

International Fund for Animal Welfare IFAW in Action

(A company limited by guarantee)

Company registered no: 01556892

Annual report and financial statements

for the year ended 30 June 2022

International Fund for Animal Welfare IFAW in Action (A company limited by guarantee)

Annual report and financial statements for the year ended 30 June 2022

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International Fund for Animal Welfare IFAW in Action (A company limited by guarantee)

Directors and advisors

Directors Robert C. Barber (*resigned 6 July, 2021*)
Mark T. Beaudouin
Barbara U. Birdsey
Joyce C. Doria
Catherine H. Lilly
Debobrata Mukherjee (*resigned 12 July, 2021*)
Virginia A. Pollak
Judi W. Wakhungu

Independent auditors RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Solicitors Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers HSBC UK
28 Borough High Street
London
SE1 1YB

Registered Office 209-215 Blackfriars Road
London
SE1 8NL

International Fund for Animal Welfare IFAW in Action (A company limited by guarantee)

Directors' report for the year ended 30 June 2022

The Directors present their annual report and the audited financial statements of the company for the year ended 30 June 2022.

Principal activities

International Fund for Animal Welfare IFAW in Action, a UK company limited by guarantee (hereinafter the “company” or “IFAW IA”), is part of a worldwide group of non-profit organisations, which collectively comprise the International Fund for Animal Welfare (“IFAW”). IFAW has offices in fifteen countries and supports animal welfare and conservation projects in more than forty countries around the world. The mission of IFAW is: *IFAW is a global non-profit organization: fresh thinking and bold actions for animals, people and the places we call home.*

Review of business and future developments

Early in Fiscal year 2018, the Organization undertook a comprehensive review and assessment of its programmatic and operational activities in Russia. This assessment took into consideration strategic importance, political climates, programmatic impact and financial costs. In January 2018, the Organization took a decision to commence the process of winding down operations in Russia in Fiscal year 2018. During Fiscal year 2019 the deregistration of the Russian Office was completed on March 1, 2019.

With respect to programmatic activities, the company made important contributions to combatting Wildlife Crime through a combination of direct expenses and grants, working in the United Kingdom and internationally as part of IFAW’s global campaigns.

Most of IFAW IA direct expenses related to work to end illegal wildlife trade.

Program activities

During FY22 and FY21 IFAW In Action did not complete any programmatic operations. Moving forward, IFAW and its related entities will dedicate additional resources to strengthen our strategic commitments in Africa and Asia, in alignment with our institutional strategic plan.

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Directors' report for the year ended 30 June 2022 (continued)

Affiliated organisations

The affiliated organisations of the company are as follows:

Name	Country
International Fund for Animal Welfare (Australia) Pty Ltd	Australia
International Fund for Animal Welfare (Belgium)	Belgium
International Fund for Animal Welfare Inc./ Fonds international pour la protection des animaux inc.	Canada
Fonds international pour la protection des animaux (IFAW France)	France
Fonds International pour la Protection des Animaux (IFAW)	France
IFAW Internationaler Tierschutz-Fonds gGmbH	Germany
International Fund for Animal Welfare (IFAW) Limited	Malawi
Stichting IFAW (International Fund for Animal Welfare)	Netherlands
International Fund for Animal Welfare NPC	South Africa
International Fund for Animal Welfare (IFAW)	United Kingdom
IFAW Commerce Limited	United Kingdom
International Fund for Animal Welfare, Inc.	United States
International Fund for Animal Welfare Limited	Zambia
International Fund for Animal Welfare (Zimbabwe Trust)	Zimbabwe

While the assets of the company are held separate from, and are not combined with, those of the affiliates, the company supports, whenever necessary or appropriate, IFAW animal welfare program activities worldwide.

Contact addresses of affiliated organisations can be obtained by writing to the company's registered office as in the directors and advisers page.

All aforementioned directors are also directors of the International Fund for Animal Welfare (IFAW) in the United Kingdom. Apart from Robert C. Barber and Debobrata Mukherjee Daniel who retired from their IFAW position in July 2021 All aforementioned directors are also directors of affiliates in Australia, Canada, the Netherlands, South Africa and the United States of America.

Details of amounts owing to and from these organisations and of transactions with them are set out in note 9 to the financial statements.

Disclosure of information to the auditors

The current directors have taken all the necessary steps to make themselves aware of any information needed by the company's auditors for the purposes of their audit. The directors are not aware of any relevant audit information of which the auditors are unaware.

Auditors

RSM UK Audit LLP have expressed their willingness to continue in office.

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Directors' report for the year ended 30 June 2022 (continued)

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the board

DocuSigned by:

Mark Beaudouin

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Mark T. Beaudouin

Director and Audit and Risk Oversight Committee Chairperson

15 February 2023

Date

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Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL FUND FOR ANIMAL WELFARE IFAW IN ACTION

Opinion

We have audited the financial statements of International Fund for Animal Welfare IFAW In Action (the 'company') for the year ended 30 June 2022 which comprise the Statement of income and retained earnings, Statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

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statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit

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procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud .

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting minutes.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the preparation of the financial statements.

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

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.


NICHOLAS SLADDEN (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor Chartered Accountants
25 Farringdon Street
EC4A 4AB

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Statement of income and retained earnings for the year ended 30 June 2022

	Note	2022 £	2021 £
Grants from connected organisations	2	5,000	5,000
Gross profit		5,000	5,000
Management and administration	3	(2,885)	(3,957)
Operating profit		2,115	1,043
Interest receivable and similar income		-	-
Profit on ordinary activities before tax		2,115	1,043
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		2,115	1,043
Profit and loss account brought forward		3,125	2,082
Profit and loss account carried forward		5,240	3,125

The notes on pages 11-15 form an integral part of these financial statements.

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Statement of financial position as at 30 June 2022

Company registered number 1556892

	Note	2022 £	2021 £
Current assets			
Debtors	7	3,410	-
Cash at bank and in hand		6,390	11,540
		<u>9,800</u>	<u>11,540</u>
Creditors: Amounts falling due within one year			
	8	(4,560)	(8,415)
Net current assets		<u>5,240</u>	<u>3,125</u>
Net assets		<u><u>5,240</u></u>	<u><u>3,125</u></u>
Capital and reserves			
Retained reserves		<u>5,240</u>	<u>3,125</u>
		<u><u>5,240</u></u>	<u><u>3,125</u></u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf on 15 February 2023 by:

DocuSigned by:

 58B4235CCE70424...
 Mark T. Beaudouin
 Director and Audit & Risk Oversight Committee Chairperson

The notes on pages 11-15 form an integral part of these financial statements.

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Notes to the financial statements

for the year ended 30 June 2022

1 Principal accounting policies

The company does not seek to make a profit, nor can its achievements be measured by normal commercial criteria. In order that a true and fair view should be given in these financial statements, the directors have set out on page 9 a Statement of Income and Retained Earnings which shows the results for the year, but in a format other than the standard formats prescribed in the Companies Act 2006. In the opinion of the directors, the format adopted provides greater clarity on the nature of the company's activities and discloses the required information relating thereto. A summary of the more important accounting policies of the company, which have been consistently applied, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006. The company has adapted the Companies Act 2006 formats to reflect the special nature of the company's activities. These statements are presented in the functional currency of the company, British Pound Sterling (GBP) and rounded to the nearest pound.

International Fund for Animal Welfare IFAW in Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available from an affiliated organisation (International Fund for Animal Welfare (IFAW)) to finance future operations of the company, and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Management will affect such funding through affiliate grants as sufficient to alleviate continuation of going concern issues.

In early 2018 the Organizations took a decision to winddown operations of the Company which has resulted in low levels of trading activity since this decision. This continues to be the intention of the organization to maintain the Company at this level for the foreseeable future.

Cash Flow Statement

The company has taken advantage of the exemption in FRS 102 (section 7.1B) from the requirement to produce a cash flow statement on the grounds that it is a small company.

Income

Donations and grants from connected organisations are recorded as received.

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Notes to the financial statements

for the year ended 30 June 2022 (continued)

Creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets held at amortised cost comprise current cash at bank and in hand and debtors excluding prepayments.

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Taxation

Tax is accounted for in respect of other income and interest received.

Foreign currencies

Operational transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Differences arising on translation are recorded in the Statement of Income and Retained Earnings.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

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Notes to the financial statements for the year ended 30 June 2022 (continued)

2 Donation & Grant income

Grants and donations were comprised of the following:

	2022 £	2021 £
Grants from connected organisations	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>5,000</u>

3 Resources expended

(a) Operating profit is stated after charging:

	2022 £	2021 £
Auditors' remuneration - external audit	2,504	3,135
Foreign exchange loss	95	-
	<u>2,600</u>	<u>3,135</u>

(b) Resources expended are analysed as follows:

During Fiscal year 2022 resources were expended for general and administrative support costs of £2,885 (2021: £3,957)

4 Directors' emoluments

The directors did not receive any emoluments from the company for the year ended 30 June 2022 (2021: £nil).

5 Employee information

During Fiscal year 2022 and 2021, the company did not have any employees and no staff costs.

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Notes to the financial statements for the year ended 30 June 2022 (continued)

6 Tax on profit on ordinary activities

	2022 £	2021 £
(a) Analysis of charge in the year		
Current Tax:		
UK Corporation tax on profit for the year	-	-
Total current tax (Note b)	<u>-</u>	<u>-</u>
(b) Factors affecting tax charge for the period		
Profit/(loss) on ordinary activities before taxation	<u>2,115</u>	<u>1,043</u>
Profit/(loss) on ordinary activities multiplied by the standard average rate of corporation tax of 19%	402	198
Effects of:		-
Non taxable activities	(402)	(198)
Current tax charge for the year (Note a)	<u>-</u>	<u>-</u>

(c) Factors affecting future tax charges

Future tax charges are dependent on the level of non deductible expenses incurred within the company which have not been set against donations made. The company has no deferred tax assets or liabilities.

7 Debtors

	2022 £	2021 £
Amounts falling due within one year		
Amounts owed by affiliates (see note 9 (b))	<u>3,410</u>	<u>-</u>
	<u>3,410</u>	<u>-</u>

8 Creditors

	2022 £	2021 £
Amounts falling due within one year		
Amounts owed to affiliates (see note 9 (b))	-	2,160
Accruals	<u>4,560</u>	<u>6,255</u>
	<u>4,560</u>	<u>8,415</u>

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Notes to the financial statements for the year ended 30 June 2022 (continued)

9 Related party transactions

As noted in the directors' report, the company is a member of an affiliated group of organisations collectively referred to as the International Fund for Animal Welfare (IFAW). Neither the company nor any of its affiliates possesses or exercises control over any other organisation within the group.

(a) Grants and donations

The following grants and donations to and from affiliates were made during the year:

	2022 £	2021 £
Grants received		
International Fund for Animal Welfare (United Kingdom)	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

(b) Balances with affiliates

	2022 £	2021 £
Debtors: amounts falling due within one year		
International Fund for Animal Welfare (United Kingdom)	3,410	-
	<u>3,410</u>	<u>-</u>
Creditors: amounts falling due within one year		
International Fund for Animal Welfare (United Kingdom)	-	2,160
	<u>-</u>	<u>2,310</u>

All balances at 30 June 2022 represent current accounts.

10 Members liability

The guarantors of the company are the directors who are also the members. The liability of each guarantor is limited to £1. See page 1 for a list of directors.