and in November 2016 they started using eggs from cage-free hens only. Our partner Nestlé has committed to use only cage-free eggs in North America by 2025, as have RCC members, who sell 90% of retail table eggs in Canada.

Improved the welfare of more than 63 million farm animals by working with Thai producer Betagro. More than one in 10 of the company's sows now have more space to behave naturally through group housing systems we have encouraged. And more than one million Betagro chickens are experiencing better living conditions. The company has also built new higher welfare sow farms where sows no longer give birth in farrowing crates that restrict their movement. Other improvements include enrichment for growing pigs to reduce the frustration and boredom that these highly intelligent animals often feel.



Influenced the UN Committee on World Food Security to recognise for the first time that improving animal welfare in all farming systems has a vital role in ending world hunger. After two years of our policy team's hard work, the Committee acknowledged in October that ending hunger should be achieved by sustainable agriculture of which animal welfare is a part. Such a decision means that countries will have to produce policies that improve animal health and welfare.

Our successes also included...

Supporting one of the world's largest food producers, BRF, to improve the welfare of pigs on their farms in Brazil. Improvements include banning unnecessary teeth clipping or grinding for pigs; pain relief when surgical pig castration is necessary; and adopting group pig housing on a number of farms.

More than 20% (around 75,800) of BRF sows have been moved from stalls to group housing after two years of work with us. BRF is also trialling enrichments to allow pigs, chickens and turkeys to behave more naturally. Once fully implemented, these improvements will give 43 million birds annually better lives.

Gaining the commitment of the three largest food companies in Brazil - JBS, BRF and Aurora Alimentos - to phase out sow stalls over the next nine years. This means 48% of all sows in the country will no longer be kept in cruel systems based on rows of metal cages which stop them turning around and behaving naturally.

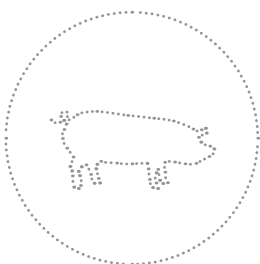
Conducting a survey that found that 75% of consumers in four major Chinese cities believe pig welfare is important, and that more than 70% said they would pay more for higher welfare pork. These results were launched on World Animal Day (4 October) with a video to educate businesses and consumers about pig welfare. The video has gained more than 100,000 views.

Celebrating the introduction of India's first National Code of Practices for Management of Dairy Animals, which our India team has worked towards, with the Indian government, for more than four years.

The code covers housing requirements, space allowance, good practices for providing water for the animals and the type and frequency of feed. It was endorsed by the Ministry of Agriculture and Farmers Welfare in 2016 and subsequently recommended to India's state animal husbandry departments. It will also be distributed to CEOs of livestock development boards and to state agricultural and veterinary university information centres for farmers at village level.

Running a consumer attitude survey in India to support our campaign to change the lives of the country's dairy cows and buffaloes. It showed that almost 90% of people surveyed strongly agree dairies should be closed if they do not consider the welfare needs of cows and buffaloes. Around 50 million cows and buffaloes are kept in sub-standard conditions in small, local, legal and illegal, urban and suburban dairies which deny them basic needs such as water, natural food, clean environments or movement.

Harnessing consumer support against the rise of intensive, indoor dairy farms in the UK through our Full Fact Milk campaign. Thousands of people petitioned their supermarkets asking for labelling to guarantee that the milk they sell is from cows grazed on grass for at least six months each year. Marks & Spencer and Waitrose issued statements saying that their milk comes from cows that have grazed for at least 100 days a year.



In 2017 we will...

Rally a vibrant global movement of people to influence the food industry and secure commitments to improve the lives of millions of chickens, pigs and dairy cows.

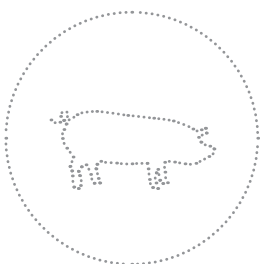
- **Mobilising** 300,000 people to sign our global petition to improve the welfare of chickens in the fast-food supply chain.
- **Raising** the awareness of Chinese people and encouraging them to call for change so that at least one retailer will introduce a higher welfare pork product line by the end of the year.

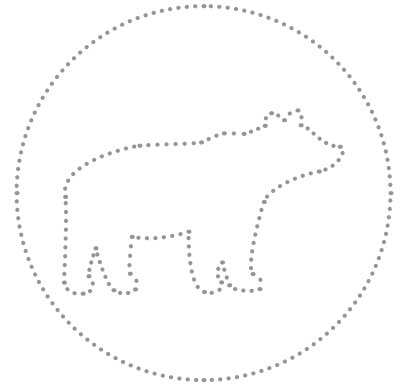
Collaborate with livestock producers around the world to develop and expand new animal-friendly farming systems.

- **Supporting** Thai company Betagro to phase out its use of sow stalls by October 2017. This will improve the lives of 275,000 sows and can be used as an example to encourage other companies in Thailand and internationally to do the same. We will also support Betagro to construct new cage-free aviary systems, showing both consumers and other businesses how eggs can be produced more humanely. Around 100,000 chickens will benefit as a result.
- **Improving** the lives of millions of Indian dairy cows and buffaloes as we persuade three state governments to sign up to the National Dairy Code and to phase out urban and suburban dairies.

Create change for the billions of chickens used annually by food companies worldwide.

- **Convincing** three global and eight national fast food brands to commit to improving chicken welfare. The eight brands will be encouraged to introduce policies that improve the lives of chickens by the end of the year.
- **Persuading** two of the brands to state publicly that they will not use chickens farmed in cages.





Protecting animals in the wild

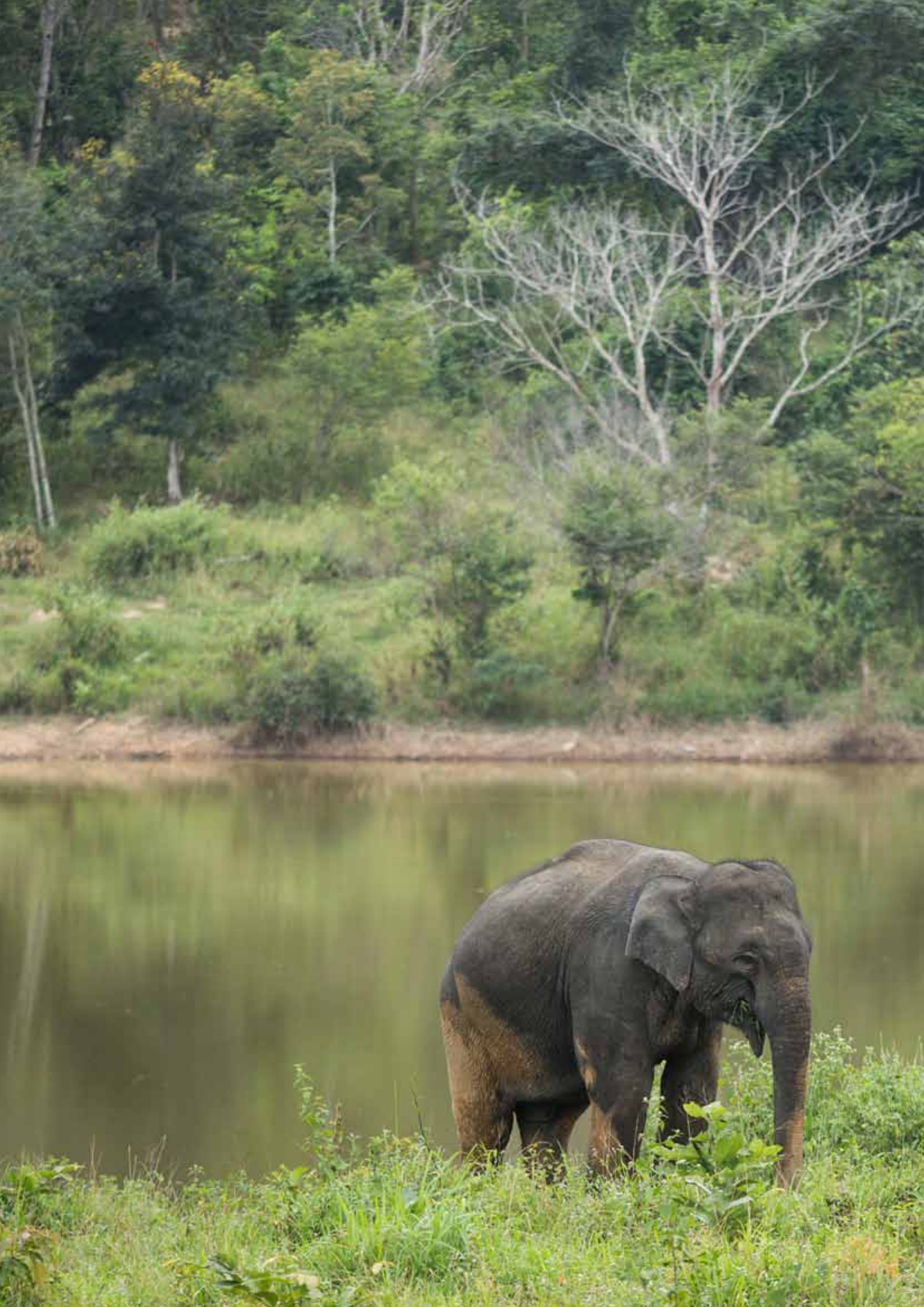


Image previous page:
A female elephant in Kui Buri
National Park, Thailand.

Our world's precious wildlife needs protection. Every day wild animals face a distressing catalogue of cruelty. They are trapped, traded and trained to perform for tourists or exploited and slaughtered for their body parts.

Marine animals are at risk of entanglement in the thousands of tonnes of ghost fishing gear left like death traps in our oceans.

But it doesn't have to be like this. With the help of our supporters we are moving industry, governments and local communities to develop solutions to end this unnecessary suffering for good.

We promised that in 2016 we would...

Mobilise a further 250,000 people across the world to take meaningful actions to keep wild animals wild and not entertainers.

Encourage travel companies who no longer promote and sell cruel wildlife entertainments to work with us on developing animal-friendly solutions that appeal to tourists and benefit local communities.

Drive forward the innovative Global Ghost Gear Initiative (GGGI) that we founded. This is because the GGGI is uniting the fishing industry, governments, international organisations and NGOs to create and use solutions that will save millions of marine mammals.

So during the year we...

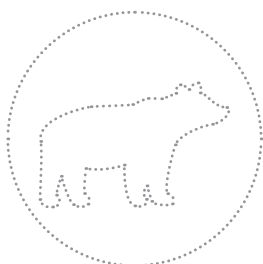
Mobilised 558,000 people to put pressure on Trip Advisor, through our Wildlife – not entertainers campaign to stop promoting and profiting from cruel wildlife entertainment. Thanks to their actions, TripAdvisor announced it will no longer sell any wildlife experiences that involve direct contact with animals. They will also launch an online education portal to help millions of tourists learn about the facts behind the scenes that wild animals face for tourist entertainment.

Exposed wild animal suffering for tourist entertainment through our 'Checking out of cruelty' report. The report, launched in February, revealed the global scale of the problem and listed the world's 10 cruellest wildlife tourist activities, and was widely picked up by the media.

We also grabbed worldwide media attention in July with our report 'Tiger selfies exposed' that uncovered the fast-growing tiger entertainment industry in Thailand. The captive tiger population has increased in the country by one third in just five years. After Thai authorities confiscated all 147 tigers at the infamous Tiger Temple, we presented them with a 32,000-strong petition urging them to shut down other cruel tiger entertainment venues.

Worked with the travel industry to stop offering and promoting tourist activities causing animal suffering. By the end of 2016 we inspired 70 travel companies, including Contiki, TUI and Abercrombie and Kent, to stop offering tours to venues offering elephant rides and shows. This brings our total – since 2015 – to 158.

Supported leading travel associations in Germany and the Netherlands to produce information, guidelines and training for their members, focusing on the cruelty of captive wildlife entertainments. This will influence nearly 4,300 tour operators and travel agents in these countries.



Extended the global reach of the GGGI. We convinced the UN General Assembly to formally recognise that 'ghost gear' has serious and increasingly pervasive economic, social and environmental impacts on the marine eco-system. The Assembly called for urgent preventative action and removal, by all member states, of the 640,000 tonnes of ghost gear that injure and kill millions of marine animals annually.

Increased GGGI membership to 80. This includes 50 organisations representing the fishing industry, academia, government and NGOs. The GGGI is dedicated to finding solutions to the world's ghost gear problem as well as encouraging preventative action through promotion of best practice management of fishing gear.

Persuaded more than 140 countries in the UN Committee on Fisheries to develop and adopt global guidelines for the marking of fishing gear – an essential first step in protecting animals from the problem. Marking is vital in making the origins of the gear easier to trace and in improving fishing practices so that less gear is lost.

Funded a range of sea-changing projects worldwide. This included a triage centre for our partner Marine Mammals of Maine (USA) and renovation work and lifesaving equipment for the Hillswick Wildlife Sanctuary in Shetland (UK). We also supported the removal of tonnes of ghost gear through projects in six countries and marine mammal disentanglement training for nearly 200 people.

Our successes also included...

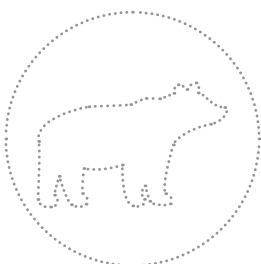
Convincing thousands of people to save botos – pink river dolphins – from being hunted and killed for fishing bait in the Amazon. More than 292,000 people in Latin America and globally have joined our Boto Guardian movement since it started in 2014; with 68,372 people becoming Boto Guardians in 2016. And in the Amazon region, 48 schools joined our education programme; 90 teachers have been trained and are inspiring more than 5,000 students to protect these iconic creatures.

Saving seven brown bears from captive suffering and bringing them to safety to join 73 other bears in the Romanian Bear Sanctuary run by our partner AMP – Millions of Friends. Funded largely by our supporters, the sanctuary is a beacon of animal welfare and responsible tourism in the country and receives nearly 25,000 visitors every year.

Protecting eight bears from the horrors of bear baiting by encouraging their owners to hand them over to the Balkasar Sanctuary in Pakistan. The campaign to stop baiting, run with our partner, the Bioresource Research Centre, has been a resounding success. No public baiting events were held in the country at all during 2016 and six out of 19 covert events were stopped.

Working with our partners in Vietnam, South Korea and China to end the suffering of around 25,000 bears condemned to miserable lives while being farmed for their bile. In China, our survey revealed that almost 84% of Chinese people hope to see the industry banned. Our research with a Chinese-government sanctioned think tank recommended a breeding ban starting in 2020 and a phasing-out of the industry over 20 years. We also tested a micro-chipping programme in Vietnam to ensure bear farmers comply with existing laws stopping bear bile production.

Persuading the UK government to continue funding the London-based National Wildlife Crime Unit (NWCU) for the next four years after it was threatened with closure. NWCU works closely with Interpol to combat the illegal wildlife trade estimated to be worth up to £14bn a year. London is an international hub for the trade.



In 2017 we will...

Influence the UN, governments and the seafood and fishing industry to commit to take real action to tackle the problem of ghost gear saving millions of marine animals from suffering.

- **Encouraging** more prominent seafood and fishing industry corporations to become active fee-paying and solution-finding members of the GGGI.
- **Persuading** seafood and fishing industry stakeholders to commit to solving the ghost gear problem by changing policies and practices across their supply chains that contribute to it.

Inspire even more people and travel companies to demand an end to tourism that exploits wild animals.

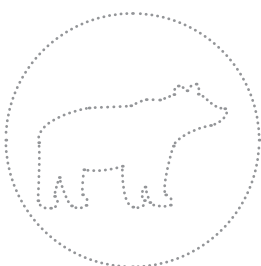
- **Mobilising** thousands more people across the world to join our Wildlife - not entertainers campaign.
- **Gaining** and deepening the commitment of more travel companies to stop offering and promoting elephant rides and shows, and other cruel wildlife attractions.
- **Supporting** pioneer elephant venues to move to higher welfare standards.

Secure lasting changes in Asia to stop bears being cruelly abused for entertainment and for their bile.

- **Drafting** policy recommendations to end the Chinese bear bile industry that will be put forward to the National People's Congress in 2018.
- **Ensuring** that the South Korean government's commitment to ending bear farming is upheld and that no new bears enter the industry during the year.

We will also protect bears from being abused for entertainment (baiting and dancing) in Pakistan.

- **Working** with our partner, the Bioresource Research Centre of Pakistan, and the government to amend and implement the Punjab Provincial Wildlife Act to fully protect bears from baiting and dancing.
- **Micro-chipping** all existing bear dancing and bear baiting bears to prevent more being used for these cruel entertainments.



Our global reach

World Animal Protection is a truly global organisation, working in over 50 countries across the world, with offices in six continents



Our offices

- | | | | | |
|--------------|---------------|-----------|--------------|------------------|
| 1 Costa Rica | 4 Brazil | 7 Denmark | 10 India | 13 Australia** |
| 2 Canada | 5 UK* | 8 Sweden | 11 Thailand* | 14 New Zealand** |
| 3 USA** | 6 Netherlands | 9 Kenya* | 12 China** | |

*These offices form part of the UK-registered charity and are included in the 'Charity' accounts.

**These offices are subsidiaries of the UK-registered charity and are included in the 'Consolidated' accounts.

Our financial review

Our finances at a glance

- Our income rose by £3.2m to £34.1m, building on our generous donor base with good results in income from legacies and partnership giving
- We spent £30.4m, of which 79% was spent on charitable activities. Our fundraising return on investment was £5.27/£1
- We made a net operating surplus of £4.4m; this was more than was intended due to a high level of legacy receipts and the effects of the organisational restructuring, both of which affected the final quarter of 2016
- We implemented a change to our operating model, removing the regional management structure and changing the way we work. This will ensure that in future we continue to make optimal use of resources and work together more effectively across the organisation
- We continued to maintain a strong cash position and ended the year with liquid cash balances of £17.0m; this has prompted us to revise our reserves policy to ensure that we are utilising organisational resources effectively. Liquid cash balances include cash at bank and on deposits and fixed asset investments, which are liquid
- The balance sheet continues to remain healthy; our fund balances are £17.4m. This year we have increased our designated funds to £9.2m, to build support for delivering our mission during 2017-2020
- We have run a series of training workshops for all our offices on our anti-fraud and anti-corruption policy.
- We received income of £0.6m from our investment funds, a net return of 13%

Our fundraising

Every dollar, baht and pound helps move the world for animals

Animals don't have a voice; they suffer needless cruelty on an unimaginable scale each year. Our vision is a world in which this statement is no longer true and all animals have a good life. With generous funding from our supporters worldwide, we work to make that vision a reality. In 2016, we helped create better lives for millions of animals.

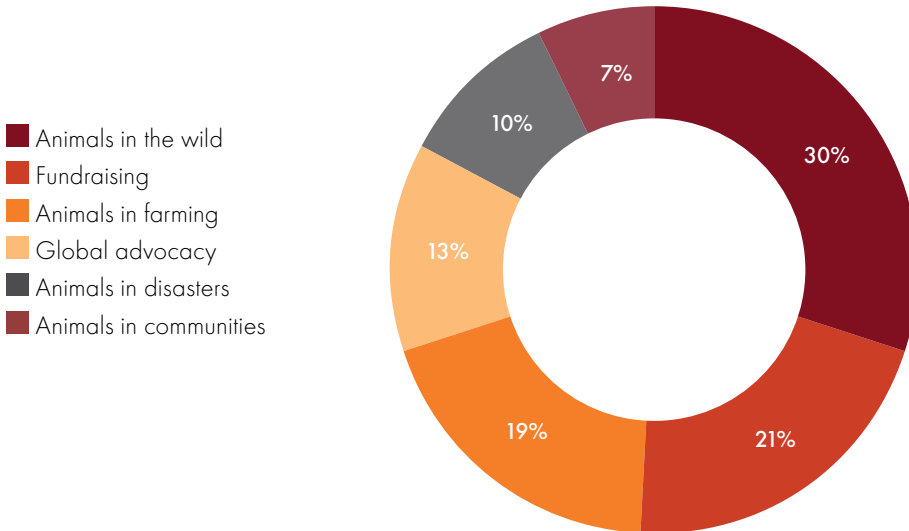
In 2016, World Animal Protection secured £34.1m of income, which was an increase of more than £3.2m compared to 2015. Legacy income was one of the most significant drivers, with £7.8m in bequests provided by generous individual supporters, of which a large proportion came from the United Kingdom. This is an increase of £3.2m, or 71%, compared to 2015 (£4.6m). Gifts in kind from companies in the United States, which helped raise awareness of World Animal Protection's work, also contributed to our strengthened income position this year. Finally, donations from trusts and foundations rose slightly, from £348k in 2015 to £540k in 2016.

World Animal Protection continues to work closely with corporates to help them improve their farm animal welfare policies and practices. In support of our partnership and our shared commitment to creating better lives for farm animals, global food company Nestlé made another generous unrestricted gift of £118k. An individual supporter in New Zealand continued her generous support of World Animal Protection's mission with a gift of £ 517k. This funding made possible much of our work to care for animals in the aftermath of disasters, to protect dogs from inhumane culling, and give bears the opportunity to enjoy the rest of their lives in a natural environment. And with a portion provided as a matching gift opportunity, this gift also inspired others to support the launch of our Better Lives for Dogs Campaign in Sierra Leone, which is a critical country in the world's fight to eliminate rabies.

For more information on World Animal Protection's global fundraising efforts, please see our 2016 Global Review, which includes a financial summary of all entities of the World Animal Protection group.

Our expenditure

During 2016 our expenditure rose to £30.4m, and the direct spend on charitable activities accounted for 79% of our total organisational spend. Spending slowed towards the end of the financial year due to the implementation of a new operational model (see below).



We have designated funds in the 2016 accounts, largely for fundraising activities, to enable us to build our support for our mission.

The organisation implemented a change to our operating model late in 2016. This process had two main aspects: removal of the regional management structure and changing the way we work within the organisation. The intention was to strengthen accountability and connection between countries and the International office to further our strategic aims. This change is already making a positive difference, with improved communication and connections within the organisation.

Activities to redefine our culture and organisational development will continue in 2017. Inevitably, this change did incur expenditure in 2016, with redundancy costs of £0.7m, but the overall financial impact is to reduce our future overhead base so that we can be more effective as an organisation. The additional costs incurred in 2016 will be recovered in fewer than 12 months due to the reduced overhead base.

Our fundraising approach

World Animal Protection UK strives hard to adhere to the highest standards of good fundraising practice and comply with fundraising and data protection regulations. We are registered with the Fundraising Regulator, while our staff all have individual membership of the Institute of Fundraising, of which we also hold corporate membership. This gives us access to their Compliance Directorate and User Panels. We are members of the Direct Marketing Association, the Lotteries Council, the Institute of Legacy Management, the Withers Indemnity Project and the National Council for Voluntary Organisations. We are also licensed by the Gambling Commission.

Much of our fundraising marketing activity is developed in-house. However, in seeking to make best use of our limited resources, we recognise that third-party partners are often better placed to deliver some of our fundraising campaigns. For face-to-face activity, we employ professional fundraisers to acquire new regular supporters. In early 2016, we contracted Neet Feet Ltd to help us with this, but ceased the relationship immediately following media coverage of the company that highlighted malpractices in its fundraising methods. A wider investigation by the Fundraising Regulator was conducted, since a number of charities had engaged Neet Feet's services. As a result, we implemented several measures to further improve our monitoring of telephone activity. We have since engaged another agency, YFR, to continue our face-to-face fundraising campaign.

To ensure that our supporters receive a professional and responsible service from us, we have further refined the processes and procedures that sit beneath our fundraising policy and which allow our management and trustee board to monitor the quality and delivery of our work in this area. From over 2,800,000 direct interactions with the UK public, in 2016, we received 77 complaints – all of which were effectively responded to in line with our compliments and complaints policy. All the third-party suppliers we work with are contracted following a rigorous procurement process to ensure they deliver value for money and work in a way which is consistent with our own policies and ethos. We also work closely with our supplier partners, such as YFR and Angel, to offer training in areas of our work and compliance. We monitor all telephone activity through a rigorous call listening process, shadow professional fundraisers and provide feedback on their performance.

We recognise that our work in protecting animals appeals to a broad range of supporters, and are vigilant in protecting vulnerable people and other members of the public. We have a 'vulnerable people' policy and work closely with our partners to ensure they adhere to this and our other relevant policies. We run briefings for their fundraisers. For example, as part of our call listening quality control, we regularly monitor calls to people aged over 70 on a random basis. Equally, we aim to not contact minors and only take direct debits from people aged over 18. We are mindful not to put undue pressure on a person to donate to us; our processes and protocols work across telephone, face-to-face and gaming activity.

Other examples of our control measures include:

- Not using auto-diallers
- Limiting the number of opportunities to request a donation by telephone
- Limiting the hours during which such requests may be made
- Limiting the hours during which face-to-face contact may be made

As part of our strategy of offering greater choice to donors in supporting our work financially, we run raffle and lottery campaigns. To operate, we hold gold level membership of the Lotteries Council, and make a modest charitable contribution to the Gamble Aware Trust to assist people with gambling addictions. Furthermore, in all our gaming communications, we offer clear ways to supporters to opt out of any further communications and sign-posts to the Gamble Aware Trust for those seeking advice on gambling addiction.

Our key financial policies

Our reserves policy

The Trustees regularly review the reserves position of World Animal Protection. The charity takes a risk-based approach in determining the amount that should be held in reserves. It avoids holding excessive levels of reserves so as to maximise charitable spending in line with our strategic objectives. The reserves policy is intended to protect the organisation and its charitable programme by providing time to adjust to changing financial circumstances.

During 2016 the reserves policy was reviewed by Trustees. As part of this review, the reasons for retaining reserves were discussed, and basic principles were set that the reserves policy should:

- Give confidence to funders by demonstrating good stewardship and active financial management
- Demonstrate the charity's resilience and capacity to manage unforeseen financial difficulties to beneficiaries, funders and the public
- Give voluntary funders an understanding of why funding is needed to undertake a project
- Give assurance to lenders and creditors that the charity can meet its financial commitments

Our minimum reserves level incorporates the following principles:

- Include liquid cash and investment balances in our UK-registered charity and subsidiaries
- Ensure we have sufficient cash holdings to meet our organisational needs
- Embed monitoring of this target into our management information

As a result of the review, the Trustees agreed to amend the basis on which our reserves target range is calculated from an expenditure-focused to an income-focused approach.

Reserves performance

As at 31 December 2016, we held cash balances of £12.2m and liquid investments of £4.8m, giving a total of £17.0m (2015: £12.2m). This slightly exceeded the upper target range based on the previous reserves policy, due to the surplus generated in 2016.

In keeping with the revised policy, our minimum liquid reserves target for 2017 is £5.3m.

Our investment policy

The Trustees reviewed the investment policy during 2016 for the cash holdings which are held by the World Animal Protection UK entity.

The objective of the policy is to balance various requirements:

- To maintain appropriate liquidity in case reserves are needed at short notice
- To achieve the highest possible return on investments
- To minimise risk
- To meet our ethical standards

The policy is to invest surplus funds for the short term in fixed-term or call deposits with a high security rating.

Funds which are not expected to be needed except in the longer term are transferred to an investment manager, whose role is to protect World Animal Protection's investments and generate a return while observing our investment restrictions. As part of the Trustees' oversight of this portfolio, the investment manager attends a committee meeting each year to present the results of the investment.

Investment performance

During 2016, our investment fund in the UK increased to £3.8m, an increase of £0.6m, which equates to a 17.2% increase during the year. Following conversations with our investment manager, the Trustees are content with the performance of the fund.

Our grant-making policy

We make grants to other entities in the global World Animal Protection network to contribute to their running and programme costs. We also give grants on a proactive basis to our partner organisations and institutions to support joint work on strategic campaigns and projects. We may occasionally offer financial support to other bodies for their own activities which clearly contribute to fulfilling our strategic animal welfare objectives.

Grants to entities within the World Animal Protection network are routinely monitored through narrative and financial management reports which include explanations of variance from agreed budgets. Grants to other organisations are awarded only after a due diligence process has been followed in accordance with our detailed procedures. They are subsequently governed by grant agreements which lay out agreed terms of reference and requirements for regular reporting, in order to ensure the effective use of funds and delivery of our objectives.

Our remuneration policy

We operate a global remuneration policy, approved by the Board, which requires an annual review of all salaries. Reviews take into account factors such as local market rates, the level of salary increases within the sector in a given year, general inflation and affordability. In the UK we participate in an externally managed, sector-specific review. Any proposed increases are approved by the Board as a part of the annual budget process. Where there are proposed salary increases as per external data on inflation, the cost of living and affordability, these are awarded to staff in July.

Aligned with our overall pay policy, we benchmark the Chief executive's salary against salaries of chief executives in global charities of a similar size and income. For the Global Leadership Team, salaries are based on data relating to senior roles in comparable organisations.

Our risks and uncertainties

The following major risks are reflected in our risk register for 2016. Our full global risk register is reviewed twice a year by the Board. Risks relating to the work of each of the Board's committees are reviewed as a matter of course at all their meetings.

Risk description

Mitigations in place

1 Financial stability

In an uncertain financial environment, ensuring our long-term financial stability is of paramount importance if we are to deliver our strategic campaign objectives.

- We have robust finance, reserves and investment policies in place
- The Finance and Audit Committee reviews and provides assurance to the Board on our financial position on a quarterly basis
- The Board undertakes regular and thorough reviews of our financial position and projections
- We continue to improve budgeting and forecasting accuracy to help ensure this risk is managed and that potential investment is not tied up in unpredicted underspending
- We diversify our fundraising streams and explore new fundraising markets
- We have invested in 'testing and innovation' to secure new donors and have created a Global Growth Fund for rolling out successful tests and innovations.

2 Long-term impact of our work

Assessing and ensuring the long-term impact of and out comes from our programmatic campaigns remains a priority and a challenge.

- We have in place a quarterly performance review process to monitor performance across all aspects of our operations and will continue to refine the process to ensure that it allows our Board and leadership teams to accurately gauge the impact and outcomes of our work and refine our approach where necessary
- We have a new campaign management process which adds greater rigour to the planning, implementation, monitoring and evaluation of campaigns and projects
- The board has a dedicated programmes-focused committee which keeps under quarterly review the tools we use to monitor and evaluate our work as well as the outcomes of key significant campaigns.

Risk description

Mitigations in place

3 Fundraising methodology

The way World Animal Protection acts and is perceived as a fundraiser is of crucial importance if it is to continue to develop the strength and integrity of its brand and its financial support base.

- We have in place a fundraising policy which formalises our standards and approach in this area
- Greater emphasis on the Board's oversight of fund raising performance and methodology through regular quarterly reporting in this area
- Review of our fundraising policy and supporting procedures to ensure our fundraising methods are consistent with best practice
- Redoubling of our efforts to ensure our work with third-party providers is consistent with our own high standards.

4 Robust governance and leadership

Operating in over 50 countries, often with staff working remotely, sometimes in disaster situations, and with a range of funded partners, we are mindful of the need to ensure consistent compliance with our global policies to ensure the most effective delivery of our strategic objectives.

- Compliance with our global policies is monitored through our quarterly performance review process
- We regularly review all geographical and functional risk registers
- We operate internal control procedures which are constantly reviewed
- Both the external and internal audit functions report observations on compliance with internal controls and make recommendations for enhancements as needs be
- Collaboration agreements with World Animal Protection affiliates are to be refreshed during 2017/18
- Our internal audit provision is being refreshed and strengthened during 2017
- A new global accountability framework is being introduced.

5 Management of personal information

As a global organisation we take very seriously our obligations to responsibly manage the personal information we hold which relates to our staff, supporters and advocates.

- A global data protection policy was adopted in 2016
- During 2017 we are undertaking a full survey of our compliance with our policy, data protection legislation in every country where we operate and best practice globally
- Our senior leadership team and International Board will monitor compliance with our policy and with relevant legislation through our quarterly performance review and internal audit programmes.

Our governance

Our global structure

World Animal Protection is a global organisation which comprises a network of national offices, coordinated by an International office. This coordination role includes developing the global strategy, setting global policies and standards, and providing central corporate services where it is most efficient to do so. During 2016 we reconfigured our operating structure, moving away from working through regional hubs to International working directly with national offices.

Every World Animal Protection national office is constituted and registered as a legal entity in its own country as required; and is licensed through a collaboration agreement with the International office to use the World Animal Protection trademark. These offices focus either solely on their own country or on agreed geographical regions. They carry out a range of animal welfare and fundraising activities united under one global World Animal Protection strategy, developed in consultation between all the offices and approved by the Board of Trustees of the UK charity. World Animal Protection as registered in the UK includes our International office, the country office for the UK, and two other offices, in Kenya and Thailand, which are branches of the UK charity. Our subsidiaries include formerly independent entities in Australia, New Zealand and the United States of America, as well as our office in China. Independent but affiliated national offices are located in Brazil, Canada, Costa Rica, Denmark, India, the Netherlands and Sweden. However, a process is in place by which the Costa Rica office is expected to be brought into the branch network of the UK organisation in the course of 2017.

Governance

The Board of Trustees consists of not more than 13 people. The Board meets a minimum of four times a year (as do its committees) to review the performance of the charity and make any decisions necessary to its governance and strategic direction. It also regularly reviews the organisation's risk register. Updated information about the Trustees and governance of World Animal Protection can be found on our website at: <http://www.worldanimalprotection.org/world-animal-protection-governance>.

The Board has a Finance and Audit Committee which discusses and makes recommendations to the Board on financial policies and the annual audit and accounts. The committee reviews:

- The management accounts and performance in relation to the budget
- The annual budget before it is presented to the Board of Trustees
- The investment policy and the performance of investments
- Fundraising performance
- External audit.

The Board's Nominations and Governance Committee ensures that World Animal Protection's governance processes and practices are robust, geared towards enabling the most effective delivery of its global strategy and in line with best practice. To ensure greater objectivity in relation to our internal compliance framework, from 2016 it assumed responsibility for oversight of our internal audit processes. In addition, the committee continually reviews the skill requirements of the Board of Trustees and makes recommendations to the Board as appropriate. When new trustees are needed, they are recruited through a global advertising process, with the aim of identifying and appointing candidates with the particular skills and experience required by the Board.

They are appointed for a four-year term, with the possibility of renewal for one further four-year term. The performance of individual trustees is appraised annually in the same way as that of staff.

The induction process for any newly appointed trustee has two main elements:

- An induction pack containing key documents relating to:
 - The Board specifically, including: a trustee role description and code of conduct, to make clear their duties and obligations as a trustee of a UK charity; and terms of reference for the Board committees
 - The wider organisation, including: articles of association, the current strategy, financial health and corporate policies
- A series of meetings with board and staff members to:
 - Establish key relationships
 - Receive briefings on the strategy, World Animal Protection's structure and governance practices and processes, and the organisation's expectations of the new Trustee. Training is offered on new legislation and best practice.

The Human Resources and Remuneration Committee is constituted to review the Chief Executive Officer's (CEO's) performance and remuneration and to keep under review our policies on human resources, organisational pay and our reward strategy, to ensure that they are consistent with the Board's requirements, current legislation and best practice. It also monitors the development of a progressive and positive organisational culture.

The Policy and Programmes Committee is responsible for ensuring that World Animal Protection's programme and campaign activity delivers demonstrable lasting change across our four programme areas and that our mission-focused work remains in line with our long-term strategic goals and objectives.

In addition, the committee will keep under review World Animal Protection's global animal protection policy, ensuring that it is consistent with international best practice and World Animal Protection's own strategy and brand.

Finally, the Board also operates a Standing Committee whose principal role is to carry out the functions of the full Board between its regular meetings. This might include advising on matters referred to it by the CEO.

Leadership

The CEO is appointed by the Board of Trustees to manage the day-to-day operations of the charity. The CEO works with a Global Leadership Team (GLT) which comprises the directors of the key functions. The Board also directly appoints the Company Secretary who oversees organisational governance, legal services, risk management, compliance and internal audit.

The full list of 2016 and current members of the GLT can be found on page 37 under Reference and administrative details.

Our reference and administrative details

World Animal Protection is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. World Animal Protection is governed by its Articles of Association.

Charity registration number 1081849

Company registration number 4029540

Registered office 222 Gray's Inn Road, London WC1X 8HB

Board of Trustees

(who are directors for Companies Act purposes)

Paul Baldwin^{1, 2, 5} Chair

Dominique Bellemare³

Nesta Hatendi^{3, 4, 5} Deputy Chair

Sarah Ireland⁴

Anna Lemessany² appointed September 2016

Christine Lloyd^{1, 5}

Carter Luke^{1, 2, 3, 5}

Mwikali Muthiani¹

Joseph Nhan-O'Reilly^{4, 5}

Mark Watts^{2, 4}

¹Member of Human Resources and Remuneration Committee;

²Member of Finance and Audit Committee;

³Member of Nominations and Governance Committee;

⁴Member of Policy and Programmes Committee;

⁵Member of Standing Committee

Chief executive officer Steve McIvor

Company secretary Stephen Corri

Investment managers

Vanguard Asset Management Limited
4th floor, The Walbrook Building,
25 Walbrook,
London EC4N 8AF

Bankers

Barclays Bank PLC
99 Hatton Garden,
London EC1N 8DN

Solicitors

Bates Wells and Braithwaite London LLP
10 Queen Street Place,
London EC4R 1BE

Auditors

Grant Thornton UK LLP
Grant Thornton House,
Melton Street,
London NW1 2EP

Global leadership team

Steve McIvor

Chief executive

Kevin Geeson

Chief operating officer

Lena Ahlby

Global director of programmes

(Acting from March, substantive from October 2016)

Phil Talbot

Global director of marketing, communications
and fundraising (appointed August 2016)

Alfredo Botti

Regional director for Latin America and the Caribbean
(resigned June 2016)

Silia Smith*

Regional director for North America
(redundant from November 2016)

Ruud Tombrock*

Regional director for Europe
(redundant from November 2016)

Margaret West*

Regional director for Asia Pacific
(redundant from September 2016)

Tennyson Williams*

Regional director for Africa and the Middle East
(post suppressed from October 2016)

*These changes resulted from the revision of the organisation's operating model during 2016.

Our public benefit requirement

Under the Charities Act 2011, charity trustees have a duty to explain in their 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 Board of 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 charitable purposes falling within this description include:

- Charities promoting kindness and seeking to prevent or suppress cruelty to animals
- Animal sanctuaries
- The provision of veterinary care and treatment
- Charities concerned with the care and rehoming of animals that are abandoned, mistreated or lost
- Feral animal control, eg, neutering.

In accordance with the requirements of the Charities Act 2011, the Board of Trustees has paid due regard to the Charity Commission's guidance on public benefit when deciding on and planning the activities of World Animal Protection. All our Trustees give their time voluntarily and receive no benefits from the charity. The charity operates a policy that ensures that trustees are reimbursed for reasonable expenses incurred in their role and in line with our policies on expenses and travel, to ensure that no one is excluded from contributing on financial grounds. Any expenses reclaimed by the Board of Trustees are disclosed in Note 10 to the Accounts.

This report demonstrates how we met our charitable purposes in 2016 and our principal achievements under our respective strategic priority areas of work.

Our statement of trustees' responsibilities

The Board of Trustees (who are also directors of World Animal Protection for the purposes of company law) is responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations. Company law requires the Board of Trustees to prepare financial statements for each financial year.

Under that law the Board of Trustees has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Board of Trustees is required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements including Financial Reporting Standard FRS 102
- Prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charitable group will continue in business.

The Board of Trustees is responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In the case of trustees in office at the date the Trustees' Annual Report is approved:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Going concern

The Trustees have reviewed the consolidated position of World Animal Protection. They have taken into account the level of reserves and cash, the annual business plan and forecast process, and the systems of financial and risk management.

As a result of this review, the Trustees believe that World Animal Protection is well placed to manage operational and financial risks successfully. Accordingly, the Trustees expect that World Animal Protection has adequate resources to continue in operational existence for the foreseeable future. Consequently, it can continue to adopt the 'going concern' basis of accounting in preparing the financial statements.

This report, including the Strategic Report, was approved by the Board of Trustees and signed on their behalf by:



Paul Baldwin
Chair
31 May 2017

Independent auditor's report to the members of World Animal Protection

We have audited the financial statements of World Animal Protection for the year ended 31 December 2016 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows, the summary income and expenditure account, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of trustees' responsibilities set out on page 39, 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2016 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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 Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and Trustees' Annual Report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Grant Thornton UK LLP

Jennifer Brown

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date: 31 MAY 2017

Consolidated financial statements

Consolidated statement of financial activities for year ending 31 December 2016

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2015 £'000
Income and endowment from:									
Donations and legacies	2	32,357	1,599	-	33,956	28,517	2,241	-	30,758
Other trading activities	4	25	-	-	25	7	-	-	7
Investments	3	125	-	-	125	127	-	-	127
Total		32,507	1,599	-	34,106	28,651	2,241	-	30,892
Expenditure on:									
Raising funds	5	6,447	-	-	6,447	4,760	-	-	4,760
Charitable activities	6	22,263	1,654	-	23,917	22,360	2,296	-	24,656
Total		28,710	1,654	-	30,364	27,120	2,296	-	29,416
Net gains/(losses) on investments		610	-	-	610	(14)	-	14	-
Net income/(expenditure)		4,407	(55)	-	4,352	1,517	(55)	14	1,476
Net movement in funds		4,407	(55)	-	4,352	1,517	(55)	14	1,476
Reconciliation of funds:									
Fund balances brought forward		10,526	56	1,668	12,250	9,009	111	1,654	10,774
Foreign exchange movement		588	12	163	763	-	-	-	-
Fund balances carried forward		15,521	13	1,831	17,365	10,526	56	1,668	12,250

The statement of financial activities includes all gains and losses recognised in the year. All the incoming resources and resources expended derive from continuing activities.

The notes on pages 45 to 59 form part of these financial statements.

Consolidated financial statements

Consolidated and charity balance sheets for year ending 31 December 2016

	Note	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Fixed assets					
Tangible assets	11	495	221	703	413
Other non-current assets		-	-	13	13
Investments	12	4,782	3,795	3,996	3,238
		5,277	4,016	4,712	3,664
Current assets					
Stock		5	-	4	-
Debtors	13	2,639	2,527	1,875	1,388
Cash on deposit	24	2,213	1,711	395	71
Cash at bank and in hand	24	10,013	7,807	7,818	5,799
		14,870	12,045	10,092	7,258
Creditors: amounts falling due within one year	14	(2,538)	(1,306)	(2,325)	(949)
Net current assets		12,332	10,739	7,767	6,309
Provisions	15	(244)	(232)	(229)	(193)
Net assets		17,365	14,523	12,250	9,780
Unrestricted funds					
Designated funds		9,212	9,212	1,282	1,010
Revaluation funds		800	800	196	196
General funds		5,509	3,511	9,048	7,531
	16	15,521	13,523	10,526	8,737
Restricted funds	17	13	13	56	56
Endowments	18	1,831	987	1,668	987
Total funds		17,365	14,523	12,250	9,780

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The notes on pages 45 to 59 form part of these financial statements. The financial statements were approved by the Trustees on 31 May 2017.



Paul Baldwin
Chair

Registered company no: 4029540

Consolidated financial statements

Consolidated statement of cash flows for year ending 31 December 2016

	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Cash flows from operating activities:					
Net cash provided in operating activities			3,904		1,644
Cash flows from investing activities:					
Interest received		53		60	
Investment income		72		67	
Purchase of tangible assets		(16)		(91)	
Purchase of investments		(7)		(360)	
Sale of fixed-asset investments		7		7	
Net cash provided by/(used in) investing activities			109		(317)
Change in cash and cash equivalents in the reporting period	24		4,013		1,327
Cash and cash equivalents at the beginning of the reporting period			8,213		6,886
Cash and cash equivalents at the end of the reporting period	24		12,226		8,213
Reconciliation of net income to net cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)			4,352		1,476
Adjustments for:					
Depreciation charges			273		342
Net gains on investments			(602)		-
Foreign exchange differences			518		-
Investment income			(125)		(127)
Loss on disposal of fixed assets			11		6
Decrease in other non-current assets			13		-
(Increase)/decrease in debtors			(764)		442
Increase/(decrease) in creditors			213		(368)
Increase/(decrease) in provisions			15		(127)
Net cash provided by operating activities			3,904		1,644

The notes on pages 45 to 59 form part of these financial statements.

Consolidated financial statements

Summary income and expenditure account

The World Animal Protection Group	Note	2016 £'000	2015 £'000
Income			
Voluntary income	2	33,956	30,758
Activities for generating funds	4	25	7
Investment income	3	125	127
		34,106	30,892
Expenditure			
Costs of generating voluntary income	5	6,432	4,756
Fundraising trading	5	5	4
Investment manager's fees	5	10	-
Charitable activities	6	23,917	24,656
		30,364	29,416
Surplus of income over expenditure before realised/unrealised gains/losses		3,742	1,476
Unrealised gains on investment	12	610	-
Foreign exchange movement		763	-
Net movement in funds		5,115	1,476

An income and expenditure account is an alternative summary of the information contained in the Statement of Financial Activities. As recommended in the Charity SORP, this statement excludes gifts of capital that are not currently available for revenue expenditure (see Note 18). The income and expenditure account is included in the accounts in order to comply with the Companies Act 2006.

Notes to the consolidated financial statements

1. Accounting policies

a) Basis of preparation

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

World Animal Protection meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements are for the legal entity which is World Animal Protection, a charity registered with the Charity Commission and with Companies House as a company limited by guarantee. All figures have been converted into sterling as this is the group's presentational currency.

b) Basis of consolidation

The consolidated financial statements of the group incorporate the accounts of the charity including the Regional Offices of Europe; Africa and the Middle East; North America; Latin America; and Asia-Pacific; and branches in Thailand and Kenya, and its wholly owned trading subsidiary World Animal Protection Trading Company Limited. The branches are also registered as legal entities in their local jurisdictions to comply with the relevant laws and regulations.

A separate Statement of Financial Activities (SOFA) is not presented because the charity has taken advantage of the provisions of Section 408 of the Companies Act 2006.

c) Fixed-asset investments

Fixed-asset investments are stated at their market value at the balance sheet date. Any gain/loss on revaluation is recognised in the consolidated SOFA.

d) Tangible fixed assets

Tangible fixed assets over £5,000 are depreciated on a straight line basis over their expected useful lives as follows:

Computer equipment	3 years
Software	3 years
Office equipment	3 years
Leasehold property	The life of the lease

e) Fund accounting

Funds held by the charity are:

Unrestricted funds – funds which can be used in furtherance of the charity's objectives at the discretion of the Board of Trustees.

Designated funds – funds which have been designated by the Board of Trustees for a particular purpose, but this designation does not legally restrict the Board of Trustees' discretion to apply the funds.

Restricted funds – funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds – funds that have been given to the charity to be held as capital. Endowments can either be permanent endowment funds which means that they cannot be converted to funds, or expendable endowment funds where the Trustees do have a discretionary power to use the funds as income. The endowment funds are accounted for on the basis of any restrictions imposed by the donors.

f) Incoming resources

Appeals, grants and donations

Income from appeals, grants and donations is included in incoming resources when: the charity has entitlement to funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies

Entitlement to legacies is taken as the earlier of the date on which either: the charity is aware probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and reference should be made to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Notes to the consolidated financial statements

Interest receivable

Interest is included when receivable by the charity.

Commercial trading activities

Income from commercial activities of World Animal Protection Trading Company Limited is included in the period in which the group is entitled to receipt.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs incurred in generating donations, the costs of trading for fundraising purposes and the costs directly attributable to managing the investments
- Expenditure on charitable activities comprises those costs directly related to the objects of World Animal Protection. It includes both the costs which can be directly allocated to such activities and the costs of an indirect nature necessary to support them. These costs are apportioned on an appropriate basis as set out in Note 6
- Other expenditure represents those items not falling into any other heading.

Grants

Grants payable are accounted for as expenditure in the period in which an irreversible binding commitment to make payment has been entered into and upon receipt of satisfactory management reports.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated have been set out in Note 8.

h) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

i) Cash at bank and in hand

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

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle

the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

k) Financial instruments

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

l) Foreign currency

Transactions in foreign currencies are translated at the exchange rate in effect at the time of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. Exchange differences are included in the consolidated SOFA for the period in which they are incurred.

m) Pensions

The charity operates a defined-contribution pension scheme. The assets of the scheme are held separately from the charity in an independently administered fund. The amount charged in the SOFA represents the contributions payable to the scheme in respect of the accounting period.

World Animal Protection USA contributes to a multi-employer defined-benefit scheme, but the charity is unable to separately identify its share of the scheme's assets and liabilities and hence has accounted for the scheme under a defined-contribution basis.

n) Significant accounting estimates and judgments

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually. Further information about key assumptions concerning the future, and other key sources of estimation of uncertainty, are set out in the notes. The items in the financial statements where these judgments and estimates have been made are included in Note 15 - Provisions. Note 15 includes provisions for dilapidation costs in respect of the expected costs to be incurred on termination of the lease period for properties across the Group.

Notes to the consolidated financial statements

2. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	2016 £'000	Unrestricted funds (Restated) £'000	Restricted funds (Restated) £'000	2015 (Restated) £'000
Appeals and gifts (individual donations)	18,133	174	18,307	19,155	37	19,192
Legacies	7,112	718	7,830	4,527	58	4,585
Corporate donations, trusts, foundations and society grants	504	36	540	289	59	348
Major donors	242	523	765	995	-	995
Gifts in kind	651	-	651	38	-	38
Other income	17	-	17	13	-	13
Donations from World Animal Protection organisations	5,698	148	5,846	3,500	2,087	5,587
	32,357	1,599	33,956	28,517	2,241	30,758

The 2015 figures have been restated to show income from major donors and corporate donations separately from individual donations.

3. Investments

	Unrestricted funds £'000	Restricted funds £'000	2016 £'000	Unrestricted funds £'000	Restricted funds £'000	2015 £'000
Interest receivable	53	-	53	60	-	60
Investment income from investments	72	-	72	67	-	67
	125	-	125	127	-	127

4. Subsidiary companies

	Trading company		USA		Australia		New Zealand		China	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000	2016 £'000	2015 £'000	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Income	25	7	4,292	4,196	6,806	5,823	2,054	2,812	854	587
Expenditure	(4)	(4)	(4,158)	(2,540)	(6,806)	(5,817)	(2,053)	(2,810)	(862)	(579)
Net incoming/(outgoing) resources before gains and losses	21	3	134	1,656	-	6	1	2	(8)	8
Gains/(losses) on investments	-	-	45	-	-	-	-	-	-	-
Net movements in funds	21	3	179	1,656	-	6	-	2	(8)	-
Assets	72	31	3,206	2,266	1,364	1,058	247	297	166	136
Liabilities	(47)	(27)	(870)	(536)	(714)	(519)	(122)	(198)	(64)	(64)
Funds	25	4	2,336	1,730	650	539	125	99	102	72

Notes to the consolidated financial statements

5. Expenditure on raising funds

	Unrestricted funds 2016 £'000	Unrestricted funds 2015 £'000 (Restated)
Appeals and gifts (individual donations)	5,717	4,268
Legacies	97	118
Corporate donations, trusts, foundations and society grants	536	247
Major donors	82	123
Fundraising trading	5	4
Investment manager's fees	10	-
	6,447	4,760

The 2015 figures have been restated to show expenditure on raising funds through major donors separately from individual donations. Included in the above are governance costs of £210,972 (2015: £161,111).

6. Charitable Activities

	Grants £'000	Direct expenditure £'000	Support costs £'000	Governance costs £'000	Total 2016 £'000	Grants £'000	Direct expenditure £'000 (Restated)	Support costs £'000 (Restated)	Governance costs £'000	Total 2015 £'000
(see note 7)										
Animals in communities	443	1,231	461	59	2,194	241	1,458	404	102	2,205
Animals in farming	-	4,136	1,509	244	5,889	19	3,601	2,218	486	6,324
Animals in disasters	6	2,362	452	57	2,877	70	2,495	548	81	3,194
Global advocacy for animals	19	2,736	1,090	167	4,012	78	3,960	942	170	5,150
Animals in the wild	894	5,456	2,258	337	8,945	859	5,270	1,425	229	7,783
	1,362	15,921	5,770	864	23,917	1,267	16,784	5,537	1,068	24,656

The 2015 expenditure figures were restated to account for the reallocation of costs from direct expenditure to support costs.

Notes to the consolidated financial statements

7. Grants

Grants were made to the following institutions:

	2016 £'000	2015 £'000
Bioresource Research Centre	246	302
Asociatia de Protectie a Animalelor	166	191
University of Oxford	147	169
Global Alliance for Rabies Control	128	60
Education for Nature Vietnam	118	40
University of Nairobi	83	46
AITA Foundation	66	-
Sierra Leone Animal Welfare Society	59	-
China Association for the Promotion of International Agricultural Cooperation	34	-
Development Research Center of the State Council (China)	31	-
Makueni County Government	25	52
SO-AK (Social Aktivering)	24	-
Organisation for Respect and Care of Animals (ORCA)	24	-
Green Korea United	23	30
Borneo Orangutan Survival Foundation	20	36
Hillswick Wildlife Sanctuary	20	-
Ethiopia Wildlife Conservation Authority	17	-
Marine Mammals of Maine	15	40
Boon Lott's Elephant Sanctuary	14	-
Kenya Veterinary Board	12	-
Douglas Indian Association	10	-
Kommunenes Internasjonale Miljøorganisasjon (KIMO UK)	10	-
Biodiversity and Nature Conservation Association	8	-
Top Think Tank (Beijing)	8	-
Department of National Parks, Wildlife and Plant Conservation, Thailand	7	-
TRAFFIC	7	-
Save the Dogs and other animals	7	7
Fathoms Free	7	-
Olive Ridley Project	6	-
Ghost Fishing UK	6	-
Chinese Preventive Medicine Association	-	95
Humane Society International	-	49
China Animal Disease Control Center	-	40
African Union InterAfrican Bureau for Animal Resources	-	28
Compassion in World Farming	-	15
OIE World Animal Health and Welfare Fund	-	13
Love Wildlife Foundation	-	13
Lanna Dog Welfare Foundation	-	10
Aminals/Jillani and Associates	-	10
North Carolina Zoological Society	-	6
Surfers Against Sewage	-	6
Other grants to institutions (all under £5,000)	13	9
	1,362	1,267

Notes to the consolidated financial statements

8. Analysis of support and governance costs

	Animals in communities £'000	Animals in farming £'000	Animals in disasters £'000	Global advocacy for animals £'000	Animals in the wild £'000	Consolidated 2016 £'000	Consolidated 2015 £'000
CEO and executive management	155	397	137	298	574	1,561	1,784
Finance	53	202	64	150	327	796	993
IT	39	156	39	103	217	554	601
Facilities	134	484	131	317	689	1,755	1,499
HR	81	271	82	221	450	1,105	660
Governance	58	244	57	167	337	863	1,068
	520	1,754	510	1,256	2,594	6,634	6,605

9. Net income

This is stated after charging:

	2016 £'000	2015 £'000
Operating lease expense	1,207	854
Depreciation charges	273	342
Loss on disposal of fixed assets	8	-
Auditor's remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts	73	64
Fees payable to the charity's auditor and its associates for other services:		
- Audit of the accounts of subsidiaries	63	62
- Other non-audit services	28	-
Amounts paid to other auditors - internal audit	73	62
Investment manager's fees	10	-

Audit remuneration in relation to the group audit was £60,349 (2015: £49,560) and this was paid to Grant Thornton UK LLP. These fees include £12,000 of additional audit fees for the 2015 audit.

Audit remuneration for overseas offices was £75,819 (2015: £76,440) and this was paid to Grant Thornton International member firms.

Non-audit services were provided by Grant Thornton UK LLP and member firms and were for tax advice and forensic audit work. Internal audit remuneration was paid to Crowe Clark Whitehill.

Notes to the consolidated financial statements

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Consolidated 2016 £'000	Consolidated 2015 £'000
Wages and salaries	11,216	10,524
Social security costs (national insurance and other taxes)	850	955
Other pension costs	740	834
	12,806	12,313

In addition, a great amount of time, the value of which is impossible to reflect in these financial statements, was donated by our volunteers.

The average number of contracted employees throughout the year, calculated on a full-time equivalent basis, was:

	2016 Number	2015 Number
Charitable activities, campaigns and publicity	118	135
Fundraising	48	57
Managing and administration	49	60
Leadership and governance	15	12
	230	264

The emoluments of members of staff, including benefits in kind within the range of £60,000 to £139,999, are:

	2016 Number	2015 Number (Restated)
£60,000 - £69,999	16	14
£70,000 - £79,999	9	9
£80,000 - £89,999	9	4
£90,000 - £99,999	1	2
£100,000 - £109,999	2	4
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-
£130,000 - £139,999	1	-
	39	34
The pension costs paid in respect of these employees amounted to	176,498	153,629

The key management personnel of the charity are considered to be the Global leadership team (GLT). Up until October 2016, the GLT also included the regional directors. The GLT comprises the CEO, COO, the Global director of marketing, communications and fundraising and the Global director of programmes. The key management personnel of the charity received £742,405 (2015: £916,633) in salaries and fees. The employer contributions into the charity's pension scheme with respect to key management personnel amounted to £42,857 (2015: £62,476). The total employee benefits of the key management personnel of the charity were £5,668 (2015: £7,964).

	2016 £'000	2015 £'000
Redundancy/termination payments	732	136
Number of employees made redundant	23	5

Payments in both the current and prior year were made as compensation for loss of office. Such payments are recognised in the period they arise. During 2016, there was an organisational restructure with a view to streamlining the way the group operates, improving our accountability to donors and delivering more impact for animals. In addition, the restructure will deliver cost savings going forward, which can be used to fund our work to protect animals.

Trustee expenses

Total Board/Committee expenses incurred in respect of travel, accommodation and subsistence was £29,420 (2015 (restated): £43,280) Included in the above are £23,001 (2015: £39,937) of expenses reimbursed to nine trustees (2015: 8) None of the Trustees receive any remuneration for their services as trustees of the Charity.

Notes to the consolidated financial statements

11. Tangible fixed assets (consolidated)

	Leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2016	1,115	452	479	348	2,394
Additions	-	6	11	-	17
Transfers	229	(229)	-	-	-
Foreign exchange differences	18	91	43	11	163
Disposals	(46)	(1)	(61)	(134)	(242)
At 31 December 2016	1,316	319	472	225	2,332
Depreciation					
At 1 January 2016	746	218	384	343	1,691
Transfers	80	(80)	-	-	-
Disposals	(34)	(1)	(61)	(134)	(230)
Foreign exchange differences	11	49	33	10	103
Depreciation in year	163	56	51	3	273
At 31 December 2016	966	242	407	222	1,837
Net book amount at 31 December 2016	350	77	65	3	495
Net book amount at 31 December 2015	369	234	95	5	703

Tangible fixed assets (charity)

	Leasehold property £'000	Office equipment £'000	Computer equipment £'000	Software £'000	Total £'000
Cost					
At 1 January 2016	1,059	54	313	298	1,724
Additions	-	-	2	-	2
Foreign exchange differences	5	8	8	-	21
Disposals	(46)	(1)	(39)	(134)	(220)
At 31 December 2016	1,018	61	284	164	1,527
Depreciation					
At 1 January 2016	718	40	256	297	1,311
Foreign exchange differences	3	8	4	-	15
Disposals	(34)	(1)	(39)	(134)	(208)
Depreciation in year	154	7	27	-	188
At 31 December 2016	841	54	248	163	1,306
Net book amount at 31 December 2016	177	7	36	1	221
Net book amount at 31 December 2015	341	14	57	1	413

Notes to the consolidated financial statements

12. Fixed asset investments (consolidated and charity)

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Market value as at 1 January 2016	3,996	3,238	3,643	3,210
Add: acquisitions at cost	7	-	360	-
Less: disposals at opening book value	(8)	-	(7)	-
Less: Investment managers' fees	(8)	(8)	-	-
Foreign exchange differences	185	-	-	-
Unrealised gains on revaluation	610	565	-	28
Market value at 31 December 2016	4,782	3,795	3,996	3,238
Historical cost at 31 December 2016	3,768	2,995	3,765	2,995

An analysis of the market value of investments at 31 December 2016 is as follows:

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000 (restated)	Charity 2015 £'000 (restated)
Overseas equities	1,700	1,693	1,444	1,444
UK stock/bond mixed indexed funds	812	812	693	693
US stock indexed funds	534	-	451	-
Bonds	1,199	1,154	984	984
Bond indexed funds	470	137	117	117
US fixed-interest stock	67	-	307	-
	4,782	3,795	3,996	3,238

At 31 December 2016, the charity owned the entire issued share capital of World Animal Protection Trading Company Limited (£2 cost), a company which supports the charity by carrying out ancillary trading activities. The trading results are set out in Note 4. At 31 December 2016, the amount of this company's assets, liabilities, share capital and reserves was:

	2016 £'000	2015 £'000
Current assets	72	31
Creditors: amount falling due within one year	(47)	(27)
	25	4
Called up share capital - (£2 rounded down to nil)	-	-
Profit and loss account	25	4
	25	4

Notes to the consolidated financial statements

13. Debtors

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Trade debtors	22	6	315	75
Amounts owed by subsidiary undertakings	-	935	-	684
Amounts owed by other World Animal Protection entities	23	21	764	-
Accrued income	1,610	847	269	269
Prepayments	784	652	463	296
Other debtors	200	66	64	64
	2,639	2,527	1,875	1,388

14. Creditors: amounts falling due within one year

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Trade creditors	652	556	774	372
Other creditors	156	2	506	21
Taxes and social security	283	237	384	196
Accruals and deferred income	1,308	368	350	301
Amounts owed to other World Animal Protection entities	139	139	311	59
Amounts owed to subsidiary undertakings	-	4	-	-
	2,538	1,306	2,325	949

15. Provisions

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Opening balance	229	193	356	330
Movement in other non-current liabilities	(36)	-	10	-
Dilapidation charge in the year	51	39	75	75
Less HMRC UK gift aid liability reduction	-	-	(212)	(212)
Closing balance	244	232	229	193

The provision relates to lease dilapidations for the London and Australian offices.

Notes to the consolidated financial statements

16. Unrestricted funds (Consolidated and Charity)

Consolidated

	Balance at 1 January 2016 £'000	Income £'000	Expenditure £'000	Realised and unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2016 £'000
Designated funds	1,282	16	838	-	8,752	9,212
General and revaluation funds	9,244	32,491	27,872	1,198	(8,752)	6,309
Total unrestricted funds	10,526	32,507	28,710	1,198	-	15,521

As at 31 December 2016, the Trustees made a decision to create a designated fund to support future activities to expand our reach as an organisation and grow support for our animal protection movement.

Charity

	Balance at 1 January 2016 £'000	Income £'000	Expenditure £'000	Realised and unrealised gains and losses £'000	Transfers £'000	Balance at 31 December 2016 £'000
Designated funds	1,010	16	839	-	9,025	9,212
General and revaluation funds	7,727	25,935	21,065	739	(9,025)	4,311
Total unrestricted funds	8,737	25,951	21,904	739	-	13,523

17. Restricted funds

Consolidated

	Balance at 1 January 2016 £'000	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2016 £'000
Animals in farming	2	32	36	2	-
Animals in the wild	-	535	522	-	13
Animals in communities	-	171	181	10	-
Global advocacy for animals	-	478	478	-	-
Animals in disasters	54	383	437	-	-
	56	1,599	1,654	12	13

Charity

	Balance at 1 January 2016 £'000	Income £'000	Expenditure/ transfers £'000	Exchange differences £'000	Balance at 31 December 2016 £'000
Animals in farming	2	32	36	2	-
Animals in the wild	-	535	522	-	13
Animals in communities	-	171	181	10	-
Global advocacy for animals	-	478	478	-	-
Animals in disasters	54	383	437	-	-
	56	1,599	1,654	12	13

Notes to the consolidated financial statements

18. Endowment Funds

Consolidated	Italy/Isle of Capri £'000	General Operations £'000	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2016	30	651	654	333	1,668
Net realised and unrealised gains	-	-	-	-	-
Sale of assets - realised gains/losses	-	-	-	-	-
Foreign exchange differences	8	155	-	-	163
Balance at 31 December 2016	38	806	654	333	1,831

Charity	Eberle Capital £'000	Ruth Whist Capital £'000	Total £'000
Balance at 1 January 2016	654	333	987
Net realised and unrealised gains	-	-	-
Sale of assets - realised gains/losses	-	-	-
Balance at 31 December 2016	654	333	987

The Eberle Capital Investment Fund arises from a legacy received in 1991 for the protection of small animals "if possible". The capital of the fund cannot be used for other charitable purposes unless prior approval is given by the Trustees.

The Ruth Whist Capital Cash Fund arises from a donation for use in work for animals in need. The capital of the fund cannot be spent and interest should be withdrawn annually for use at the discretion of World Animal Protection's Director of programmes. The income arising from this fund is part of unrestricted investment income.

In World Animal Protection USA, since 1980, numerous donors have contributed to the endowment fund for General Operations. In 1990 the estate of Mona Bismarck contributed an endowment gift for Italy/Isle of Capri.

Notes to the consolidated financial statements

19. Analysis of net assets between funds

For 2016

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	495	-	-	495
Investments	2,951	-	1,831	4,782
Net current assets	12,319	13	-	12,332
Provisions	(244)	-	-	(244)
	15,521	13	1,831	17,365

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	221	-	-	221
Investments	2,808	-	987	3,795
Net current assets	10,726	13	-	10,739
Provisions	(232)	-	-	(232)
	13,523	13	987	14,523

For 2015

Consolidated	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	703	-	-	703
Investments	2,328	-	1,668	3,996
Net current assets	7,724	56	-	7,780
Provisions	(229)	-	-	(229)
	10,526	56	1,668	12,250

Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	413	-	-	413
Investments	2,251	-	987	3,238
Net current assets	6,322	-	-	6,322
Provisions	(193)	-	-	(193)
	8,793	-	987	9,780

20. Commitments

Capital commitments: There were no capital commitments by the charity or group, contracted or authorised, at 31 December 2016 or 31 December 2015.

Notes to the consolidated financial statements

21. Operating lease

The consolidated and charity's future minimum operating lease payments are as follows:

	Consolidated 2016 £'000	Charity 2016 £'000	Consolidated 2015 £'000	Charity 2015 £'000
Due in one year or less	1,038	601	1,095	699
Between one and five years	659	173	1,641	941
In five years or more	-	-	-	-
	1,697	774	2,736	1,640

22. Related party transactions

	Paid by World Animal Protection £'000	Received by World Animal Protection £'000
World Animal Protection Brazil	767	-
World Animal Protection Canada	-	944
World Animal Protection Costa Rica	1,333	-
World Animal Protection Denmark	-	2,039
World Animal Protection India	-	(5)
World Animal Protection Netherlands	-	2,070
World Animal Protection Sweden	-	798
	2,100	5,846

23. Guarantee

The Charity is also a company limited by guarantee. In the event of winding up, its members would be liable to pay an amount not greater than £1.

24. Analysis of cash and cash equivalents

	At 1 January 2016 £'000	Cash flows £'000	At 31 December 2016 £'000
Cash at bank and in hand	395	1,818	2,213
Cash on deposit	7,818	2,195	10,013
	8,213	4,013	12,226

Year end cash balances are held in a number of foreign currency accounts including US dollars and euro.

Notes to the consolidated financial statements

25. Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from the charity in an independently administered fund. The amount charged to the Consolidated Statement of Financial Activities represents the contributions payable into the scheme in the year.

World Animal Protection USA contributes to a multi-employer defined benefit scheme, but the charity is unable to separately identify its share of the scheme's assets and liabilities and hence has accounted for the scheme under a defined-contribution basis. The amount of defined-benefit contributions recognised as an expense in the period was £14,844 (2015: £7,849). The total for defined contributions was £725,507 (2015: £814,225). All contributions are part of unrestricted funds.

26. Legacies

The value of legacies notified to the charity but which do not meet the recognition criteria (and so are not accounted for within the financial statements) is approximately £4.8 million (2015: £2.6 million).

27. Post balance sheet events

In the London office, the 4th floor lease was surrendered to the landlord in February 2017.

This event does not change the view of the results of 2016 and therefore no adjustment has been made in the 2016 financial statements.

Thank you

To our supporters

We would like to say a sincere thank you to all our supporters. Ending animal suffering starts with moving people to care and contribute; you have made life-changing work for animals possible in 2016. With your continued generous support, we will work hard in 2017 and beyond to move the world to join us in protecting animals.

To our volunteers

Volunteers are important to World Animal Protection in many ways, from raising vital funds to helping with office administration and support. Many thousands give their time and support by engaging with us in forms of campaign action. So we would like to express our warmest thanks to them all for their dedication and hard work during 2016. They make a fundamental contribution to our mission to move the world to protect animals.

We are World Animal Protection.

We end the needless suffering of animals.

We influence decision makers to put animals on the global agenda.

We help the world see how important animals are to all of us.

We inspire people to change animals' lives for the better.

We move the world to protect animals.

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